The following-named (ex-U.S. Air Force officer) to be appointed a temporary commander in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualifications therefor as provided by law:

*Stephen R. Stouder

The following-named (civilian college graduates) to be appointed temporary commanders in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualifications therefor as provided by law:

Nejat H. Akbiyik
*William A. Sheremata

The following-named (U.S. Navy officer) to be appointed a temporary commander in the Dental Corps in the Reserve of the U.S. Navy, subject to the qualifications therefor as provided by law:

Gayle A. Owens

The following-named (U.S. Navy officer) to be appointed a temporary commander, in the line, in the U.S. Navy, subject to the qualifications therefor as provided by law:

David J. Friel

IN THE MARINE CORPS

The following-named Naval Reserve Officers Training Corps graduates for permanent appointment to the grade of second lieutenant in the Marine Corps, pursuant to title 10, U.S. Code, section 2107, subject to the qualifications therefor as provided by law:

Aichelmann, Frank M.
Andrews, Richard H.
Austin, Stanley M.
Barber, Gary W.
Barnes, Gregory W.
Barrow, Robert H.
Bartels, William L.
Bassett, William G.
Beaty, Timothy J.
Beekman, Patrick L.
Beeton, Clifford F.
Benford, Robert C.
Bennett, John S.
Berg, David W.
Blair, Kevin L.
Bohn, Michael S.
Bracken, Stephen T.
Bradley, Loretta G.
Brent, Rober C.
Brinn, Chauncey J.
Brogan, Michael M.
Brooker, Michael F.
Brown, Jerome W.
Brozozowksi, Mark M.
Bryant, John J.
Calhoun, Powell T., II
Capitano, Richard G.
Carper, Robert W., Jr.
Chace, Stephen D.
Conn, Daniel J.
Corscadden, Robert A.
Cross, Lyle M.
Curley, James M.
Cusick, Robert P.
Dalton, Pat F., III
Daniels, Robert J.
Daugherty, George L.
David, John W.
Davis, Claude H., III
Dean, Michael J.
Deatherage, Raymond F.
Dedeaux, Waldon A.
Decker, Michael H.
Defazio, George W.
Delaney, William F.
Dickerson, Curtis R.
Diehl, Curtis W.
Digregorio, Frank J.
DiSilva, Debra A.
Doll, James L.
Edmonds, Alan K.
Ellison, Christopher D.
Elwing, David W.
Ennis, Timothy K.
Eoff, David M.
Eskew, Mitchell A.
Fitzgerald, C. Scott
Fitzgerald, Robert A.
Flick, Edmond J.
Fulcher, Mark A.
Gearhart, Robert A.
Geerlings, Norma S.
Gelles, Thomas N.
Gibney, John R.
Gibson, Charles R.
Giorgio, John, Jr.
Golebiowski, Joseph, Jr.
Gossard, Ronald S.
Gray, William K.
Grecco, David J.
Gregory, Thomas E.
Grillo, Christopher
Guzauskas, Susan L.
Hall, Terry L.
Harben, Richard L.
Harding, William W.
Harris, William E.
Hartman, Mary R.
Hartway, Gordon E.
Hastings, Calvin E.
Haynes, Charles T.
Healey, Regina M.
Helmly, Reed L.
Hinman, Craig N.
Hoflen, Kent G.
Horton, David B.
Huete, Timothy H.
Huskey, Gregory A.
Jackson, Timothy J.
Jeffries, James H.
Johnson, Joanne
Jones, Frank A., Jr.
Kane, Paul J.
Keffer, Paul N.
Kelly, Donald W.
Kelly, Thomas R.
Kjell, Nils E.
Kleinfelter, Peter J.
Knauff, Kathy L.
Koppenhaver, James
Lacrosse, John M.
Lake, Brian D.
Lee, Mickey F.
Leech, Frank J.
Leinenkugel, Richard J.
Letts, Steven J.
Luigard, Timothy E.
Lukeman, James W.
Lynes, Jerome M.
Lynn, David B.
Mahnke, Peter A.
Manthe, Brian
Manuel, Larry K.
Martin, Jonathan B.
Masterpool, Michael M.
McAfee, David P.
McCown, James E. III
McLaughlin, Daniel J.
McNeive, James F.
Mortensen, Joseph A.
Moseley, William J.
Munch, Joseph C.
Muse, Mittie C.
Nellis, Stephen M.
Neuwirth, Mark E.
Nitkowski, Suzanne B.
Nixon, David B.
Noblit, Mark L.
Noxon, Robert B.
O'Donnell, Michael R.
Oles, Gary R.
O'Neil, Michael S.
Orawczk, Walter H.
Pearson, Warren L.
Peck, David T.
Platel, Craig A.
Pleasant, Timothy W.
Powell, Curtis J.
Pravati, Lucian M.
Psillas, Christopher F.
Putnam, Adin P.
Rains, Cal II
Renegar, Edwin S.
Richardson, Byron G.
Riley, James E.
Rinaman, Timothy W.
Ritonia, Michael J.
Roberson, David L.
Rood, John A.
Rooney, Joseph J.
Rugar, Mark J.
Sapp, Donald W.
Scott, Francis P.
Shumay, Michael A.
Sitler, David F.
Skinner, Mike T.
Smith, Charles D.
Smith, David E.
Smith, Matthew
Sommerhof, William S.
Sorfleet, William D.
Stebbins, Lee A.
Stinnette, Jesse W.
Stork, Harlan A.
Stroman, Mark H.
Switay, Kenneth M.
Talmon, Kent R.
Tanks, Bobby H.
Treacy, Jonathan T.
Vaughn, Daniel L.
Wakefield, Bruce A.
Walchessen, Nora S.
Wasdin, Ricky S.
Wassermann, Helene S.
Wheeler, Mark E.
Wheeler, Robert F.
White, David L.
White, Patrick J.
Whittle, Frederick J.
Wholley, James R.
Wilson, Jimmy L.
Wolf, Frances B.
Young, Frank A.
Zolman, Richard L.

*Appointment sent out Ad Interim (during the recess of the Senate). Senate recessed on 28 June 1979–8 July 1979.

The following-named Marine Corps enlisted commissioning education program graduates for permanent appointment to the grade of second lieutenant in the Marine Corps, pursuant to title 10, U.S. Code, section 5583, subject to the qualifications therefor as provided by law:

Averitt, Bruce A.
Duckworth, Frank H.
Krug, Daryl V.
Mason, Christy C.
Zirkelbach, Kurt V.

HOUSE OF REPRESENTATIVES—*Wednesday, September 5, 1979*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

I will extol Thee, my God and King, and bless Thy name for ever and ever. Every day I will bless Thee, and praise Thy name for ever and ever. Great is the Lord, and greatly to be praised, and His greatness is unsearchable.—Psalms 145: 1–3.

O Lord, as we praise Your name, so bless our coming together this day, and cause Your grace to be with those who labor here for the welfare of all people. May Your providence guide our Nation and give the vision for the path of justice and mercy.

When we are selfish and look only to our own needs, give us forgiveness and a new beginning, when we speak the truth and are faithful to our responsibility, then confirm and encourage in the right.

Bless all Your people, Lord, and may Your Spirit daily strengthen us. 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 I, the Journal stands approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Chirdon, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On August 2, 1979:

H.R. 2729. An act to authorize appropriations for activities for the National Science Foundation for fiscal year 1980, and for other purposes.

On August 3, 1979:

H.J. Res. 373. Joint resolution recognizing the anniversaries of the Warsaw uprising and the Polish resistance to the invasion of Poland during World War II.

On August 6, 1979:

H.R. 4591. An act to make technical corrections and miscellaneous amendments in certain education laws contained in the Education Amendments of 1978, and for other purposes.

On August 8, 1979:

H.R. 1786. An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes.

On August 13, 1979:

H.R. 896. An act for the relief of Joseph J. Andrews;

H.R. 899. An act for the relief of Mr. and Mrs. Aaron Wayne Ogburn;

H.R. 932. An act for the relief of Doris Mauri Coonrad;

H.R. 1158. An act for the relief of James C. Wilkinson;

H.R. 4476. An act to extend certain programs under the Higher Education Act of 1965 for 1 year, and for other purposes;

H J Res. 19. Joint resolution to provide for the designation of a week as "National Lupus Week"; and

H J Res 209 Joint resolution designating the week of October 14, 1979, as "National Diabetes Week."

On August 14, 1979:

H.R. 2807. An act to amend the Bankruptcy Act to provide for the nondischargeability of certain student loan debts guaranteed or insured by the United States;

H.R. 3324. An act to authorize appropriations for fiscal year 1980 for international development and economic assistance pro-

□ 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.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

grams and for the Peace Corps, and for other purposes;

H.R. 3914. An act to amend the National Capital Transportation Act of 1969 to remove the limitation on the amount authorized for District of Columbia contributions for the cost of construction of the rapid transit system of the National Capital Region;

H.R. 4057. An act to increase the fiscal year 1979 authorization for appropriations for the food stamp program, and for other purposes;

H.R. 4616. An act to make certain technical and clerical amendments to title 5, United States Code; and

H.R. 4811. An act for the relief of the city of Nenana, Alaska, and to amend the act of January 2, 1976, as amended, and for other purposes.

On August 15, 1979:

H.R. 3363. An act to authorize appropriations for fiscal years 1980 and 1981 for the Department of State, the International Communication Agency, and the Board for International Broadcasting.

MESSAGE FROM THE SENATE

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

H.R. 2282. An act to amend title 38, United States Code, to provide a cost-of-living increase in the rates of disability compensation for disabled veterans and in the rates of dependency and indemnity compensation for survivors of disabled veterans; and

H.R. 3996. An act to amend the Rail Passenger Service Act to extend the authorization of appropriations for Amtrak for 3 additional years, and for other purposes.

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

S. 88. An act for the relief of Soerjanti Bonzoumet-Soetarto;

S. 151. An act for the relief of Jerry W. Manandic and Ceferino W. Manandic;

S. 216. An act for the relief of Chong Hui Schrein;

S. 319. An act for the relief of Chan Siu Ha (also known as Linda Chan);

S. 566. An act to authorize a targeted fiscal assistance program for payments to local governments requiring fiscal relief, an antirecession fiscal assistance program, and for other purposes;

S. 707. An act for the relief of certain aliens;

S. 885. An act to assist the electrical consumers of the Pacific Northwest through use of the Federal Columbia River Power System to achieve cost-effective energy conservation, to encourage the development of renewable energy resources, to establish a representative regional power planning process, to assure the region of an efficient and adequate power supply, and for other purposes;

S. 914. An act to extend the Appalachian Regional Development Act and title V of the Public Works and Economic Development Act of 1965 and to provide for multistate regional development commissions to promote balanced development in the regions of the Nation;

S. 974. An act for the relief of Tin Foo Chan (also known as Michael Chan);

S. 1037. An act to establish an actuarially sound basis for financing retirement benefits for police officers, firefighters, teachers, and judges of the District of Columbia and to make certain changes in such benefits;

S.J. Res. 41. Joint resolution to authorize the President to issue annually a proclamation designating that week in November which includes Thanksgiving Day as "National Family Week"; and

S.J. Res. 43. Joint resolution to proclaim March 21, 1980, "National Energy Education Day."

The message also announced that the President pro tempore, pursuant to Public Law 95–561, appointed Mr. John P. Dunfey, Senator SPARK M. MATSUNAGA, and Mr. John Dellenback to be members of the Commission on Proposals for the National Academy of Peace and Conflict Resolution.

The message also announced that the Vice President, pursuant to Public Law 95–45, appointed Mr. WILLIAMS (Chairman), Mr. DECONCINI, Mr. STAFFORD (Vice Chairman), and Mr. THURMOND to the 66th Interparliamentary Union Conference, to be held in Caracas, Venezuela, September 13–21, 1979.

COMMUNICATON FROM THE CLERK OF THE HOUSE

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

WASHINGTON, D.C.,
August 3, 1979.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the permission granted on August 2, 1979, the Clerk has received this date the following messages from the Secretary of the Senate:

That the Senate passed H.R. 896, An Act for the relief of Joseph J. Andrews;

That the Senate passed H.R. 899, An Act for the relief of Mr. and Mrs. Aaron Wayne Ogburn;

That the Senate passed H.R. 932, An Act for the relief of Doris Mauri Coonrad; and

That the Senate passed H.R. 1158, An Act for the relief of James C. Wilkinson.

With kind regards, I am,

Sincerely,

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

COMMUNICATION FROM THE CLERK OF THE HOUSE

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

August 6, 1978.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the permission granted on August 2, 1979, the Clerk has received this date the following messages from the Secretary of the Senate:

That the Senate agree to the amendments of the House of Representatives to the bill S. 1146, An Act to amend title XIV of the Public Health Service Act, as amended by the Safe Drinking Water Act (88 Stat. 1680, 42 U.S.C. 300j), to extend for three fiscal years the authorization for appropriations, and for other purposes; and

That the Senate passed without amendment H.J. Res. 244, to authorize and request the President to issue annually a proclamation designating the first Sunday of September following Labor Day of each year as National Grandparents Day.

With kind regards, I am,

Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, House of Representatives.
By W. RAYMOND COLLEY,
Deputy Clerk.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that pursuant to the authority granted him on Thursday, August 2, he did on Friday, August 3, sign the following enrolled bills:

H.R. 3324. An act to authorize appropriations for fiscal year 1980 for international development and economic assistance programs, and for the Peace Corps, and for other purposes;

H.R. 3363. An act to authorize appropriations for fiscal years 1980 and 1981 for the Department of State, the International Communication Agency, and the Board for International Broadcasting;

H.R. 3914. An act to amend the National Capital Transportation Act of 1969 to remove the limitation on the amount authorized for District of Columbia contributions for the cost of construction of the rapid transit system of the national capital region;

H.R. 4616. An act to make certain technical and clerical amendments to title 5, United States Code;

H.R. 896. An act for the relief of Joseph J. Andrews;

H.R. 899. An act for the relief of Mr. and Mrs. Aaron Wayne Ogburn;

H.R. 932. An act for the relief of Doris Mauri Coonrad;

H.R. 1158. An act for the relief of James C. Wilkinson;

H.J. Res. 19. Joint resolution to provide for the designation of a week as "National Lupus Week";

H.J. Res. 209. Joint resolution designating the week of October 8 through October 14, 1979, as "National Diabetes Week";

S. 41. An act to require the Secretary of Agriculture to convey a reversionary interest held by the United States in certain lands located in Bell County, Ky., to the Board of Education, Bell County, Ky.;

S. 917. An act to authorize appropriations to carry out the Fishery Conservation and Management Act of 1976 during fiscal years 1980, 1981, and 1982, and for other purposes; and

S. 1318. An act to amend title 13 of the United States Code to provide a limited exemption to the Bureau of the Census from the provisions of section 322 of the act of June 30, 1932.

□ 1210

MESSAGE FROM CONSTITUENTS

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

Mr. MICA. Mr. Speaker, I have just returned, as many of the Members have, from traveling around my district for 1 month, talking and listening to the constituents in my area of Florida. I want the Members to know that it is my feeling, from the feedback that I get, that there is no great demand from the public for any new major initiatives from this Congress. The message that I received was that we simply address as quickly as possible the energy and inflation problems facing this Nation—and everyone realizes they are tied together—do it as quickly as possible and adjourn and go home.

The public is not looking for much more than that. I think the message they are giving us is that they are asking us to make a commitment to give a little, asking all of the Members of Congress to

just give a little bit, to try to come to some reasonable compromises that can turn this Nation around and let the people know that we are willing and capable to take a little action to get us on our feet again.

The only other area of concern for the seniors of my area is, obviously, health care for senior citizens, and they are looking for assistance. This is an area that is long overdue for consideration.

BLOODY AUGUST IN IRELAND

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

Mr. BIAGGI. Mr. Speaker, in the long, sad, and violent history of Ireland, August 1979 may be remembered as one of the bloodiest months ever. On August 27 IRA terrorists killed Lord Mountbatten and the very next day 21 British soldiers were ambushed and killed. These were acts of sheer madness and brutal criminality. Those responsible should be prosecuted to the fullest extent of the law.

As chairman of the 130-member ad hoc Congressional Committee for Irish Affairs, I deplore the overall escalation of violence. I am especially distressed over the resurgence of purely sectarian based violence which had been at a lull over the past 18 months.

The reemergence of violence points up graphically the fact that the Irish issue is far from resolution. However, we cannot be content merely reacting to these latest atrocities. We must be in a position to work to prevent further atrocities.

We on the ad hoc committee have been involved in a number of peace initiatives—all designed to have the United States play a more positive role in advancing peace and justice for Ireland. On August 7 I met with President Carter to urge he undertake a "Camp David" type plan for Ireland.

We seek to aid the peace process as friends and not meddlers. The ad hoc committee operates with the conviction that the final resolution in Ireland must come from the people of Ireland. However our peace efforts will be frustrated as long as violence and lawlessness prevails in Ulster. We plea for the forces of reason to reassert themselves in Ireland.

STATEMENT AS TO VOTE

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

● Mr. DANIELSON. Mr. Speaker, I was unable to be present on the floor of the House of Representatives during one rollcall vote on Thursday, August 2, 1979; inasmuch as I was attending a meeting of a subcommittee of the House Judiciary Committee.

On Rollcall No. 428 the House approved, by a vote of 306 yeas to 9 nays, the Journal for Wednesday, August 1. If I had been present I would have voted "aye."●

A TRIBUTE TO SENATOR HOMER E. CAPEHART

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

Mr. BRADEMAS. Mr. Speaker, I take this time to pay tribute to one of the best known and most popular figures in the political life of my home State of Indiana, Senator Homer E. Capehart, who died this past weekend.

For 18 years, from 1945 to 1962, Senator Capehart represented Indiana in the U.S. Senate.

A vigorous and active Republican, he had many friends among Democrats as well as Republicans, a fact for which his affable and outgoing personality was in large part responsible.

Mr. Speaker, Homer Capehart was not only a U.S. Senator for three terms, but also a highly successful businessman.

Mr. Speaker, to Senator Capehart's widow, the former Irma Mueller, and to his son, H. Earl, and daughter, Patricia Pearson, as well as to his 12 grandchildren, I extend my deepest sympathy.

TRIBUTE TO JOHN F. O'LEARY, FORMER DEPUTY SECRETARY OF THE DEPARTMENT OF ENERGY

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

Mr. REGULA. Mr. Speaker, as of today, John F. O'Leary is no longer Deputy Secretary of the Department of Energy, and I, for one, regret that he is no longer serving his country in that capacity.

Mr. O'Leary was with the Department since it was created in October 1977. He brought a wealth of talent and experience to the position.

As a member of the Interior Subcommittee on Appropriations, I particularly appreciated his cooperation and candor each time he came before the committee to testify. He expertly and succinctly analyzed problems presented to him and recommended possible and realistic solutions.

Hopefully, the suggestions he made in the past will be considered by Congress as it attempts to deal with perplexing energy issues. But, we will miss his wisdom and leadership in the future because we are only beginning to come to grips with the energy problems facing our Nation. Without his capable leadership our task is more difficult. But, it is not impossible. I would like to challenge all of us as Members of Congress to respond to our serious energy situation in a manner as thoughtful and well-reasoned as that displayed by our former Deputy Secretary of Energy, John O'Leary.

OIL IMPORTS ROSE DURING GAS CRISIS

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

Mr. CONTE. Mr. Speaker, once again the American public is faced with the news that big oil may have ripped off the consumer during the summer months. Banner headlines in the Boston Globe read, "Oil Imports Rose During Gas Crisis."

While the American motorists were waiting in gas lines earlier this year, the major oil companies were importing 9 percent more crude oil than they did in 1978. The increase in crude oil would have supplied an additional 3 weeks of gasoline to the American motorist this summer.

Mr. Speaker, even as imports increased steadily in the first half of 1979, the oil companies cut gasoline supplies to service stations by as much as 15 percent. We all are painfully aware of what resulted—a 50-percent increase in the price of gasoline.

I find that difficult to reconcile in light of the fact that imports were up by 9 percent, while worldwide oil production was up 5.8 percent in the first 6 months of this year.

This is just another reason why this Congress must continue to scrutinize the activities of the oil industry.

SOVIET TROOPS IN CUBA

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

Mr. MICHEL. Mr. Speaker, the presence of Soviet combat troops in Cuba is an event of international importance. Whatever the reason for their presence, the fact that they are there at all is a propaganda coup for the Soviet Union. Four or five years ago it would have been unthinkable for the Soviets to take such a gamble. Now, exploiting the weakness of the present administration, they send combat troops 90 miles from our shores and they do so with apparent impunity. The United States has lost a battle, a battle of ideas, no matter what the ultimate outcome of this situation.

For the present, we have the irony of seeing Fidel Castro speaking for the "nonalined" nations. Castro, the attack dog of Soviet imperialism, with a Soviet chain around his neck, his daily sustenance coming from the Soviets tells the world he is unalined. In fact he barks when the Soviets say "bark" and rolls over on command. And yet this administration has pushed the idea of an "opening to Cuba."

It is my hope that the Senate hearings being held today will clarify this situation. For the time being I can only say that the United States has suffered a humiliating defeat in the area of world opinion.

□ 1220

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 4760

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

Mr. PAUL. Mr. Speaker, I rise to ask unanimous consent that my name be re-

moved as a cosponsor from H.R. 4760. When I agreed to cosponsor this bill, I did so believing that it simply reduced taxes. Over the recess I learned that it does far more than that, for it authorizes spending $900 million to subsidize the development of gas turbine vehicles. I would not want to be a party to such a massive redistribution of property, so I ask that my name be removed immediately.

The SPEAKER. Is there objection to the request of the gentleman from Texas (Mr. PAUL)?

There was no objection.

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER laid before the House the following communication from the Chairman of the Committee on Public Works and Transportation, which was read and referred to the Committee on Appropriations:

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION,
Washington, D.C., July 30, 1979.

Hon. THOMAS P. O'NEILL,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the provisions of the Public Buildings Act of 1959, as amended, the House Committee on Public Works and Transportation approved the following projects on July 26, 1979:

ALTERATION

Chicago, Illinois, John C. Kluczynski Federal Building.

Middle River, Maryland, Federal Depot.

Washington, D.C., Housing and Urban Development Building.

Philadelphia, Pennsylvania, U.S. Customhouse and Appraisers Store.

Boston, Massachusetts, John F. Kennedy Federal Building.

Washington, D.C., Liberty Loan Building.

Washington, D.C., Interstate Commerce Commission Building.

ACQUISITION

Boston, Massachusetts, Food and Drug Administration Building.

LEASE

Washington, D.C., Page Building No. 1.

The original and one copy of the authorizing resolutions are enclosed.

Sincerely,
HAROLD T. (BIZZ) JOHNSON,
Chairman.

COMMUNICATION FROM THE CLERK OF THE HOUSE

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

WASHINGTON, D.C.,
August 10, 1979.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House received in the Clerk's Office at 12:45 p.m. on Friday, August 10, 1979, and said to contain a message from the President whereby he transmits the 1978 annual aeronautics and space report of the President.

With kind regards, I am,
Sincerely,
EDMUND L. HENSHAW, Jr.,
Clerk, House of Representatives.
By W. RAYMOND COLLEY,
Deputy Clerk.

THE 1978 ANNUAL AERONAUTICS AND SPACE REPORT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

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

To the Congress of the United States:

I transmit this report on the Nation's progress in space and aeronautics during 1978. This report is provided in accordance with Section 206 of the National Aeronautics and Space Act of 1958 as amended (42 U.S.C. 2476).

Included in this report are statements of policy designed to maintain American space leadership. This report concentrates on the most significant Federal space and aeronautical activities. These emphases have enabled us to reduce the amount of detail and number of separate agency program descriptions.

JIMMY CARTER.

THE WHITE HOUSE, *August 10, 1979.*

COMMUNICATION FROM THE CLERK OF THE HOUSE

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

WASHINGTON, D.C.,
August 16, 1979.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 2:45 p.m. on Thursday, August 16, 1979, and said to contain a message from the President wherein he transmits in accordance with the Impoundment Control Act of 1974, the report of four new deferrals of budget authority totalling $204.5 million.

With kind regards, I am,
Sincerely,
EDMUND L. HENSHAW, Jr.,
Clerk, House of Representatives.
By W. RAYMOND COLLEY,
Deputy Clerk.

FOUR NEW DEFERRALS OF BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 96-175)

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

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report four new deferrals of budget authority totalling $204.5 million. These items involve economic support fund assistance for Egypt, the White House Conference on Aging, the National Alcohol Fuels Commission, and the National Commission on the International Year of the Child.

The details of the deferrals are contained in the attached reports.

JIMMY CARTER.

THE WHITE HOUSE, *August 16, 1979.*

COMMUNICATION FROM THE CLERK OF THE HOUSE

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

WASHINGTON, D.C.
August 16, 1979.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received this date in the Office of the Clerk at 2:45 p.m., and said to contain a message from the President wherein he transmits the 1978 Annual Report of Health Activities under the Federal Coal Mine Health and Safety Act of 1969.

With kind regards, I am,
Sincerely,
EDMUND L. HENSHAW, Jr.,
Clerk, House of Representatives.
By W. RAYMOND COLLEY,
Deputy Clerk.

THE 1978 ANNUAL REPORT OF HEALTH ACTIVITIES UNDER FEDERAL COAL MINE HEALTH AND SAFETY ACT OF 1969—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

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

To the Congress of the United States:

I transmit herewith the 1978 Annual Report of Health Activities under the Federal Coal Mine Health and Safety Act of 1969.

The Report, prepared by HEW's National Institute for Occupational Safety and Health, Center for Disease Control, Public Health Service, describes the coal mine health research conducted by the Institute, as well as the Institute's medical examination program for coal miners required by the Act.

I recommend that, in order to save HEW staff resources and time, the statutory reporting requirement for this Report be changed from once every year to once every three years. All of the information contained in this Report is available to Congress during annual appropriations and oversight hearings, and HEW will inform Congress immediately of any scientific breakthroughs in the field.

JIMMY CARTER.

THE WHITE HOUSE, *August 16, 1979.*

COMMUNICATION FROM THE CLERK OF THE HOUSE

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

WASHINGTON, D.C.,
August 27, 1979.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received on this date in the Office of the Clerk, and said to contain the 17th annual Employment and Training Report of the President.

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

SEVENTEENTH ANNUAL REPORT PERTAINING TO EMPLOYMENT AND OCCUPATIONAL REQUIREMENTS, RESOURCES, USES, AND TRAINING—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

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

To the Congress of the United States:

I am transmitting to you the 17th annual report pertaining to employment and occupational requirements, resources, uses, and training, as required by section 127(a) of the Comprehensive Employment and Training Act (CETA) Amendments of 1978.

This *Employment and Training Report of the President* also includes a report on how social services, vocational education, and other programs administered by the Secretary of Health, Education, and Welfare are being integrated into State and local CETA activities, as required by section 127(b) of the 1978 CETA Amendments; a number of special reports that respond to additional reporting requirements in the amended CETA; a report on services for veterans, as required by the Vietnam Era Veterans' Readjustment Assistance Act; and a response to the requirements of section 4 (f)(2)(B) of the Full Employment and Balanced Growth Act of 1978.

JIMMY CARTER.
THE WHITE HOUSE, *August 27, 1979.*

COMMUNICATION FROM THE CLERK OF THE HOUSE

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

WASHINGTON, D.C.,
August 27, 1979.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 3:00 p.m. on Monday, August 27, 1979, and said to contain a message from the President wherein he transmits the 12th Special Message for 1979, in accordance with the Impoundment Control Act of 1974.

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

THREE NEW DEFERRALS OF BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 96–176)

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

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report three new deferrals of budget authority totalling $30.1 million. These items involve human development services in the Department of Health, Education, and Welfare, emergency refugee and migration assistance in the Department of State, and the National Commission on Social Security.

The details of the deferrals are contained in the attached reports.

JIMMY CARTER.
THE WHITE HOUSE, *August 27, 1979.*

COMMUNICATION FROM THE CLERK OF THE HOUSE

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

WASHINGTON, D.C.,
August 29 1979.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office on Tuesday, August 28, 1979, at 4:40 p.m., and said to contain a message from the President wherein he transmits his proposal for Federal participation in the International Exposition on Energy to be held in Knoxville, Tennessee.

With kind regards, I am,
Sincerely,
EDMUND L. HENSHAW, Jr.,
Clerk, House of Representatives.
By W. RAYMOND COLLEY,
Deputy Clerk.

PROPOSAL FOR FEDERAL PARTICIPATION IN INTERNATIONAL EXPOSITION ON ENERGY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

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

To the Congress of the United States:

In accordance with statutory requirements, I am transmitting to you my proposal for Federal participation in the International Exposition on Energy to be held in Knoxville, Tennessee from May through October 1982. The Congress has already received an FY 1980 budget amendment request, in the amount of $20.8 million, to support Federal participation. The Department of Commerce is submitting the authorizing legislation as well.

It is my determination that Federal participation is in the national interest. The Exposition will provide for an international exchange of ideas on energy development, innovative energy technology, energy conservation, solar energy, synthetic fuels and other subjects important to the national interest. Moreover, the Exposition will stimulate tourist travel to the United States, thereby improving our balance of trade, promote international cultural exchange and accelerate capital growth and investment in the Knoxville area.

My proposal includes all statutory requirements:

(1) assurance that the Exposition meets all criteria for recognition and has been recognized;

(2) a statement that the Exposition has been registered by the Bureau of International Expositions on April 27, 1977; and

(3) a plan prepared by the Commerce Department and other interested departments for Federal participation.

The plan for Federal participation provides for construction of a pavilion and preparation of energy-related exhibits.

I urge that this plan be given prompt and favorable consideration by the Congress.

JIMMY CARTER.
THE WHITE HOUSE, *August 28, 1979.*

□ 1240

COMMUNICATION FROM THE CLERK OF THE HOUSE

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

WASHINGTON, D.C.,
August 29, 1979.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office on Tuesday, August 28, 1979 at 4:40 p.m., and said to contain a message from the President wherein he transmits copies of the reports issued by the United Nations Joint Inspection Unit during 1978.

With kind regards, I am,
Sincerely,
EDMUND L. HENSHAW, Jr.,
Clerk, House of Representatives.
By W. RAYMOND COLLEY,
Deputy Clerk.

COPIES OF REPORTS ISSUED BY UNITED NATIONS JOINT INSPECTION UNIT DURING 1978—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

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

To the Congress of the United States:

In accordance with Section 301(e)(3) of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2221), I am transmitting herewith copies of the reports issued by the United Nations Joint Inspection Unit during 1978.

JIMMY CARTER.
THE WHITE HOUSE, *August 28, 1979.*

COMMUNICATION FROM THE CLERK OF THE HOUSE

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

WASHINGTON, D.C.
August 31, 1979.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from

the White House, received in the Clerk's Office at 11:24 a.m. on Friday, August 31, 1979, and said to contain a Message from the President wherein he transmits to the Congress his recommendations concerning Federal pay, together with a Federal Pay Comparability Alternative Plan.

With kind regards, I am,

Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, House of Representatives.
By W. RAYMOND COLLEY,
Deputy Clerk.

PAY COMPARABILITY FOR FEDERAL CIVILIAN EMPLOYEES AND MILITARY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 96-177)

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

To the Congress of the United States:

Under the Pay Comparability Act of 1970, an adjustment in Federal white collar pay will be required on October 1, 1979.

I have reviewed the report of my Pay Agent and the recommendations of the Advisory Committee on Federal Pay relative to a pay adjustment. Their findings indicate that an average 10.41 percent increase, at a cost of about $6 billion, would be required to achieve full comparability with the private sector.

However, pay comparability for Federal civilian employees and the military must be viewed in the light of the current economic situation. Inflation continues to be the single greatest threat to our economy and is a national problem of foremost concern. In considering last year's Federal pay increase, I relied heavily on the pay standards the Administration was considering to guide decisions of all employers in determining pay increases. I am continuing that practice for this year's increase.

Accordingly, under the authority given to me by the Pay Act to propose an alternative pay adjustment which I consider appropriate in the light of "economic conditions affecting the general welfare," I have determined that an alternative plan consisting of an overall 7 percent increase and a partial exemption from the full effect of the limitation for the lowest-salaried civilian employees is appropriate for the Federal increase. This increase will be within the pay standard being developed by the Council on Wage and Price Stability that will apply to all employees in the country for 1980. It is somewhat higher than the increase anticipated by my 1980 budget. However, last January when my budget was submitted, we expected significantly lower rates of inflation than we have actually experienced. I believe that the loyal and outstanding service given to the country by the Government's civilian and military personnel warrants recognition of that changed circumstance and of the new pay standards for 1980.

Accordingly, I strongly urge the Congress to support the alternative plan which is attached.

JIMMY CARTER.

THE WHITE HOUSE, *August 31, 1979.*

REPORT BY HEW TO THE PRESIDENT ON DISEASE CONTROL PROGRAMS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

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

To the Congress of the United States:

I transmit herewith the Report to the President on Disease Control Programs.

This report was prepared by the Department of Health, Education, and Welfare in accordance with P.L. 94-317, the "National Consumer Health Information and Health Promotion Act of 1976."

JIMMY CARTER.

THE WHITE HOUSE, *September 5, 1979.*

CALL OF THE HOUSE

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

The SPEAKER. Does the gentleman want the call of the House previous to the motion to go into the Committee of the Whole?

Mr. BAUMAN. I will do whatever the Speaker says. I always do. Would the Speaker rather have a vote on the motion?

The SPEAKER. The gentleman from Maryland has changed his attitude since the vacation.

Mr. BAUMAN. A month off does everyone good, Mr. Speaker.

The SPEAKER. The Chair will recognize the gentleman from Maryland (Mr. LONG).

FOREIGN ASSISTANCE APPROPRIATIONS, 1980

Mr. LONG of Maryland. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4473) making appropriations for foreign assistance and related programs for the fiscal year ending September 30, 1980, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Maryland (Mr. LONG).

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. CHARLES H. WILSON of California. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 362, nays 6, not voting 66, as follows:

[Roll No. 435]

YEAS—362

Abdnor	Emery	Lewis
Addabbo	English	Livingston
Akaka	Erdahl	Lloyd
Ambro	Erlenborn	Loeffler
Anderson, Calif.	Ertel	Long, La.
Andrews, N.C.	Evans, Del.	Long, Md.
Andrews, N. Dak.	Evans, Ga.	Lott
Annunzio	Evans, Ind	Lowry
Anthony	Fary	Lujan
Archer	Fazio	Luken
Ashley	Fenwick	Lundine
Aspin	Ferraro	Lungren
Atkinson	Findley	McClory
Badham	Fisher	McCloskey
Bafalis	Fithian	McCormack
Bailey	Flippo	McDade
Baldus	Foley	McHugh
Barnard	Ford, Mich.	McKay
Barnes	Forsythe	McKinney
Beard, R.I.	Fountain	Madigan
Bedell	Fowler	Markey
Beilenson	Frost	Marks
Benjamin	Fuqua	Marlenee
Bennett	Garcia	Marriott
Bereuter	Gaydos	Martin
Bethune	Gephardt	Matsui
Bevill	Giaimo	Mattox
Biaggi	Gibbons	Mavroules
Bingham	Gilman	Mazzoli
Blanchard	Gingrich	Mica
Boggs	Ginn	Michel
Boland	Glickman	Mikulski
Bolling	Gonzalez	Miller, Ohio
Boner	Goodling	Mineta
Bonior	Gore	Minish
Bonker	Gradison	Mitchell, N.Y.
Bouquard	Gramm	Moakley
Brademas	Grassley	Mollohan
Breaux	Gray	Montgomery
Brinkley	Green	Moore
Brodhead	Grisham	Moorhead, Calif.
Brooks	Guarini	Mottl
Broomfield	Gudger	Murphy, Ill.
Brown, Calif.	Guyer	Murphy, N.Y.
Brown, Ohio	Hagedorn	Murphy, Pa.
Broyhill	Hall, Ohio	Murtha
Buchanan	Hall, Tex.	Natcher
Burgener	Hamilton	Neal
Burlison	Hance	Nedzi
Burton, John	Hanley	Nelson
Burton, Phillip	Harkin	Nichols
Butler	Harris	Nolan
Carney	Harsha	Nowak
Carr	Hawkins	Oakar
Clausen	Heckler	Oberstar
Clay	Hefner	Obey
Cleveland	Hightower	Ottinger
Clinger	Hillis	Panetta
Coelho	Hinson	Patten
Coleman	Holland	Patterson
Collins, Ill.	Holtzman	Pease
Collins, Tex.	Hopkins	Pepper
Conable	Horton	Perkins
Conte	Howard	Petri
Corcoran	Hubbard	Pickle
Corman	Huckaby	Preyer
Coughlin	Hutto	Price
Courter	Hyde	Pursell
Crane, Philip	Ichord	Quayle
Daniel, Dan	Ireland	Quillen
Daniel, R. W.	Jacobs	Rahall
Danielson	Jeffries	Railsback
Dannemeyer	Jenkins	Rangel
Daschle	Jenrette	Ratchford
Davis, Mich.	Johnson, Calif.	Regula
de la Garza	Jones, N.C.	Reuss
Deckard	Jones, Okla.	Rhodes
Derrick	Jones, Tenn.	Richmond
Derwinski	Kastenmeier	Rinaldo
Devine	Kazen	Ritter
Dickinson	Kelly	Roberts
Dicks	Kemp	Robinson
Dixon	Kildee	Roe
Donnelly	Kindness	Rose
Dornan	Kogovsek	Rosenthal
Dougherty	Kostmayer	Rostenkowski
Downey	Kramer	Roth
Drinan	LaFalce	Roybal
Duncan, Oreg.	Lagomarsino	Royer
Duncan, Tenn.	Leach, Iowa	Rudd
Early	Leach, La.	Runnels
Eckhardt	Leath, Tex.	Sabo
Edgar	Lederer	Scheuer
Edwards, Ala.	Lee	Schroeder
Edwards, Calif.	Lehman	Schulze
Edwards, Okla.	Leland	Sebelius
	Lent	Seiberling
	Levitas	

Sensenbrenner	Stokes	Weiss
Shannon	Stratton	White
Sharp	Studds	Whitehurst
Shelby	Stump	Whitley
Shumway	Swift	Whittaker
Shuster	Symms	Whitten
Simon	Synar	Williams, Mont.
Skelton	Tauke	Williams, Ohio
Slack	Taylor	Wilson, C. H.
Smith, Nebr.	Thomas	Wilson, Tex.
Snowe	Thompson	Winn
Solarz	Traxler	Wirth
Solomon	Trible	Wolpe
Spence	Udall	Wright
St Germain	Ullman	Wyatt
Stack	Van Deerlin	Wydler
Staggers	Vander Jagt	Wylie
Stangeland	Vanik	Yates
Stanton	Vento	Yatron
Stark	Volkmer	Young, Fla.
Steed	Walgren	Young, Mo.
Stenholm	Walker	Zablocki
Stewart	Wampler	Zeferetti
Stockman	Waxman	

NAYS—6

Bauman	Myers, Ind.	Snyder
McDonald	Paul	Wilson, Bob

NOT VOTING—66

Albosta	Dodd	Mitchell, Md.
Alexander	Fascell	Moffett
Anderson, Ill.	Fish	Moorhead, Pa.
Applegate	Flood	Myers, Pa.
Ashbrook	Florio	O'Brien
AuCoin	Ford, Tenn.	Pashayan
Beard, Tenn.	Frenzel	Peyser
Bowen	Goldwater	Pritchard
Byron	Hammer-schmidt	Rodino
Campbell	Hansen	Rousselot
Carter	Heftel	Russo
Cavanaugh	Hollenbeck	Santini
Chappell	Holt	Satterfield
Cheney	Hughes	Sawyer
Chisholm	Jeffords	Smith, Iowa
Conyers	Johnson, Colo.	Spellman
Cotter	Latta	Treen
Crane, Daniel	McEwen	Watkins
D'Amours	Maguire	Weaver
Davis, S.C.	Mathis	Wolff
Dellums	Mikva	Young, Alaska
Diggs	Miller, Calif.	
Dingell		

So the motion was agreed to.

The result of the vote was announced as above recorded.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4473, with Mr. KAZEN in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Thursday, July 19, 1979, the Clerk had read through line 4 on page 6, and pending was an amendment offered by the gentleman from Florida (Mr. YOUNG).

Without objection, the Clerk will again report the amendment.

AMENDMENT OFFERED BY MR. YOUNG OF FLORIDA

The Clerk read the amendment as follows:

Amendment offered by Mr. YOUNG of Florida: On page 6, line 2, strike "$267,280,000" and insert in lieu thereof $263,330,000".

And on line 4 strike the period and insert the following: ": *Provided further*, That not more than $126,050,000 shall be available for the United Nations Development Program."

The CHAIRMAN. The Chair at this time will recognize the gentleman from Florida (Mr. YOUNG) for 5 minutes on behalf of his amendment.

Mr. YOUNG of Florida. Mr. Chairman, I am happy to welcome back our colleagues from their district work periods by offering an amendment that gives them an opportunity to do what we promised for the last 4 weeks, by telling our constituents that we are going to cut as much unnecessary and wasteful spending out of Government as we possibly can.

This amendment would reduce our contribution to the United Nations Development Program to last year's level.

Mr. Chairman, the appropriation for the United Nations Development Program in this bill is $130 million. Last year we appropriated $126,050,000. All this amendment does is reduce the fiscal year 1980 appropriation for the UNDP to last year's level. It is not going to hurt any UNDP program; it is certainly not going to hurt the United Nations Development Program itself.

As a matter of fact, UNDP would not even miss this money if they would use wise fiscal practices such as we must do in the Congress, such as our city, county, and State officials are required to do; if they would put their money on deposit in banks with interest-bearing accounts rather than non-interest-bearing accounts, they would get enough interest to more than make up for this minor cut which my amendment proposes to make.

In the UNDP there is an awful lot of waste. I am not going to take 5 minutes to berate the programs because they have some good programs but I am here to tell you that of this $126,050,000, if we appropriate that much, we are going to be sending part of that money to places like Cuba, South Yemen, Mozambique, Vietnam, Ethiopia, Laos, and a number of other countries that I personally have questions about.

Mr. Chairman, I yield back the balance of my time.

□ 1300

Mr. LONG of Maryland. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I thank the gentleman from Florida for his past help; but unfortunately, I do have to rise in opposition to the gentleman's amendment. The UNDP is the technical assistance arm of the United Nations which provides needed assistance directly to the poorest sector of many of the poorest nations of the world.

UNDP is not perfect, of course. Small amounts of assistance often do go to rich countries, such as Saudi Arabia, where the UNDP provides technical assistance to programs intended to benefit the legions of the poor of that nation. Even so, Saudi Arabia contributes to the U.N. more than it receives. I think that is important to keep in mind.

The UNDP also does have small planned programs for countries, such as Vietnam, which in my opinion are not deserving of such aid. This assistance is not in the form, however, of cash contributions to Hanoi, but in the form of technical assistance for projects benefiting the needy, which from my observation on my trip there last month, are unfortunately the vast majority of the Vietnamese people.

Finally, the committee is recommending an increase of only 3 percent. It is one of the smallest increases we have recommended in the bill.

Mr. Chairman, I hope the House will defeat the amendment.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. LONG of Maryland. I am happy to yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, I thank the gentleman for yielding. I want to concur in the remarks the gentleman from Maryland has made in opposing the amendment of the gentleman from Florida. I rise to do so only because of the fact that I have had an opportunity to talk to the administrator of this program, Brad Morse, a former colleague of ours, just last week. I was impressed with the caliber of the work he is doing and with the high regard which Brad Morse and the UNDP program has in the international community. I think it is one of the real bright spots in the entire U.N. system. It may well be that it will be one of the first programs which will be supported to conduct additional activities without controversy because of the outstanding nature of the work that has been going on there.

It is for this reason that I feel it would be highly inappropriate to in effect give a slap in the face to this extremely successful operation at a time when it may be asked to undertake additional responsibilities.

Mr. LONG of Maryland. Mr. Chairman, I thank the gentleman from California.

I agree with Mr. Morse, who was, incidentally, a member of the minority side of this House and has been doing a good job as Ambassador.

Mr. SCHEUER. Mr. Chairman, will the gentleman yield?

Mr. LONG of Maryland. I yield to the gentleman.

Mr. SCHEUER. Mr. Chairman, I want to add my support to the gentleman's position opposing this amendment. I, too, spent time with Brad Morse last week, not only in Vienna in the Conference on Appropriate Technology, but a day later in Columbo in Sri Lanka at the Conference on Population and Development.

Now, in both of these conferences there was a clear drumbeat of pressure on the developed countries vastly to increase the order of magnitude of their aid and they talked about our only giving 0.27 percent of our GNP for aid and they wanted it to be three-quarters of 1 percent or 1 percent.

I think they realized that is fortunate, but I do make the point that a reduction, even a small reduction in our aid to UNDP I think would be taken as a symbol that we do not want to make. It would be taken as a symbol of our further walking away from the problem, of our further indicating that our aid to the developing world has less priority. I do not think that we want to send that signal, particularly in the case of an agency that is as well run or better than any other U.N. agency, where a former colleague in whom all of us across the aisles have real confidence in his integrity and his efficiency and when the gentleman as a Congressman and I and others have talked to him about the need for getting away from high tech-

nology projects that benefit the elite and to job creating, labor-intensive technology to help the people, when he has indicated that he believes in the principles of that approach and intends to follow it.

Mr. McHUGH. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to the amendment.

Mr. Chairman, I would simply like to make the point that this amendment goes to the integrity of the committee system. This is not unique to this amendment. Under the able leadership of the gentleman from Maryland (Mr. LONG), our committee has spent a considerable amount of time in hearings listening to the justifications for this particular program and others.

The administration requested $140 million for the UNDP in its budget request. Our subcommittee reduced that request from $140 to $130 million. We did so based upon the hearings and the discussions we had in committee. The gentleman from Florida has every right to offer his amendment, of course, and I am not critical of that; but I think it is important in these situations to give some weight to what the committee has done thoughtfully during its hearing process.

This amendment would cut approximately $4 million from what the committee is asking for. As the chairman has pointed out, this request is only a 3-percent increase over last year's appropriation. That does not keep pace with inflation. We think it is a reasonable request.

I hope the Members of the House will give consideration and due weight to what our subcommittee and the full Appropriations Committee have done.

As has been pointed out, this program is a worthwhile program. It does not provide cash to any government. It provides technical assistance on the ground for projects which are critical to some of the poorest countries of the world.

It is also worth noting, I think, that the United States actually secured more in contracts than we contributed in appropriations by about 12 percent in 1978; so this program helps not only the poorest people with technical assistance, but it also returns to the United States in contracts more than we actually contribute. I therefore hope that this amendment will be defeated.

Mrs. SMITH of Nebraska. Mr. Chairman, I move to strike the requisite number of words. I rise in support of the amendment.

Mr. Chairman, I think this a very modest cut. The United States last year provided 19 percent of the total funding for UNDP, whereas the whole list of OPEC countries provided only 2 percent. I know that in the last 5 years UNDP has given $49 million to Vietnam. This Congress has voted against sending our taxpayers' hard-earned money to Vietnam.

Mr. YOUNG of Florida. Mr. Chairman, will the gentlewoman yield?

Mrs. SMITH of Nebraska. I am happy to yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Chairman, I thank the gentlewoman for yielding.

Mr. Chairman, we have heard now from several of our colleagues who talked to our former colleague and friend, Brad Morse, during the recess. Of course, Brad is the Director of the UNDP. He is not going to tell us anything that is not good about the UNDP program, but let me read a statement that a White House official made about the UNDP to an international meeting dealing with the United Nations. Here is what he said:

> In surveying UNDP assistance programs to individual countries, we have noticed a disturbing trend toward increased fragmentation of effort.

Now, that is different from what good old Brad said.

> In one recent instance it was determined that the UNDP resident representative himself was ignorant of more than half of the resources being provided by donors through U.N. agencies.

That is different from what good old Brad said.

> The host country was no more aware than the UNDP resident representative of some of these programs. Both donors and recipients are getting less value than they should from available resources.

Now, that is not what good old Brad said. What did good old Brad say? Here is a report, Evaluation Study No. 2, concerning rural development, put out by the United Nations development program itself and in here they repeat some of the very same charges included in the White House statement made last year in Geneva.

Now, if you think the UNDP programs are all beds of roses and milk and honey, you are wrong. They are not. I did not want to start off today with a great tirade against the UNDP, but if I have to I will.

I will cite program after program where the money has been wasted, where it has been used for social reasons or political reasons, rather than economic or development reasons.

□ 1310

Mr. Chairman, I say that is wrong. Let me say this again: This modest cut of some $3 million plus is money that UNDP would never miss.

If they would put their money in bank accounts where they drew interest, like our county commissioners have to do and like our city officials have to do, they would get interest on their deposits. If our newspapers back home ever got word of a mayor or county commission chairman putting public money in non-interest bearing accounts, they would run them out of office or have them indicted. Yet the United Nations has millions and millions of American dollars and dollars from other donors in bank accounts that draw no interest. They let most of their projects without competitive bidding.

Let me tell the Members something. The way they handle their business is sad, it is tragic, and I say they should be able to get by with the same amount of money we gave them last year. And that was too much last year, by the way.

Mr. LONG of Maryland. Mr. Chairman, will the gentlewoman yield?

Mrs. SMITH of Nebraska. I yield to the subcommittee chairman.

Mr. LONG of Maryland. Mr. Chairman, I thank the gentlewoman for yielding.

The gentleman from Florida (Mr. YOUNG) will be interested to know that I agree very strongly with him on this business of putting deposited money in non-interest bearing accounts, and I feel the subcommittee should hold hearings on this question at a very early date. The gentleman from Florida has been very helpful in these matters in the past, but I do not think that this issue is really related to the question of a cut.

Mr. YOUNG of Florida. Mr. Chairman, will the gentlewoman yield?

Mrs. SMITH of Nebraska. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Chairman, it is my understanding from my conversations with him that it is the intent of the subcommittee chairman to ask our investigative staff to look into those very practices that are costing the UNDP and other U.N. agencies millions of dollars in interest that they could be getting. This represents more money that is lost by their shoddy business practices than I am trying to remove by this amendment to the bill.

I say, let us give our taxpayers a break. Let us save them a couple of million dollars every time we get a chance to do it. Here is a way we can do it, and the UNDP will never miss it.

Mr. LONG of Maryland. Mr. Chairman, will the gentlewoman yield?

Mrs. SMITH of Nebraska. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Chairman, let me say that we should not only investigate the deposit of funds by the UNDP in non-interest bearing accounts but the deposits by all the multilateral agencies. This should be a task for the subcommittee in the months ahead to complete.

However, that would not negate the need for the money represented here. I would hope that we would not vote for the gentleman's amendment but that we would wait until we have a chance to examine this aspect of the matter.

Mr. YOUNG of Florida. Mr. Chairman, I agree with the chairman of my subcommittee on the importance of this investigation.

I ask for an aye vote on the disposition of this amendment.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I will only take a minute. I just want to point out that the U.S. contribution to UNDP is 18 percent of the total UNDP amount this year, as opposed to an amount which was about 35 percent in 1970. I think that indicates the burden sharing for this program has considerably changed in our favor.

The House has already made four cuts in this bill, and I would urge the House to stick with the committee on this matter in the interest of preserving the integrity of the committee process.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. YOUNG).

The question was taken; and on a division (demanded by Mr. YOUNG of Florida) there were—ayes 27, noes 24.

RECORDED VOTE

Mr. LONG of Maryland. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 234, noes 139, not voting 61, as follows:

[Roll No. 436]

AYES—234

Abdnor
Ambro
Andrews, N.C.
Andrews, N. Dak.
Anthony
Applegate
Archer
Atkinson
Badham
Bafalis
Bailey
Barnard
Bauman
Beard, R.I.
Benjamin
Bennett
Bereuter
Bethune
Bevill
Boland
Boner
Bouquard
Brinkley
Brooks
Broomfield
Brown, Ohio
Broyhill
Burgener
Butler
Carney
Clausen
Cleveland
Clinger
Coelho
Coleman
Collins, Tex.
Corcoran
Cotter
Coughlin
Courter
Crane, Philip
Daniel, Dan
Daniel, R. W.
Danielson
Dannemeyer
Daschle
Davis, Mich.
de la Garza
Deckard
Devine
Dicks
Dingell
Dornan
Dougherty
Duncan, Tenn.
Early
Edwards, Ala.
Edwards, Okla.
Emery
English
Erdahl
Ertel
Evans, Del.
Evans, Ga.
Evans, Ind.
Ferraro
Findley
Flippo
Foley
Fountain
Frost
Gaydos
Gibbons
Gilman
Gingrich
Ginn
Glickman
Goodling
Gore
Gradison
Gramm
Grassley
Grisham
Guarini
Gudger
Guyer
Hagedorn
Hall, Tex.
Hance
Heckler
Hefner
Heftel
Hightower
Hinson
Holland
Hopkins
Hubbard
Huckaby
Hutto
Hyde
Ichord
Ireland
Jacobs
Jeffries
Jenkins
Jenrette
Jones, N.C.
Jones, Okla.
Kazen
Kelly
Kindness
Kramer
Lagomarsino
Leach, Iowa
Leach, La.
Leath, Tex.
Lederer
Lee
Lent
Levitas
Lewis
Livingston
Loeffler
Lott
Lujan
Luken
Lungren
McClory
McDade
McDonald
McKay
Madigan
Marks
Marlenee
Marriott
Martin
Mathis
Mattox
Mavroules
Mica
Michel
Miller, Ohio
Minish
Mitchell, N.Y.
Mollohan
Montgomery
Moore
Moorhead, Calif.
Mottl
Murphy, N.Y.
Murphy, Pa.
Murtha
Myers, Ind.
Neal
Nelson
Nichols
Nowak
Patten
Paul
Perkins
Petri
Pickle
Preyer
Pursell
Quayle
Quillen
Rahall
Railsback
Regula
Rhodes
Rinaldo
Ritter
Roberts
Robinson
Roe
Rose
Roth
Royer
Rudd
Runnels
Russo
Santini
Satterfield
Schulze
Sebelius
Sensenbrenner
Shelby
Shumway
Shuster
Skelton
Slack
Smith, Nebr.
Snowe
Snyder
Solomon
Spence
St Germain
Stack
Staggers
Stangeland
Stanton
Steed
Stenholm
Stratton
Stump
Symms
Synar
Tauke
Taylor
Thomas
Trible
Udall
Vander Jagt
Volkmer
Walker
Wampler
Watkins
White
Whitehurst
Whitley
Whittaker
Whitten
Williams, Mont.
Williams, Ohio
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wyatt
Wydler
Wylie
Yatron
Young, Fla.
Zeferetti

NOES—139

Addabbo
Akaka
Anderson, Calif.
Annunzio
Ashley
Aspin
Baldus
Barnes
Bedell
Beilenson
Biaggi
Bingham
Blanchard
Boggs
Bolling
Bonior
Bonker
Brademas
Brodhead
Brown, Calif.
Buchanan
Burlison
Burton, John
Burton, Phillip
Carr
Cavanaugh
Chisholm
Collins, Ill.
Conte
Conyers
Corman
Dellums
Derrick
Derwinski
Dixon
Dodd
Donnelly
Downey
Drinan
Duncan, Oreg.
Eckhardt
Edgar
Edwards, Calif.
Erlenborn
Fary
Fazio
Fenwick
Fisher
Fithian
Florio
Ford, Mich.
Forsythe
Fowler
Fuqua
Garcia
Gephardt
Giaimo
Gonzalez
Gray
Green
Hall, Ohio
Hamilton
Hanley
Harkin
Harris
Hawkins
Holtzman
Howard
Johnson, Calif.
Kastenmeier
Kildee
Kogovsek
Kostmayer
LaFalce
Lehman
Leland
Lloyd
Long, La.
Long, Md.
Lowry
Lundine
McCloskey
McCormack
McHugh
Maguire
Markey
Matsui
Mazzoli
Mikulski
Mineta
Moakley
Moffett
Murphy, Ill.
Natcher
Nedzi
Nolan
Oakar
Oberstar
Obey
Ottinger
Panetta
Patterson
Pease
Price
Rangel
Ratchford
Reuss
Richmond
Rosenthal
Rostenkowski
Roybal
Sabo
Scheuer
Schroeder
Seiberling
Shannon
Sharp
Simon
Solarz
Stark
Stewart
Stokes
Studds
Swift
Thompson
Traxler
Ullman
Van Deerlin
Vanik
Vento
Walgren
Waxman
Weiss
Wirth
Wolpe
Wright
Yates
Young, Mo.
Zablocki

NOT VOTING—61

Albosta
Alexander
Anderson, Ill.
Ashbrook
AuCoin
Beard, Tenn.
Bowen
Breaux
Byron
Campbell
Carter
Chappell
Cheney
Clay
Conable
Crane, Daniel
D'Amours
Davis, S.C.
Dickinson
Diggs
Fascell
Fish
Flood
Ford, Tenn.
Frenzel
Goldwater
Hammer-schmidt
Hansen
Harsha
Hillis
Hollenbeck
Holt
Horton
Hughes
Jeffords
Johnson, Colo.
Jones, Tenn.
Kemp
Latta
McEwen
McKinney
Mikva
Miller, Calif.
Mitchell, Md.
Moorhead, Pa.
Myers, Pa.
O'Brien
Pashayan
Pepper
Peyser
Pritchard
Rodino
Rousselot
Sawyer
Smith, Iowa
Spellman
Stockman
Treen
Weaver
Wolff
Young, Alaska

□ 1330

The Clerk announced the following pairs:

On this vote:

Mr. Chappell for, with Mr. Rodino against.

Mr. Albosta for, with Mr. Pepper against.

Messrs. LEE, STUMP, and TAUKE changed their votes from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Population, Development Assistance: For necessary expenses to carry out the provisions of section 104(b), $201,000,000: *Provided*, That the amounts provided for loans to carry out the purposes of this paragraph shall remain available for obligation until September 30, 1981.

AMENDMENTS OFFERED BY MR. BAUMAN

Mr. BAUMAN. Mr. Chairman, I offer a series of amendments, all dealing with aid to Panama, and ask unanimous consent that they be considered en bloc.

The Clerk read as follows:

Amendments offered by Mr. BAUMAN: On page 6, line 20, strike out "$201,000,000" and insert "$195,500,000".

On page 6, line 25, strike out "$141,000,000" and insert "$140,590,000".

On page 7, line 12, strike out "$125,000,000" and insert "$118,590,000".

On page 7, line 19, strike out "$400,000,000" and insert "$399,750,000".

On page 23, line 10, strike out all of section 526 and insert the following:

"SEC. 526. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any economic or military aid to Panama, excepting those funds appropriated for food and medical assistance."

Mr. BAUMAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland (Mr. BAUMAN) that the amendments be considered en bloc?

There was no objection.

Mr. BAUMAN. Mr. Chairman, this is simply a prohibition against any aid to the Republic of Panama excepting aid for food programs or medical assistance.

This bill contains $12 million for various programs for the Republic of Panama, and, while some may have no particular objection to the people of Panama benefiting from the U.S. taxpayers' largess, if it is done in a proper manner for appropriate programs, I would call attention of the committee to the fact that on October 1, the Republic of Panama will become the owner and controller of the Panama Canal, all of its capital improvements and all of the land encompassed within that area with a value of many billions of dollars.

This will mean that within the first year, according to projected estimates now available to us, that the Republic of Panama will receive from the income of that canal, instead of the approximately $2½ to $3 million presently being paid to them, something in the neighborhood of $75 million a year or more; and projections over the next several years would indicate it may go over $100 million a year.

My thesis, therefore, is very simple, and that is that with the unusual type of aid being given to Panama, a multi-billion-dollar capital improvement paid for by the American taxpayers, turned over to that Government, and most of its income, we have no further obligation to pay in addition to the Government of Panama $12 million in foreign aid.

Now, the amendment makes exceptions for medical assistance and food, but the House has already addressed this question of aid to Panama in authorizing legislation, and this bill does not contain an absolute prohibition against aid to Panama, such as the House supported in an overwhelming vote.

I think it is also worth mentioning that in the last several months, the dimensions of Panama's intervention in the affairs of other Latin American nations, including Nicaragua in concert with the Communist government of Cuba, has certainly become widely known.

At one time it was necessary for us to discuss that issue in this body in a secret session because of the intelligence aspect, but now the government of Somoza has fallen. We now know the

extent of that Panamanian-Cuban activity. It certainly cannot give American taxpayers any great comfort to see the picture in the newspaper the other day of the true ruler of Panama, Gen. Omar Torrijos, embracing the Marxist dictator of Cuba, Mr. Castro, and to know this is the character of government to which we are giving the Panama Canal. But that is not the issue here.

This issue is simply whether we should continue 12 millions of dollars in foreign aid to a nation that will in effect get one of the biggest subsidies and one of the biggest gifts ever handed to a nation anywhere.

I ask the House to stand by the provisions it has already enacted on several other occasions and to strike the aid from the bill as my amendment proposes.

Mr. LONG of Maryland. Mr. Chairman, I rise in opposition to the amendments.

Mr. Chairman, these amendments are redundant unless we want to tie the hands of the President and make it impossible for him to operate in an area which is probably one of the most strategic in the world from the standpoint of our national interests.

Let me point out in section 24 of the authorizing legislation, it says:

> None of the funds authorized to be appropriated by this title may be made available for assistance to the Republic of Panama, its agencies or instrumentalities—

That is economic or military assistance—

> unless the President determines that assistance to Panama is in the national interest of the United States.

Now, let me point out, the United States and Panama are embarked on a period when cooperation is crucial to the smooth operation of the canal, the central goal of our aid to Panama. The aid programs are not directly related to the treaties or implementing legislation, but to abruptly cut off all programs just as we enter this new relationship would have all of the wrong implications for Panama.

Payments to Panama under the treaty are not a windfall. Investment requirements in canal-related services and activities will place a new burden on Panama. Those payments are in any case not assistance but come from canal tolls. They are basically payments for the use of Panama's land and water.

There is a good working relationship between Panama and the United States. The human rights picture has improved over the past 2 years and is now quite good. Political liberalization has moved ahead smartly with the legalization of political parties, popular elections for the National Assembly in 1978 and popular elections of the next President scheduled for 1984.

AID assistance to Panama is aimed at attacking poverty that prevails among rural and urban poor whose annual per capita income is less than $450.

I am one of the most severe critics of foreign aid that probably ever occupied the chair of the subcommittee. I have found not very many foreign aid programs around the world that meet with my approval. I did, however, find a program in Panama that, to my surprise, was one of the best that I have seen anywhere. A program where fish ponds were being delivered to large numbers of people, not just demonstration programs, but actually deliveries of programs.

□ 1340

Panama is a democracy, at least for Latin America. We ought to encourage it.

But, let me make another point. Aid to Panama and our relations with Panama in this treaty have been a popular subject for opposition on the part of right wing politicians. Let me point out that if the Castro types ever should try to take control of the Panama Canal, we want to have at least some of the Panamanians on our side. Without this treaty, they will all be against us.

My son was with the 82d Airborne Division, and at a time when this treaty was under consideration he was in jungle training down in Panama. He telephoned me and he said,

> Dad, there is not a single member of the 82d Airborne who is not for that treaty.

He said,

> We do not want to have to come down here and fight another unpopular war in a jungle.

This treaty will at least give us some friends, and I plead with the Members to put us in a position where we have some friends if we ever have to fight a guerrilla war, a jungle war, in Panama. I urge that these amendments be defeated.

Mr. OBEY. Mr. Chairman, I move to strike the last word, and I want to rise to oppose the amendment.

Mr. Chairman, I want to support everything the chairman has said on this amendment, and make a few very simple points. No. 1, in the rural areas of Panama where most of this assistance will be directed, the average per capita income is about $8 a week. Now, those people with incomes of that level are hardly the people we want to punish because of our unhappiness with certain aspects of General Torrijos' regime. In fact, those people, if we really are standing for what America is supposed to stand for in this world, those are the kinds of people we ought to be trying to help, because those are the kinds of people who, in dictatorships, most often get left out.

Let me also point out that strictly in terms of our own national interest, our own national interest is not advanced by making cuts of this nature. We have a simple question before us: What is in our own national interest; to express our unhappiness with the Torrijos' regime, to express our unhappiness about a past action, an action already taken by the Senate, namely, the ratification of the Panama Canal Treaty, or is it in our national interest to try to help create the kind of stable society in Panama which will enable that canal to remain open and which will enable that canal to help serve American economic interests through the remainder of the century?

That is what our national interest is, I submit; not the former. If we are going to transfer the Panama Canal, and that decision, as we all know, has already been made—some people like it, some people do not—but if the jurisdiction over that canal is in fact going to be transferred, then it is in our interest, our national interest, to transfer it in the most effective way possible. Amendments like this will make that transfer ineffective. They will not serve the national interest of the United States.

I urge the Members to support the chairman and defeat the amendment.

Mr. BAUMAN. Mr. Chairman, will the gentleman from Wisconsin yield?

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

Mr. BAUMAN. Mr. Chairman, I would only say to the gentleman that he misreads the intention of the gentleman from Maryland if he thinks the amendment is prompted because of my unhappiness with the Panama Canal Treaties. The treaties, as the gentleman correctly states, are the law of the land, and on October 1 they will take affect. My sole purpose is not to punish Panama, but simply to say that with the extraordinary amount of money they will be receiving, we ought to delete $12 million from this bill which ordinarily would have been given them as bilateral aid had there been no treaty. I think they are getting a very unusual type of foreign aid including the canal and all of its operating funds, and an annual income of $75 to $100 million. That is enough.

Mr. OBEY. If I can take back the remainder of my time, the gentleman's position on Panama is well known and his position on the treaty is well known. I think the House would have been surprised if the gentleman did not offer his amendment, given his position on the treaty. Where the gentleman and I differ is simply on interpretation of what constitutes an effective instrument of foreign policy in Panama. I do not think his amendment meets that need.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Maryland (Mr. BAUMAN).

The question was taken, and on a division (demanded by Mr. LONG of Maryland) there were—ayes 32; noes 30.

RECORDED VOTE

Mr. LONG of Maryland. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 247, noes 128, not voting 59, as follows:

[Roll No. 437]

AYES—247

Abdnor	Benjamin	Clausen
Addabbo	Bennett	Cleveland
Ambro	Bereuter	Clinger
Anderson, Calif.	Bethune	Coleman
Andrews, N.C.	Bevill	Collins, Tex.
Andrews, N. Dak.	Biaggi	Conte
Annunzio	Blanchard	Corcoran
Anthony	Boggs	Cotter
Applegate	Boland	Coughlin
Archer	Boner	Courter
Atkinson	Bouquard	Crane, Philip
Badham	Brinkley	Daniel, Dan
Bafalis	Broomfield	Daniel, R. W.
Bailey	Brown, Ohio	Dannemeyer
Barnard	Broyhill	Davis, Mich.
Bauman	Buchanan	de la Garza
Beard, R.I.	Burgener	Deckard
	Butler	Derwinski
	Carney	Devine

Dickinson
Donnelly
Dornan
Dougherty
Duncan, Tenn.
Early
Edwards, Okla.
Emery
English
Erdahl
Erlenborn
Ertel
Evans, Del.
Evans, Ga.
Evans, Ind.
Ferraro
Fish
Fithian
Flippo
Florio
Forsythe
Fountain
Frost
Fuqua
Gaydos
Gibbons
Gilman
Gingrich
Ginn
Glickman
Goodling
Gore
Gradison
Gramm
Grassley
Green
Grisham
Guarini
Gudger
Guyer
Hagedorn
Hall, Tex.
Hance
Harsha
Heckler
Hefner
Heftel
Hightower
Hinson
Hopkins
Horton
Hubbard
Huckaby
Hutto
Hyde
Ichord
Ireland
Jeffries
Jenkins
Jenrette
Johnson, Calif.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kazen
Kelly
Kemp
Kindness
Kramer
Lagomarsino
Leach, Iowa
Leach, La.
Leath, Tex.
Lee
Lent
Levitas
Lewis
Livingston
Lloyd
Loeffler
Long, La.
Lott
Lujan
Luken
Lungren
McClory
McCloskey
McDade
McDonald
Madigan
Marks
Marlenee
Marriott
Martin
Mathis
Mattox
Mavroules
Mazzoli
Mica
Michel
Miller, Ohio
Minish
Mitchell, N.Y.
Mollohan
Montgomery
Moore
Moorhead, Calif.
Mottl
Murphy, N.Y.
Murphy, Pa.
Murtha
Myers, Ind.
Natcher
Neal
Nelson
Nichols
Oakar
Panetta
Paul
Perkins
Petri
Preyer
Pursell
Quayle
Quillen
Rahall
Railsback
Regula
Rhodes
Rinaldo
Ritter
Roberts
Robinson
Roe
Rose
Roth
Royer
Rudd
Runnels
Russo
Santini
Satterfield
Schulze
Sebelius
Sensenbrenner
Sharp
Shelby
Shumway
Shuster
Skelton
Slack
Smith, Nebr.
Snowe
Snyder
Solomon
Spence
Staggers
Stangeland
Stanton
Stenholm
Stratton
Stump
Symms
Synar
Tauke
Taylor
Thomas
Traxler
Trible
Vander Jagt
Vanik
Volkmer
Walker
Wampler
Watkins
White
Whitehurst
Whitley
Whittaker
Whitten
Williams, Ohio
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wyatt
Wydler
Wylie
Yatron
Young, Fla.
Young, Mo.
Zeferetti

NOES—128

Akaka
Ashley
Aspin
Baldus
Barnes
Bedell
Beilenson
Bingham
Bolling
Bonior
Bonker
Brademas
Brodhead
Brooks
Brown, Calif.
Burlison
Burton, John
Burton, Phillip
Carr
Cavanaugh
Chisholm
Clay
Coelho
Corman
Danielson
Daschle
Dellums
Derrick
Dicks
Dingell
Dixon
Dodd
Downey
Drinan
Duncan, Oreg.
Eckhardt
Edgar
Edwards, Calif.
Fary
Fazio
Fenwick
Findley
Fisher
Foley
Ford, Mich.
Fowler
Garcia
Gephardt
Gonzalez
Gray
Hall, Ohio
Hamilton
Hanley
Harkin
Harris
Hawkins
Holland
Holtzman
Howard
Jacobs
Kastenmeier
Kildee
Kogovsek
Kostmayer
LaFalce
Lederer
Lehman
Leland
Long, Md.
Lowry
Lundine
McCormack
McHugh
McKay
McKinney
Maguire
Markey
Matsui
Mikulski
Mineta
Moakley
Moffett
Murphy, Ill.
Myers, Pa.
Nedzi
Nolan
Nowak
Oberstar
Obey
Ottinger
Patten
Patterson
Pease
Pickle
Price
Rangel
Ratchford
Reuss
Richmond
Rosenthal
Rostenkowski
Roybal
Sabo
Scheuer
Schroeder
Seiberling
Shannon
Simon
Solarz
St Germain
Stack
Stark
Steed
Stewart
Stokes
Studds
Thompson
Udall
Van Deerlin
Vento
Walgren
Weiss
Williams, Mont.
Wirth
Wolpe
Wright
Yates
Zablocki

NOT VOTING—59

Albosta
Alexander
Anderson, Ill.
Ashbrook
AuCoin
Beard, Tenn.
Bowen
Breaux
Byron
Campbell
Carter
Chappell
Cheney
Collins, Ill.
Conable
Conyers
Crane, Daniel
D'Amours
Davis, S.C.
Diggs
Edwards, Ala.
Fascell
Flood
Ford, Tenn.
Frenzel
Giaimo
Goldwater
Hammer-schmidt
Hansen
Hillis
Hollenbeck
Holt
Hughes
Jeffords
Johnson, Colo.
Latta
McEwen
Mikva
Miller, Calif.
Mitchell, Md.
Moorhead, Pa.
O'Brien
Pashayan
Pepper
Peyser
Pritchard
Rodino
Rousselot
Sawyer
Smith, Iowa
Spellman
Stockman
Swift
Treen
Ullman
Waxman
Weaver
Wolff
Young, Alaska

□ 1400

The Clerk announced the following pairs:

On this vote:

Mr. Albosta for, with Mr. Pepper against.

Mr. Daniel B. Crane, for, with Mr. Mitchell of Maryland against.

Mr. Ashbrook for, with Mr. Rodino against.

Messrs. MAVROULES, COTTER, and LUKEN changed their votes from "no" to "aye."

So the amendments were agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Sahel development program: For necessary expenses to carry out the provisions of section 121, $100,000,000, to remain available until expended: *Provided*, That no part of such appropriation may be available to make any contribution of the United States to the Sahel development program in excess of 10 per centum of the total contributions to such program.

AMENDMENT OFFERED BY MR. YOUNG OF FLORIDA

Mr. YOUNG of Florida. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. YOUNG of Florida: On page 8, line 17, strike "$100,000,000" and insert in lieu thereof "$80,250,000".

Mr. YOUNG of Florida. Mr. Chairman, the $80,250,000 that this amendment would leave in the bill is 7 percent greater than the Sahel funding for last year. I want to make this point as I begin my remarks. I am not opposed to the Sahel project. I think it is a necessary program. I think it is one that could work if we can put enough pressure on the people who are responsible for spending the money.

The problem that I have with the program is too much of the money is being wasted and not getting to the people that we are intending to help.

Let me give you an example of what I am talking about. There are funds being spent by personnel in the Sahel area from AID, from the Peace Corps, the International Development Association, the World Bank, the International Fund for Agricultural Development, the United Nations Development Program, West African Development Bank, African Development Bank, Food and Agricultural Organization, UNESCO, OPEC Special Fund, Kuwait Fund for Arab Economic Development, Arab Bank for Economic Development in Africa, France, Canada, Netherlands, Denmark, Belgium, West Germany, United Kingdom, Switzerland, European Development Fund, and the list goes on and on.

□ 1410

The problem is that all this money is coming into the Sahel, and it hits and it splatters. It is being spent by a lot of people who are drawing salaries and travel expenses, and it is not helping the people we want to help.

The purpose of my amendment is to apply some pressure to the people who are spending the money wastefully and get them to spend it to accomplish what we want to accomplish, and that is to help the poor people in the Sahel.

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Florida. I am happy to yield to the gentleman from New York.

Mr. SOLARZ. Mr. Chairman, I thank the gentleman for yielding.

There is, of course, no more vigilant watchdog of the public purse than the distinguished gentleman from Florida, and I want him to know that as the chairman of the Subcommittee on Africa, which has the authorizing jurisdiction over this program, I share some of the concerns which the gentleman just expressed.

This is, of course, as the gentleman knows, probably the poorest part of the world. It is a region of Africa where the average life expectancy is 37 years, where over 90 percent of the people are illiterate, where the average per capita income is less than $100 a year, where one out of every four babies dies by the age of 1, and where two out of every four children die by the age of 5.

So as the gentleman indicated, this is an important program. It is a program designed to make it possible for the people of the Sahel to achieve agricultural self-sufficency by the end of the century so that they will not be confronted again, as they were several years ago, with the kind of devastating famines which resulted in the needless deaths of literally hundreds of thousands of people.

But the gentleman is also right in saying that the taxpayers of our country have every right to expect that literally every cent we spend on this program will be well spent, and that literally every dollar that is not being well spent at the present time will be spent so that it can be put to more productive purposes either back home or elsewhere in the world.

If it will be helpful to the gentleman, I want to make it clear that our committee will engage in rigorous oversight of this program prior to the time the foreign aid bill comes up next year. I want to make sure that whatever level of funding we recommend is a level of

funding which can be justified in terms of the return which we expect to receive for the money we spend on this program.

Mr. YOUNG of Florida. Mr. Chairman, I appreciate the comments of the gentleman. He does hold a very important position relative to oversight on this subject. I appreciate very much the thoughts that he has offered here today. If I felt there were enough of us in this House who are willing to take that same position—because what I am trying to do is get the money where it is needed—and if I could get enough help to do that, I would be satisfied.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Florida. I yield to the gentleman from California.

Mr. DIXON. Mr. Chairman, I will say to the gentleman from Florida (Mr. YOUNG) that I can join him in saying that our aim in the programs for Africa and every part of the world is that we are concerned with efficiency. The report the gentleman is citing does have some negative things connected with it, but it is not a totally negative report. I am informed that in a lot of the projects that are under criticism, they are starting to work and are proceeding well, and as the distinguished gentleman from New York points out, the Sahel program is part of a program of over 21 countries.

These are probably some of the most needy people in the world.

Mr. Chairman, I pledge myself to work with the gentleman and see that that program is efficient, and if there are needs for cutbacks in next year's budget we will support that effort.

The CHAIRMAN. The time of the gentleman from Florida (Mr. YOUNG) has has expired.

(By unanimous consent, Mr. YOUNG of Florida was allowed to proceed for 2 additional minutes.)

Mr. DIXON. Mr. Chairman, will the gentleman yield further?

Mr. YOUNG of Florida. I yield to the gentleman from California.

Mr. DIXON. So, Mr. Chairman, since we agree the program is well intended and well needed, I certainly want to join my colleagues here in seeing that there is efficiency. I will work with the gentleman to make sure that next year the program is effective as well as efficiently run.

Mr. YOUNG of Florida. Mr. Chairman, I appreciate my colleague's confirmation in this matter. The gentleman serves on the committee which has jurisdiction over this matter, and he can be helpful in solving this critical problem.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Florida. I yield to the gentleman from California.

Mr. DELLUMS. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I would just like to point initially that a number of countries in the Sahel have a per capita income of less than $350 per year. Malawi and Upper Volta, for instance, have a per capita GNP of $110. Niger has a per capita GNP of something like $110, and Chad a mere $70.

The point is well taken by my distinguished colleague, the gentleman from California (Mr. DIXON), that this program is needed and is well intended. But I certainly understand the motivation of my distinguished colleague, the gentleman from Florida (Mr. YOUNG), who offered this amendment, not in an effort to challenge the credibility of the objectives of the program but as one who is concerned about how those resources are being spent and who benefits from them.

I certainly would join my colleagues on this side of the aisle in insisting that all the resources that are at the disposal of the people in the Sahel actually go to deal with the poverty and misery of all those who desperately need them in the Sahel.

I take the floor at this moment to join my colleague in saying that in the next several months, prior to the time the foreign aid budget comes to the floor, we will try to make sure that every single thing is done that can be done to bring pressure on the Treasury and other appropriate agencies to see to it that we remove all these inefficiencies that have been alluded to in the GAO report. I join my colleague in that effort.

Finally, let me say that given these assurances, I hope my colleague will see fit to withdraw the amendment. Certainly we have made legislative history, and a number of us have joined together to challenge these inefficiencies and to see that the resources go to the people who are definitely in need of help.

Mr. YOUNG of Florida. Mr. Chairman, I appreciate the comment of the gentleman.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Florida. I yield to the subcommittee chairman, the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Chairman, I know that the gentleman from Florida (Mr. YOUNG) is one of the genuine watchdogs that we have over foreign aid. I have appreciated that from the very first.

The CHAIRMAN. The time of the gentleman from Florida (Mr. YOUNG) has again expired.

(On request of Mr. LONG of Maryland, and by unanimous consent, Mr. YOUNG of Florida was allowed to proceed for 1 additional minute.)

Mr. LONG of Maryland. Mr. Chairman, if the gentleman will yield further, I want to thank him for all his efforts in the subcommittee.

Let me point out that there has been good, constructive progress in the Sahel, and there are very good programs. I could read them all, but I do not think we need to do that at this time.

Let me point out that this is really one of the poorest places in the world. It is a place where people really are very miserable. We know that the Russian Communists are fishing in troubled waters all over Africa. What we want to do is to build this part of the world up so that we do not provide the Russians a vehicle for a takeover.

Mr. Chairman, I hope the gentleman can withdraw his amendment.

Mr. YOUNG of Florida. Mr. Chairman, I thank my subcommittee chairman for his comments.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Florida. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I rise in opposition to the proposed cut in funding for the Sahel development program. Careful analysis of the projects to be undertaken through this program show them to be manifestations of the new direction in foreign assistance. The projects help to develop not only the local management skills necessary to undertake development, but concentrate on renewable energy resources, reforestation, agricultural development, health, and education. AID's plan for the region and specifically the Sahel nations, reflects the orientation toward fulfilling the basic human needs of the local populations.

Recently the General Accounting Office published a report entitled, "U.S. Development Assistance to the Sahel—Progress and Problems." According to the report some of the major problems with foreign assistance and development in the region included the absorptive capacity of the recipient nations, slow arrival of the equipment and lack of coordination among other donors. In addition, the report stated that AID was pursuing an outdated development strategy and further that agricultural assistance fostered dependence rather than self-sufficient food production. In addressing each of these criticisms, I believe that I will be able to convey to you both the importance of the program and its effectiveness in goal achievement.

Mr. Chairman, it is a fact that currently a large unobligated balance for the Sahel programs remains. At the end of fiscal year 1979, $155 million will be in the pipeline, but these funds are not without a purpose. The first years of the program focused on planning and project design. Now is the time for project implementation. Economic development, as we are all aware is a long-term process requiring long-term planning. AID has spent time carefully analyzing the needs and resources of the eight Sahelian nations. Should they be criticized for a commitment to a well-formulated strategy for that region's development? And further, should they be criticized for laying the foundation for such development through training and resource development? Years of preliminary work have set the stage for economic development which can evolve in a systematic fashion. In fact 70 percent of the fiscal year 1979 funds have been obligated and the remainder will be obligated before the close of the fiscal year.

A second major flaw revealed in the report is a reputed lack of coordination among aid agencies in the nations. The report states:

> A review of the proposed 1980 program indicates that very few new projects are of a multi-donor, multi-recipient nature.

My review of the Sahel program reveals precisely the opposite. Of the 15 regional projects for fiscal year 1980, 12

are being planned with other nations and other international organizations. Of the 67 projects for specific nations, 46 are multidonor and multirecipient. Coordination among nations and organizations has been the hallmark of the Sahel program.

The report further states that AID's regional strategy for the Sahel is outdated. I would like to ask the Members if they believe that agricultural development and self-sufficiency in food production are outdated? Are village-based health systems, human resource projects to strengthen the capability of Sahelian institutions and transportation networks outdated? How about reforestation and renewable energy techniques. Again, contrary to what the report states, AID's plan incorporates the basic elements of a concise plan of economic development. Their integrated program, multicoordinated in nature, is as far from outdated as I have seen.

Finally the report states that little has been done to convert food assistance from short-range emergency uses to development applications. It is true that when the United States first joined the Sahel program, food assistance was a major component. But times and goals have changed. For this upcoming year, there are 39 agricultural development projects ranging from irrigation, seeding improvement, and fertilizer development, to marketing and production techniques. The nature of the land of the Sahel requires vast concentrations of resources for agricultural production—but surely these projects illustrate a concern with self-sufficiency in food production.

The eight nations of the Sahel are at an extreme disadvantage. With annual per capita incomes ranging from $100 in Mali to $390 in Senegal, literacy rates averaging 10 percent, a life expectancy of 38 years and mortality rates of 160 per 1,000 births, this region is without a doubt one of the poorest in the world. The dire situation is complicated by the lack of economic resources to facilitate development. External assistance is fundamental.

Mr. Chairman, the Sahel program is good. The need of the nations is indisputable. Coordination among donors is evident. Let us not cut the funding for a program which so clearly demonstrates U.S. commitment to economic development and to the fulfillment of basic human needs in one of the world's most deprived areas.

The CHAIRMAN. The time of the gentleman from Florida (Mr. YOUNG) has again expired.

(By unanimous consent, Mr. YOUNG of Florida was allowed to proceed for 1 additional minute.)

Mr. YOUNG of Florida. Mr. Chairman, I think we have just seen created here on the floor a coalition and a force that could become very, very effective in this field of foreign assistance and especially in the Sahel program, which we concede is an important program.

Mr. Chairman, in view of the tremendous amount of support that we are going to have now in our efforts in the coming months, I believe that in the long run we can save the American taxpayer more money than this amendment would save them today. I think that as far as the money that is spent is concerned, we will see that it gets to the people in Africa who really need that help.

Mr. Chairman, in view of the commitments made by so many of our colleagues on the floor today, I ask unanimous consent that I may be permitted to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

International narcotics control: For necessary expenses to carry out the provisions of section 481, $42,000,000: *Provided*, That not more than $6,242,000 shall be available for the Republic of Colombia for the interdiction of drug traffic.

AMENDMENT OFFERED BY MR. ROSENTHAL

Mr. ROSENTHAL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROSENTHAL: Page 10, line 11, strike out "$42,000,000" and insert in lieu thereof "$51,758,000".

Page 10, line 12, strike out "$6,242,000" and insert in lieu thereof "$16,000,000".

□ 1420

Mr. ROSENTHAL. Mr. Chairman, this amendment adds $10 million to the narcotics interdiction program, and the money would go, principally, to the Government of Colombia for their work in the narcotics interdiction program.

The amendment is the result of my concern, which I am sure every Member in the Chamber shares, for the illicit drug traffic within our country.

The Drug Enforcement Administration claims that the one way to accomplish anything significant in interdiction is to do it at the source. Colombia, for which 75 percent of the cocaine and marihuana coming to the United States is the source, is making a very creditable and a very singularly important effort to do something about the problem. They have asked for a total of $16 million. This would be $3.5 million for area campaigns, for program support, including fuel and maintenance repairs for coastal and border vehicles, $1.5 million for radar procurement, installation and maintenance, $5 million for three coastal patrol craft, $6 million for six helicopters, and $600,000 for vehicles.

I visited Colombia last October, and I met with all of the Government officials who had relevant responsibilities in this area. I myself was convinced that they take this assignment very seriously, that they intend to pursue it with vigor, and it is the most efficacious method for dealing in this area.

Colombia is the only South American democracy that has moved to cooperate with major U.S. drug programs, and I believe that we should support this effort.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

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

Mr. DE LA GARZA. I thank the gentleman for yielding.

Mr. Chairman, I would like to commend my distinguished colleague for offering the amendment and join with him. I, too, visited Colombia and was quite impressed with what the Government of Colombia is doing, with what our Ambassador, Ambassador Asencio, is doing there. Certainly they merit our support and cooperation. The country has meager resources, but yet they have dedicated all they have to this effort that is so important to us and to our youngsters and the people in the United States. I think we should help them in every way possible, and certainly this is a major effort on that behalf. I commend my colleague for offering this amendment.

Mr. ROSENTHAL. I thank the gentleman for his contribution.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from Maryland (Mr. LONG), the distinguished chairman of the subcommittee.

Mr. LONG of Maryland. Mr. Chairman, I was in Colombia earlier this year. I perceived a genuine desire on the part of the Colombian Government to deal with this problem given the resources.

I have talked to my colleagues on the majority side; we have no objection to the amendment.

Mr. ROSENTHAL. I thank the gentleman.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Chairman, I would like to ask the gentleman if he is really convinced that the allegations of the past of wrongdoing on the part of the Colombian officials have been resolved to his satisfaction.

Mr. ROSENTHAL. Yes, indeed they have. I am absolutely convinced that they are serious and they intend to pursue with vigor and determination the war against drug traffic in that country.

Mr. YOUNG of Florida. If the gentleman will yield further, I have had the opportunity to visit with our Ambassador, also. This is what he tells me. And, believe me, I want to be convinced. If we can stop the flow of drugs and narcotics at the source, we have saved this country billions and billions of dollars, not only in dollars, but in suffering and in pain, and if the gentleman is as convinced as he seems to be, I would have no objection to this amendment.

Mr. ROSENTHAL. I thank the gentleman.

Mr. DERWINSKI. Mr. Chairman, will the gentleman yield?

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

Mr. DERWINSKI. Mr. Chairman, I understood the gentleman to say that he had met with the appropriate officials who are in charge of this program and by this direct contact the gentleman is convinced of the desire that they have to totally cooperate with us.

Mr. ROSENTHAL. I have. We visited with the Minister of Justice and all other relevant officials down there, and, as some of my colleagues suggested, our own Ambassador is himself convinced of their

seriousness and their determination of purpose.

Mr. DERWINSKI. May I point out, Mr. Chairman, that this is certainly strong evidence of the value of this amendment; but, furthermore, it also demonstrates the great practicality of congressional travel.

Mr. ROSENTHAL. I thank the gentleman.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. ROSENTHAL. I yield to my colleague, the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I would like to commend the gentleman for his amendment, as well.

As the gentleman knows, he brought this amendment up in the policy committee, and we had quite a discussion about it. From that discussion, and from my visit to Colombia 2 years ago and from what has subsequently transpired there, I think that the new government is really trying to do something about it. I think if we can encourage them with this additional assistance it will be of great help to them and it will also be a good example to other countries in the area that have not been as forthcoming.

Mr. ROSENTHAL. I thank the gentleman.

● Mr. LAFALCE. Mr. Chairman, I rise in support of the amendment, and I congratulate the gentleman from New York (Mr. ROSENTHAL) for proposing it.

We all know that drug trafficking is a vile and pernicious problem, and that the traumatic effects of drug abuse, particularly among our youth, is staggering. I believe that the gentleman's amendment proposes a significant response to these problems, because it seeks to more effectively halt drug trafficking at its source, and directly impede the flow of illegal drugs into this country.

Colombia has the unfortunate reputation of being the source of most of the cocaine and marihuana which is smuggled into the United States. It is estimated that this illicit export trade come to $500 million to $1 billion a year. The Colombian Government, however, has begun serious and concerted efforts to crack down on this criminal activity. The U.S. Government has actively encouraged these efforts, and through this amendment we can send a clear message to Colombia that we will support them as much as we can.

The Colombian Government has exhibited that it is a willing partner in controlling and eliminating the flow of narcotics to the United States. As a first step, President Turbay has placed the Guajira Peninsula—the major shipment point for marihuana and cocaine—under the jurisdiction of Colombia's Armed Forces. The result has already been a substantial number of arrests and confiscation of contraband goods ready for shipment. The Turbay government has also allowed U.S. Secret Service agents into Colombia in an effort to eliminate illegal counterfeiting rings which have hitherto operated freely. In short, we have a partner in Colombia which is committed to eliminating this multimillion dollar business.

This amendment reinforces the realization that only through sincere and cooperative attitudes can we pose an end to this illicit and immoral business.

In passing, I would like to add that I have introduced three bills, which would enable U.S. law enforcement officials to more effectively curtail international drug trafficking here in the United States. These bills, and this amendment, and the many other proposals dealing with this issue demonstrate how crucial it has become. One of the ways we can begin to deal with it, is to terminate the flow of narcotics into this country. I heartily recommend the adoption of this amendment.●

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. ROSENTHAL).

The amendment was agreed to.

Mr. EVANS of Delaware. Mr. Chairman, I ask unanimous consent to proceed out of order and go back to page 9, line 10, and offer an amendment concerning the Sudan.

The CHAIRMAN. Is there objection to the request of the gentleman from Delaware?

Mr. LONG of Maryland. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk read as follows:

INTER-AMERICAN FOUNDATION

For expenses necessary to carry out the functions of the Inter-American Foundation in accordance with the provisions of section 401 of the Foreign Assistance Act of 1969, as amended, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, $15,964,000: *Provided*, That not to exceed $1,036,000 of previously appropriated funds shall also be available for necessary expenses during the current fiscal year.

POINT OF ORDER

Mr. YOUNG of Florida. Mr. Chairman, I make a point of order against the proviso which begins on line 21, of page 10, on the ground that it constitutes a reappropriation of unexpended balances, and violates rule XXI, clause 6.

The proviso would apply to all previously appropriated funds, those which by their terms would remain available during the current fiscal year and those which by their terms would not otherwise remain available during the current fiscal year, that is, fiscal year 1980.

By extending the availability of the previously appropriated funds, this proviso constitutes a reappropriation and is not in order.

The CHAIRMAN. Does any Member wish to speak on the point of order or to contest the point of order? If not, the Chair rules that it is a reappropriation and, accordingly, sustains the point of order against the proviso.

The Clerk will read.

The Clerk read as follows:

INSTITUTE FOR SCIENTIFIC AND TECHNOLOGICAL COOPERATION

For expenses necessary to carry out the provisions of title IV of the International Development Cooperation Act of 1979, $23,750,000, to remain available until expended.

AMENDMENT OFFERED BY MR. LOTT

Mr. LOTT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LOTT: Page 11, line 1, strike out "Institute for Scientific Technology" and all that follows through line 5.

Mr. LOTT. Mr. Chairman, the amendment I am offering would eliminate that portion of the bill which appropriates funds for the Institute for Scientific and Technological Cooperation. Included in this year's foreign assistance appropriation bill is a sum of $23,750,000. In addition to this sum, $66,586,000 of funds provided to the Agency for International Development are planned to be transferred to and administered by the Institute.

The purpose of the Institute is to promote enhanced cooperation between the United States and less developed countries in conducting scientific and technological research to hasten economic growth and development. Who could quarrel with such goals? I certainly do not. And yet, at a time when every Member of this House is, I am sure, concerned about keeping the lid on increased Federal spending, how can we justify a new Institute, the need for which is still unclear?

The principal function of the Institute will be responsibility for some $66 million of research now centrally funded by the Agency for International Development under the assumption that the Institute would be better able to manage these programs. One wonders, if we are to make such a commitment to research, why we could not make this same commitment within the AID program and eliminate the need for a new Federal agency. In fact, just how the ISTC's activities will differ from those of AID's science and technology programs is still not clear. What we need is better administration of AID and not setting aside a new separate agency to soak up more money each year as it grows and grows.

After even a cursory review of this plan, it is evident that the proposal for the new Institute is poorly planned. One example of such inadequate planning is the fact that the name of the body has been changed several times already. The proposed Institute was formerly called the Foundation for Technological Cooperation or the Institute for Technological Cooperation. In the first instance, there was apparently some concern that the term "foundation" would imply Government funding to universities to solve academic development problems. It seems that whenever criticism of the Institute appears, the name is changed. The fact is that the proponents of this plan actually are not sure what the ISTC would do.

It also needs to be pointed out that there is an overlapping of the ISTC with other program activities, including those of the National Science Foundation. Certainly this is an example of the kind of costly duplication of effort which occurs when new agencies spring into being without our first considering what such

an agency can do that is not already being done.

What needs or demands of the United States will the Institute satisfy? Certainly this question is a valid one and one which has never been answered to my satisfaction.

Today not one of us is unaware of the crying need for fiscal restraint, the necessity for assigning priorities to those areas which are the most urgent, and the careful allocation of our resources to those problems which are obviously in the Nation's best interest. The funding request for the Institute is not great. However, it is the totality of funds allocated to many such programs which has proved to be such a burden to the taxpayer and which has caused him to send us a message that he will tolerate no further Government growth.

I do not seek elimination of funds for the Institute for Scientific and Technological Cooperation because it is a bad concept or because I am not aware of the needs of the less developed countries. I ask you to support this amendment because it is paramount that we establish priorities and be selective in the manner in which we allocate the taxpayer's money; $23,750,000 is not a lot of money, but it is definitely money that could be better spent elsewhere—or even saved. In this case, I ask you to oppose the creation of an additional layer of expensive bureaucracy and an agency which merely duplicates that which already exists.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. I thank the gentleman for yielding

Mr. Chairman, I would like to point out to the gentleman, when he said that this is no time to be creating a new $24 million program, this $23,750,000 is not all that the Institute for Scientific and Technological Cooperation gets.

□ 1430

As a matter of fact, there is an additional $66 million that is being transferred from the AID budget to this new ISTC or whatever it is called today. I wanted to point that out because $24 million is just part of the overall cost.

Mr. LOTT. If the gentleman will let me respond to that, it is sort of like this original gas rationing bill we had. Even the title of the program has changed several times. This has been going on through the process.

At one point it was called the Foundation for Technological Cooperation. Then it had, as I understand it, a couple of other titles, thinking maybe if you change the title a little bit, that would give it greater support, greater strength. That again just shows I do not think there is any clear direction for this new institute. They do not know how it is going to work. They are going to set it up, move money in, which comes to a total of $100 million, and then they are going to decide how they are going to use it.

Mr. YOUNG of Florida. If the gentleman will continue to yield, I think that all those who support our AID program—Agency for International Development—should be concerned that this is the beginning of a dismantling of that agency. This first $66 million out of their budget is a good indicator. A lot of the scientific work that this new agency would do is presently being done by AID. And if we would talk to our friends at AID, I think we would find that, while on the surface, they might toe the line and agree to support this new agency, the truth is they are not really for it because they see it as taking from AID and putting it someplace else wherever it might end up.

Mr. LOTT. That is certainly true.

Mr. LONG of Maryland. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, when this came before the House in the authorizing bill, I voted against it. I had a chance after that to understand more completely what this program is about.

In my opinion, this is not really a new program. It is simply a pulling together of programs that have been scattered all over the place. Research has been going on in AID but has had no coordination. The purpose of this program is to set up one central organization in which we can consolidate all foreign aid research, and, as the gentleman from Florida points out, we are going to take $66 million out of the regular AID budget and add it to this $25 million and get a real, consolidated, research program. The United States has a tremendous amount to offer to economic development in these various developing countries. Things that are awfully important that we have not been doing well to this point.

We have been overlooking the genius existing in our universities that can be used to help our foreign aid development program. We have been overlooking a great bit.

I would hope very much that we can defeat this amendment. I will watch over it and make sure that this program is executed in an efficient, effective way.

Mr. CONTE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I hope this amendment is defeated. Some of the best minds in the country have gone into this particular plan, and they have come out with what I think, serving on the committee for 21 years now, is one of the most promising things in the foreign aid field.

Just this morning I received a letter from the White House, and it says:

As you know, the Congress authorized creation of the Institute shortly before its recess; we expect the Institute to begin operations October 1.

You may be interested in what the President said about ISTC in his message to the UN Conference on Science and Technology for Development held in Vienna in late August: "The . . . Institute for Scientific and Technological Cooperation, which we plan to establish this fall, . . . is one of our most important innovations to help developing countries who so desire create and adapt the technologies best suited to their needs. Its work will receive my strong personal support."

At the same Conference, Father Hesburgh, (Pres. of Notre Dame Univ.), who headed the US delegation, described the Institute to the Conference in more detail: "In order to respond to the challenge of building such indigenous capacity, we are establishing, at the personal initiative of President Carter, a new Institute for Scientific and Technological Cooperation. The Institute's principal functions will include:

"Enlisting developing countries' assistance in establishing research and development priorities;

"Long-term research and development on critical development problems;

"Marshalling research and development activities of various US public and private agencies;

"Facilitating greater attention by US scientific and technical institutions to joint research, training and other cooperative activities; and

"Involving the private sector in the United States in efforts to improve science and technology for development."

The next step affecting the Institute's effectiveness will be Congressional action regarding appropriations. The Congress authorized $23.75 million. The House will vote on this shortly after the recess, and the Senate Appropriations Committee will then consider the matter.

The Institute is a key element of the President's reorganization of our foreign assistance program. We hope the entire program will receive your support when the appropriations bill reaches the floor.

Thanks again for your help.

Sincerely,

FRANK PRESS.
HENRY OWEN.

Mr. Chairman, I rise in support of the newly created Institute for Scientific and Technological Cooperation. Science and Technology have come to be viewed as critical tools in the development process of every nation. The growth of our own country was, without a doubt, the function of our technological prowess and scientific accomplishment. Such factors play a particularly crucial role in the case of the third and fourth world's striving for economic growth, yet constrained by the local means of adapting to new technology and barriers to both knowledge and skill acquisition.

It is undeniable that America has long been the world leader in technological innovation, research, and development. We have also been generous in transferring ideas and technology to the developing world. Yet, such transfers can have serious consequences for the recipient nation. It is a recent revelation that a fundamental problem in development, and a major reason behind some of our past failures, is that development has not been a local process. Initially, programs of both the multilateral institutions and bilateral organizations were tailored not to the unique characteristics of the developing world, but to our own values, cultures and ideas. We know now that the developing world may have neither the capacity nor the desire to accept western technology and ideas. Further, technology not appropriate to their needs may increase the problems associated with underdevelopment, further skewing the distribution of income, heightening unemployment, or intensifying the dual nature of their economies.

Since 1973 and the advent of the new direction in foreign aid, appropriate and

light capital technology have become the hallmarks of our development assistance. But this new orientation is only a beginning. We must now begin research and development to determine what is truly appropriate to the developing world. The Institute for Science and Technology lays the foundation to begin such a process.

Some of my colleagues have argued that this new Institute is unnecessary—that the same programs are being carried out elsewhere. This is not so. The Institute brings a totally fresh approach and a much needed one, to the problems of adapting science and technology to the developing world. The agencies currently charged with foreign assistance have neither the structure nor the orientation to deal with this issue. These agencies are concerned primarily with large resource transfer. They have a short time frame in which to demonstrate results and decisionmaking is organized largely around bilateral relationships and restrictions on eligibility which exclude a growing number of the more advanced developing countries. This atmosphere is hardly conducive to scientific research and development.

The new Institute will concern itself with the establishment of local research and development capacities. It will not exclude the middle income countries who often are those whose continued support offers the greatest long term political, economic and strategic benefits to the United States. It will emphasize not country programs, but problem areas. It is a cooperative effort, not of nations, but of ideas—the best of both the developed and the developing world. We will finally be able to work side by side with the developing world to formulate appropriate strategies for the use of science and technology which will hasten, not impede development. And it is a mutually beneficial venture. Increasing agricultural productivity will help to prevent the massive food deficit predicted for the eighties which will not only lead to famine, but skyrocketing prices around the globe. Improving population programs will keep us off the collision course we are now on with respect to the Earth's biological systems. Energy planning and new supplies will help to develop sources appropriate to both developed and the developing world. This can potentially decrease our vulnerability to the whims of the current energy suppliers. And environmental protection and natural resource management will help to solve global problems such as pollution, which recognize no national boundaries.

Our experiences with economic development have been marked by great accomplishments, unmitigated failures and profound reassessments. This new Institute is a result of such reassessments. Utilizing the lessons of the past, we are moving into a new era in economic development—one of true cooperation and a sharing of ideas. By channelling and harnessing the best energies of both the developed and developing worlds, the Institute for Technological Cooperation offers us an opportunity for a truly cooperative effort to solve the problems which have plagued man since the beginning of time. I, therefore, urge your support of this endeavor.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

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

Mr. LONG of Maryland. I thank the gentleman for his very eloquent statement.

Let me give just one example of what we can do. Everyone who has traveled knows the problem of polluted water all over the world. There is hardly a developing country where you can get a drink of clean water. You have to drink all kinds of sparkling water and so on, the kind of water that is not available to the average poor person. We know the problem with intestinal diseases. We know the blindness diseases. We know all of the many other diseases people have to suffer in all these poor countries.

This is something that our own genius can deal with. We now know how to deal with the problem of polluted water. It is a question of bringing our scientific technology to bear on this problem. We can affect hundreds of millions of people with relatively small sums of money if we really go to work on it. We have not been doing it. This program is a good stairway by which to reach this goal.

□ 1440

Mr. SCHEUER. Mr. Chairman, I move to strike the last word, and I rise to oppose the amendment.

Mr. Chairman, I wish to rise to support the position of my distinguished colleague from Massachusetts (Mr. CONTE) and my colleague from Maryland (Mr. LONG) in opposing this amendment. I just returned from Vienna, where I joined Father Hesburgh and others there in supporting a new approach to scientific interchange. The purpose of this new entity is to focus all of our assets into a far more effective use of necessarily limited scientific resources in a way that will be very much more productive to the recipient developing countries.

Up until the present time there has been a proclivity on the part of the chiefs of state of these developing countries to engage in high technology investments that are capital intensive and that provide little or no employment, especially in the rural areas where over 80 percent of the poor populations of the developing countries live. They have had a preoccupation with pulp and paper mills, petrochemical plants, steel mills, and so forth, which the ruling elites of these countries generally own. They manufacture a product for sale in international commerce. They bank the profits in a numbered account in Switzerland and pay little or no taxes, and create few or no jobs. Very few people in these developing countries are benefitted thereby.

Now, the whole new approach that we have heard our distinguished chairman espouse on the floor of the House is not toward high technology, but toward the kind of technology that is appropriate to each of these countries. Frequently, that means labor intensive technology instead of capital intensive technology. It means job producing development in the rural areas especially available to women, because when there is sufficient literacy and jobs for women, they have a new perception of themselves. They feel that they are not just put on Earth, to till the soil, raise the food, and bear children.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

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

Mr. LONG of Maryland. Mr. Chairman, I am glad the gentleman raised this point, one that I did not expand on sufficiently when I gave my own statement of purposes. The purpose of this institute is not to spend money, but to save it. One of the features that won my support was their pledge to make this a very effective vehicle for the development and promulgation of capital saving technology.

We have a worldwide shortage of capital. When we pile the fertilizer too high in one corner of the field, we do not have any left to fertilize the rest of the field. A lot of money is going to the wealthy with this sophisticated technology, and very little to help the masses of the poor.

I have seen some very encouraging examples of delivery of capital saving technology on my recent trip—the kind of thing this Institute has been designed to push so that we can save our foreign aid by today money directly to the poor people with very cheap capital instruments, $100 or $200 on the average per person. If we can do that, we can accomplish the job of helping the poor people of the world by reaching all of the 1 billion poor people of the world with far less expenditure on the part of the taxpayers of the United States.

So, I support this program, not as a means of wasting money, but as a means of saving money for the taxpayer.

Mr. SCHEUER. I thank my colleague. It is basically a sophisticated means of helping these countries use what they have got locally in more effective and in more scientifically sophisticated terms; using their local materials, using their local sources of energy; looking at their markets, looking at their manpower, and devising means of employing people and producing products mostly for sale and use in that country that build on their infrastructures of manpower, materials, energy, and the like, instead of just automatically transferring in a sort of meaningless and mindless way our high technology to those countries when it may be most inappropriate and hurtful kind of development.

So, I thoroughly support the program, and I urge that the amendment be defeated.

Mr. LAGOMARSINO. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in reluctant opposition to the amendment, not because I

do not disagree with the amendment, but because of the great respect I have for the gentleman who offered the amendment (Mr. LOTT) and for Mr. YOUNG of Florida, who is also supporting this amendment. The Members all know, if they have paid any attention to my voting record, that I do not often vote for new agencies or new programs, but I think that the Institute for Scientific and Technological Cooperation is a modest but a very important means to strengthen our relations with the Third World in a practical, sensible, and a more effective way.

As has already been mentioned, the House approved the ISTC on April 9 by a good margin after a full hearing in the Foreign Affairs Committee. I had grave doubts about this proposal until I heard the debate and talked to some of the people who are going to be running this Agency. After I did that, I came to the conclusion that it makes good sense as a new approach to our foreign assistance program, and it would be unreasonable for us to deny the funds. It is sensible; it will enable us to do things well in the future which we have been deficient on over past years.

I have in mind that the ISTC plan will deal with problems that inhibit the development effort on a long-term, sustained basis, apart from the country-by-country approach of AID. It will enlist greater participation in development of our science and technology community—in universities, industry, and the private sector generally. There are a lot of people who would take part in this kind of program, who do not want to take part in what they consider to be a Government handout program. They might be right and they might be wrong, but that is the feeling they have.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman from New York.

Mr. BINGHAM. Mr. Chairman, I thank the gentleman for yielding. I would like to commend him on his statement and on his opposition to the amendment.

Just to underline what the gentleman was mentioning, I am sure that he will remember in the testimony that there were many distinguished scientists and people who are reluctant to go to work for AID, partly because it may seem political or it is short run, who would be attracted to perform real service in an agency of this kind. I agree with the gentleman that it is a fresh approach, and one that is very badly needed. I am glad to associate myself with the gentleman's remarks.

□ 1450

Mr. LAGOMARSINO. I thank the gentleman and I agree with his remarks as well. By the testimony of many of our science and technology leaders we are just not putting our best foot forward. There is great underused strength and much need abroad for better application of science and technology. We need this Institute if only for this reason and the improved performance it would bring to our total approach to these problems.

It also would establish a system of collaboration with middle-income countries in science and technology on cost-shared, mutually beneficial basis. Many of these middle-income countries have gone beyond aid arrangements either because of eligibility standpoints or, in some cases, because they are just plain too proud to take what they consider to be a handout. So we need a new cooperative style, and it will benefit them as well as this country.

These countries are important to us. Just to name a few, Mexico, and we all know how important that is; Brazil, Venezuela, countries that in many cases are just plain too proud to accept foreign aid, even if we could give it to them.

Some of these problems were mentioned earlier and I came across another one just the other day. Malaria is making a new comeback in India and other countries in Asia. These are things that we can all work on together. These are just a few of the net gains that we will make through the ISTC program. A specialized small agency such as ISTC makes very much sense. It would build on our great strength in science and technology and is designed to bridge the gap to our private sector.

I want to repeat that I think this is a most important element. It is a small investment compared to the potential gain and I think it deserves our support.

Just a short time ago this House by a pretty good vote voted to cut money out of the U.N. development program. I suspect that the reason as many people voted for that amendment as did, and I was one of them, was because they just do not have the faith in that organization to do the kinds of things we are talking about there. What we are really doing here, I think it might be said, is creating a means of cooperating with other countries, a way to do the same thing that UNDP was supposed to do, but to do it in a practical and a beneficial way.

I urge defeat of the amendment.

Mr. BAUMAN. Mr. Chairman, I move to strike the last word and rise in support of the amendment.

Mr. Chairman, it seems inconceivable to me that we should return from a 30-day so-called in-district work period, if indeed Members were in their districts, and be able to come to this floor and advocate within a matter of 3 hours after our meeting the creation of another governmental agency at the cost of nearly $24 million a year. That, of course, as we know, is the downpayment on this Institute. It will cost much more.

The gentleman from Maryland offered an amendment earlier this year dealing with this matter and, unfortunately, it was rejected. I suspect that perhaps the 30 days at home might have done something to show us the disposition of the American people and their desires. In my district the people with whom I talked uniformly were complaining about the size, the cost of Government, heavy taxation, and inflation. All of that is a piece with this proposal before us, and that is why I strongly support the amendment of the gentleman from Mississippi.

It is also strange to me that after all of these years since the Marshall plan in 1947 we are suddenly told that the U.S. Government does not know how to give away money. I think it has learned that far too well. We have studied it and we have looked at it backward and forward, and now we are told we need an institute to research how many more ways we can give away the taxpayers' money.

Mr. LOTT. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I am delighted to yield to the distinguished author of the amendment.

Mr. LOTT. I thank the gentleman. I want to emphasize again that this has been a controversial issue. Just a couple of the questions that were raised during the hearings were: "Will ISTC constitute a meaningful mechanism in dealing with powerful forces that determine foreign assistance flows or will it be a cosmetic and costly advisory group?"

Also, "Just how will its activities differ from those already going on in AID?"

Another question was: "How acceptable are plans to give foreign scientists and politicians a greater role in determining the allocation of U.S. development assistance funds?"

There was an editorial in the Washington Post entitled, "Just Another Research Subsidy," by Werner Fornos, and he pointed out that it is a new institute and like all other new Federal agencies, it will grow like Topsy. As proof of this, as originally proposed, it would have gone from funding of $25 million the first year to $40 million in fiscal year 1981, a 60-percent increase in 1 year. Of course, that is not in the authorization as it finally passed, but it shows what will happen with this new institute. And that does not mention, of course, the moneys that will be transferred from AID.

I urge my colleagues, this is one new institute in a foreign aid bill where we can save just a few millions of dollars. Let us not let this opportunity get by us.

Mr. BAUMAN. The gentleman is correct in his observation that the closest thing to eternal life is a Federal agency once created. Certainly this Institute falls into that category.

I might add one other thought. Research in this country has been an imperative for us to expand and grow over the two centuries and more of our existence. But we also ought to acknowledge the fact that research has become a part of the ruling establishment in this country. Many people make their substantial livings from taxpayer financed research. Much of it is wasted, duplicative and unneeded.

Mr. McHUGH. Mr. Chairman, I move

to strike the last word and rise in opposition to the amendment.

Mr. Chairman, I think most of the points have been made. I think the gentleman from Mississippi and the gentleman from Maryland on the face of it have raised a very legitimate question. Most of us in the House, and certainly most Americans, are not favorably inclined to creating another Federal agency. Generally, we have had enough of that, and we have seen the inefficiencies and the costs involved. We should establish a new agency only if there is a solid reason to do so.

I think that there is a very solid reason to do so in this case, not only because it is a modest proposal, $23.7 million, but because AID, based on the experience that we have had, is simply not able to address effectively the type of research projects and programs that we are concerned about. AID necessarily has to deal with the most immediate problems, the day-to-day crises. We are all familiar with the terrible conditions in many of the countries where AID has to work. AID's focus, therefore, and this is not a criticism, is necessarily on the quick fix for the immediate problem. What we are trying to do by funding this Institute is to refocus some of our research endeavors to the intermediate research questions, those questions which are absolutely critical if we are going to deal ultimately and effectively with some of the problems relating to food, health, population, energy, the environment, and the other matters of substantial interest to all of us.

The members of the committee believe that the only way to address these intermediate research programs is by separating out of AID these kinds of projects. That is what this Institute in a very, very modest way is designed to do. It would involve not just expenditures by the United States; it would involve cost-sharing with the developing countries where we are trying to address these important research programs.

Accordingly, I think it is important to distinguish what AID is charged with doing, that is, attempting to address the immediate crises, from what this Institute is designed to address, namely, the more intermediate research programs which are just as important and perhaps ultimately more important than the immediate crises.

Mr. CHARLES WILSON of Texas. Mr. Chairman, will the gentleman yield?

Mr. McHUGH. I will yield to the gentleman.

Mr. CHARLES WILSON of Texas. I would think that the circumstances of today and of the weekend would certainly strengthen the gentleman's arguments in that certainly people at AID for the last week, and probably for the next month are going to be concerned with disaster relief from the hurricanes that have taken place and the great loss of life in the Dominican Republic and Puerto Rico. Without the amendment this will provide a separate entity that will be able, without having its efforts diluted, without losing track, to work in an uninterrupted fashion toward coordinating and focusing technical efforts that are already in place. So in this case it is more, it is more a reorganization rather than adding a new agency, and I would like to add my support.

Mr. McHUGH. The gentleman is absolutely right. It is a refocusing of our research efforts so we adequately relate to these intermediate and long-term problems that are at the heart of these development concerns we have. It will improve the quality of our research effort in cooperation with developing countries at a very small cost, $23.75 million. I hope the Members will reject the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi (Mr. LOTT).

The question was taken; and on a division (demanded by Mr. LONG of Maryland) there were—ayes 24, noes 19.

RECORDED VOTE

Mr. LONG of Maryland. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 166, noes 234, not voting 34, as follows:

[Roll No. 438]

AYES—166

Abdnor
Andrews, N.C.
Archer
Ashbrook
Atkinson
Badham
Bafalis
Barnard
Bauman
Benjamin
Bennett
Bethune
Bevill
Boner
Bowen
Breaux
Brinkley
Brown, Ohio
Broyhill
Burgener
Butler
Campbell
Carney
Cheney
Clausen
Cleveland
Coleman
Collins, Tex.
Conable
Corcoran
Crane, Daniel
Crane, Philip
Daniel, Dan
Daniel, R. W.
Dannemeyer
Davis, Mich.
Deckard
Derwinski
Devine
Dickinson
Dornan
Duncan, Tenn.
Early
Edwards, Ala.
Edwards, Okla.
English
Erdahl
Evans, Ga.
Evans, Ind.
Fountain
Frenzel
Gaydos
Gephardt
Gibbons
Gingrich
Ginn
Goodling
Gramm
Grassley
Grisham
Gudger
Guyer
Hagedorn
Hall, Tex.
Hammer-schmidt
Hance
Harsha
Hefner
Heftel
Hightower
Hinson
Holland
Hopkins
Hubbard
Huckaby
Ichord
Jeffries
Jenkins
Jenrette
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kelly
Kindness
Kramer
Latta
Leach, Iowa
Leach, La.
Leath, Tex.
Lee
Lent
Lewis
Livingston
Loeffler
Lott
Lungren
McClory
McDade
McDonald
McKay
Marlenee
Marriott
Martin
Mathis
Michel
Mikulski
Miller, Ohio
Montgomery
Moore
Moorhead, Calif.
Mottl
Murphy, Pa.
Myers, Ind.
Natcher
Nichols
Oakar
Patterson
Paul
Petri
Pursell
Quayle
Quillen
Regula
Rhodes
Ritter
Robinson
Roth
Rudd
Russo
Santini
Satterfield
Schulze
Sebelius
Sensenbrenner
Shelby
Shumway
Shuster
Slack
Smith, Nebr.
Snyder
Solomon
Spence
Stack
Stangeland
Steed
Stenholm
Stockman
Stratton
Stump
Symms
Tauke
Taylor
Thomas
Trible
Walker
Wampler
Whitehurst
Whitley
Whittaker
Whitten
Williams, Ohio
Wyatt
Wylie
Yatron
Young, Fla.

NOES—234

Addabbo
Akaka
Ambro
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Anthony
Ashley
Aspin
Bailey
Baldus
Barnes
Beard, R.I.
Bedell
Beilenson
Bereuter
Biaggi
Bingham
Blanchard
Boggs
Boland
Bolling
Bonior
Bonker
Bouquard
Brademas
Brodhead
Brooks
Broomfield
Brown, Calif.
Buchanan
Burlison
Burton, John
Burton, Phillip
Carr
Cavanaugh
Chisholm
Clay
Clinger
Coelho
Collins, Ill.
Conte
Conyers
Corman
Cotter
Coughlin
Courter
D'Amours
Danielson
Daschle
Davis, S.C.
de la Garza
Dellums
Derrick
Dicks
Diggs
Dingell
Dixon
Dodd
Donnelly
Dougherty
Downey
Drinan
Duncan, Oreg.
Eckhardt
Edgar
Edwards, Calif.
Emery
Erlenborn
Ertel
Evans, Del.
Fary
Fazio
Fenwick
Ferraro
Findley
Fish
Fisher
Fithian
Flippo
Florio
Foley
Ford, Tenn.
Forsythe
Fowler
Frost
Fuqua
Garcia
Gilman
Glickman
Gonzalez
Gore
Gradison
Gray
Green
Guarini
Hall, Ohio
Hamilton
Hanley
Harkin
Harris
Hawkins
Heckler
Hillis
Holtzman
Horton
Howard
Hutto
Hyde
Ireland
Jacobs
Jeffords
Johnson, Calif.
Kastenmeier
Kazen
Kemp
Kildee
Kogovsek
Kostmayer
LaFalce
Lagomarsino
Lederer
Lehman
Leland
Levitas
Lloyd
Long, La.
Long, Md.
Lowry
Lujan
Luken
Lundine
McCloskey
McCormack
McHugh
McKinney
Madigan
Maguire
Markey
Marks
Matsui
Mattox
Mavroules
Mazzoli
Mica
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Pa.
Neal
Nedzi
Nelson
Nolan
Nowak
O'Brien
Oberstar
Obey
Ottinger
Panetta
Patten
Pease
Pepper
Perkins
Pickle
Preyer
Price
Rahall
Railsback
Rangel
Ratchford
Reuss
Richmond
Rinaldo
Roberts
Roe
Rose
Rosenthal
Rostenkowski
Royer
Runnels
Sabo
Scheuer
Schroeder
Seiberling
Shannon
Sharp
Simon
Skelton
Snowe
Solarz
St Germain
Staggers
Stanton
Stark
Stewart
Stokes
Studds
Swift
Synar
Thompson
Traxler
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vento
Volkmer
Walgren
Watkins
Waxman
Weiss
White
Williams, Mont.
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolpe
Wright
Wydler
Yates
Young, Mo.
Zablocki
Zeferetti

NOT VOTING—34

Albosta
Alexander
Anderson, Ill.
Applegate
AuCoin
Beard, Tenn.
Byron
Carter
Chappell
Fascell
Flood
Ford, Mich.
Giaimo
Goldwater
Hansen
Hollenbeck
Holt
Hughes
McEwen
Mikva
Miller, Calif.
Pashayan
Peyser
Pritchard
Rodino
Rousselot
Roybal
Sawyer
Smith, Iowa
Spellman
Treen
Weaver
Wolff
Young, Alaska

□ 1510

The Clerk announced the following pairs:

On this vote:

Mr. Beard of Tennessee for, with Mr. Goldwater against.

Mr. Carter for, with Mr. Hollenbeck against.

Mr. Hansen for, with Mr. Pritchard against.

Mrs. FENWICK and Mr. LEVITAS changed their votes from "aye" to "no."

Mr. TAUKE changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1520

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

OVERSEAS PRIVATE INVESTMENT CORPORATION

The Overseas Private Investment Corporation is authorized to make such expenditures within the limits of funds available to it and in accordance with law (including not to exceed $10,000 for entertainment allowances), and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 849), as may be necessary in carrying out the program set forth in the budget for the current fiscal year.

POINT OF ORDER

Mr. YOUNG of Florida. Mr. Chairman, I rise to make a point of order.

The CHAIRMAN. The gentleman from Florida (Mr. YOUNG) has a point of order. The gentleman will state it.

Mr. YOUNG of Florida. Mr. Chairman, I make a point of order against the appropriation for entertainment allowances in lines 9 and 10 on page 11 on the ground that the appropriation is not authorized by law.

The CHAIRMAN. The Chair will inquire, is the gentleman referring only to the parenthetical language?

Mr. YOUNG of Florida. That is correct, Mr. Chairman. I refer to the language, "(including not to exceed $10,000 for entertainment allowances)".

The CHAIRMAN. Does the gentleman from Maryland (Mr. LONG) concede the point of order?

Mr. LONG of Maryland. I concede the point of order, Mr. Chairman.

The CHAIRMAN. The point of order is conceded and sustained.

The Clerk will read.

The Clerk read as follows:

DEPARTMENT OF STATE

MIGRATION AND REFUGEE ASSISTANCE

For expenses, not otherwise provided for, necessary to enable the Secretary of State to provide, as authorized by law, a contribution to the International Committee of the Red Cross and assistance to refugees, including contributions to the Intergovernmental Committee for European Migration and the United Nations High Commissioner for Refugees; salaries and expenses of personnel and dependents as authorized by the Foreign Service Act of 1946, as amended (22 U.S.C. 801–1158); allowances as authorized by 5 U.S.C. 5921–5925; hire of passenger motor vehicles; and services as authorized by 5 U.S.C. 3109; $248,951,000: *Provided*, That these funds shall be administered in a manner that insures equity in the treatment of all refugees receiving Federal assistance: *Provided further*, That no funds herein appropriated shall be used to assist directly in the migration to any nation in the Western Hemisphere of any person not having a security clearance based on reasonable standards to insure against Communist infiltration in the Western Hemisphere.

AMENDMENT OFFERED BY MR. LONG OF MARYLAND

Mr. LONG of Maryland. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LONG of Maryland: On page 12 of the bill, line 13, strike out "$248,951,000" and insert in lieu thereof "$456,241,000".

Mr. LONG of Maryland. Mr. Chairman, the purpose of this amendment is to add $207,290,000 to the migration and refugee assistance account in order to carry out the President's recent announcement to provide additional assistance to the Indochinese refugees. On July 26, 1979, the President sent up a request for this amount to cover the costs of transportation, reception, and placement of an additional 84,000 Indochinese refugees in fiscal year 1980. This would allow the resettlement of 14,000 Indochinese refugees per month in the United States as was announced by the President recently. These funds would also provide for the U.S. share of the costs for care and maintenance for increased numbers of refugees in Southeast Asia as well as for the establishment of special refugee processing centers in that area.

There are presently 375,000 Indochinese refugees overflowing the refugee camps in Southeast Asia, thousands of refugees have lost their lives in seeking safety and asylum and the prospect of the continued expulsion of refugees from Indochina threatens the peace and security of the entire region. We all have been kept informed about the terrible plight of the poor refugees fleeing in the boats from Indochina and facing unheard of hardships. The people of Southeast Asia have tried to help these people, but their economies and facilities are strained beyond the breaking point. Some of the boats have been turned away and some have been allowed to land only to be refitted and then turned back to the open sea. This is a frightful situation, and a large humanitarian effort is needed to avoid further disaster.

As the Members know, on July 20 and 21, a refugee meeting was held in Geneva to discuss this overall situation. According to State Department representatives, the meeting was held to be a success. A number of the Members of this body attended that meeting, and I would defer to them as to the success of the meeting.

However, the State Department representatives indicate that as a result of the Geneva meeting the U.N. High Commissioner received resettlement offers for 260,000 refugees in the coming 18 months, the UNHCR received new pledges of financial support totalling $190 million, with Japan underwriting 50 percent of the UNHCR's budget for the Indochinese program, and the Philippines has offered to provide a site for a new refugee processing center to accommodate up to 50,000 refugees. The possible creation of an International Resettlement Fund was discussed, and Vietnam indicated a willingness to stem the flow of refugees from its borders and regularize departures from Vietnam directly to resettlement countries. I might also point out that discussions are also being conducted with the Peoples' Republic of China to encourage them to accept additional numbers of the Indochinese refugees, the ethnic Chinese.

I want to go on record at this point that I believe the administration should do much more to encourage other countries to accept refugees permanently. I think the United States has adequately demonstrated its humanitarian interests in caring for these refugees in monetary terms and in permanent resettlement of large numbers of the refugees in the United States. We need to do more, and the administration needs to be more aggressive in negotiating with the other countries to resettle more Indochinese refugees within their own borders. I am talking about permanent resettlement.

I think the American people are willing to accept these people into the United States, as we have already done, with about 230,000 coming in through August and probably nearly 300,000 by the end of the year. But I do not believe this is going to be an open-ended invitation if the other countries show no willingness to open their doors.

Mr. Chairman, I urge the adoption of this amendment which will provide increased funding for the Indochinese refugee program.

Incidentally, I visited some of the refugee camps on my trip to Asia, in Hong Kong, and elsewhere, and I can tell the Members that the money is not being thrown away. The average expenditure runs around a dollar, and in some cases less, per person per day, and yet they live very cleanly.

One would think, when you get thousands of people living on one floor, with many in one room, that the sanitary conditions would be terrible. Yet, although we saw places where 30 people live in one room, the sanitary conditions were remarkable.

The CHAIRMAN. The time of the gentleman from Maryland (Mr. LONG) has expired.

(By unanimous consent, Mr. LONG of Maryland was allowed to proceed for 2 additional minutes.)

Mr. LONG of Maryland. Mr. Chairman, as I say, on the whole the sanitary conditions were absolutely remarkable. I have never seen anything like it.

These are good people, they are hard-working people, and I think we have done the right thing in trying to help them.

Incidentally, when we were in the Soviet Union, we saw that in the Soviet Union and in Indochina they were very

concerned that the 7th Fleet was picking these people up. They asked, "Why didn't we send them merchant vessels?"

I pointed out that pictures of these people overflowing the boats and falling into the water were horrifying the American people who were demanding that the President act immediately to help these refugees.

The President had to do something dramatic to show the world and the American people that we were helping these people. Sending the 7th Fleet was the most dramatic and the most effective thing we could have done. I think we are doing all we can do in the present circumstances.

I do not think that other countries are doing nearly enough.

□ 1530

It is up to our State Department to push leaders to get other countries to do more. But in the present situation, I hope that the Members will support this unanimous committee amendment for these extra moneys to provide for the President's program.

Mr. CONTE. Mr. Chairman, I rise in support of this amendment to appropriate an additional $207 million for Indochinese refugees. The plight of the refugee is one of the most immediate and critical issues facing the world today. Literally hundreds of thousands of these displaced persons have fled their homes, particularly in Cambodia and Vietnam, because of excessive human rights violations in those nations. The situation has been complicated by the fact that the neighboring Asian nations have been so flooded with refugees that their economies can assimilate no more.

Unfortunately the ordeal of the refugee does not end with their escape. He often faces equally adverse circumstances in the already overcrowded camps or may even be denied this asylum. Mere survival becomes a never-ending struggle for the refugee.

The additional aid proposed here is part of a multifaceted effort to fulfill the pledge of our President to accept 14,000 refugees per month. It will also fund efforts to rescue refugees in distress at sea, establish the international refugee processing center, and increase contributions for the care and maintenance of refugees in camps. The refugee issue has become an international problem with international responsibilities.

Some may question the wisdom of accepting increased numbers when the United States is experiencing so many domestic problems. But there are several good reasons to do so. First, the refugee resettlement programs have been an unmitigated success. With a low record of unemployment, the majority of refugees when resettled have become some of the most productive contributors to our society. Second, America's humanitarian spirit and sense of responsibility dictate that we extend our hand to those in distress. Finally, this is aid in the true sense of the word—its purpose is to help people to merely survive and hopefully rebuild their shattered lives. I strongly urge that this amendment be accepted.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from New York.

Mr. FISH. I thank the gentleman for yielding.

Mr. Chairman, I am happy to rise in strong support of the Long amendment adding funds for the initial resettlement of Indochinese refugees. I was pleased to be a member of the U.S. delegation to the recent United Nations Conference on Refugees in Geneva, Switzerland, where 65 nations were represented to discuss this enoromus human problem created by the massive outflow of refugees from Vietnam, Laos, and Cambodia. In our discussions with the representatives of many nations in attendance, we stressed the commitment of the United States to accept a large share of these refugees. We asked the various countries represented to follow our lead and accept their share of refugees for resettlement.

During the earlier months of this year, because of a lack of funding being available, our rate of acceptance had to be reduced causing further pressures on the already strained facilities in the refugee camps in Southeast Asia with unfortunate results for the refugees. We must not let this happen again, and the amendment will provide the funds necessary to live up to our commitments and allow refugees to be moved out of the camps at the 14,000 per month rate.

I note that the amendment also contains additional funding for the United Nations High Commissioner on Refugees. As you know, the camps in Southeast Asia are maintained by funds through this office. There are recent developments which I wish to call to the Members' attention. First, the Japanese Government has agreed to underwrite 50 percent of the High Commissioner's budget dealing with the Indochinese refugees thereby replacing the United States as the UNHCR's principal supporters. Second, the Government of the Philippines at the Geneva conference announced its willingness to make land available to the High Commissioner for the establishment of a refugee processing center, capable of holding up to 50,000 refugees. Third, Canada generously accepted 50,000. This is some indication of the success of our efforts to involve other countries in the resettlement process, and I congratulate the governments of these countries. It is obviously necessary that the United States continue its support of the High Commissioner's efforts in this area.

I congratulate the chairman and ranking member of the subcommittee on their leadership in bringing this urgent matter to the full House. I am pleased to join with them in strong support.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Alabama.

Mr. DICKINSON. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman on one portion of his statement, and that deals with the original cause of this refugee problem. I believe too little has been said about why these people are fleeing their native land. They are fleeing, because the free world, and yes, the United States, gave up in our effort to help them stay free. Too many Americans—including many in this Congress who are now wringing their hands about this refugee problem—are some of the very ones who swallowed the line that the Vietnam Communists were simply a nationalistic movement from which we had nothing to fear. At the time I remember hearing many of these same people saying that the Vietnamese did not care who or what kind of government they had. Well, we know for sure now that our effort there was worthy and right, because the Vietnamese people by the hundreds of thousands are leaving all their worldly goods, their native land, risking their lives, and they are voting with their feet by leaving.

I am sympathetic with these people in their plight, but I must admit some bitterness at those among us who helped put them there.

Mr. CONTE. I thank the gentleman.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from New York.

Mr. KEMP. I thank the gentleman from Massachusetts for yielding.

Mr. Chairman, I rise in strong support of this amendment. I supported it in the Committee on Appropriations on which I am pleased to serve and consider it of utmost importance to this Nation's humanitarian pledge and human rights policy.

The gentleman just mentioned the holocaust that is going on in Southeast Asia. I would remind the House that last week was the 40th anniversary of the invasion of Poland by Nazi Germany, a parallel situation comes to mind. In those dark days we chose to turn our backs on the refugees aboard the *St. Louis* who sought asylum in our country, and their subsequent imprisonment in "death camps" at the hands of the Nazis will forever be to our shame. We must never again, through any action or lack of action, allow innocent people to perish at the hands of an oppressive government in any part of the world, not as long as we have the will and way in which to be of help.

Those Indochinese refugees require our assistance now. We must act swiftly and decisively in their behalf, for to do otherwise would be to allow them to continue to suffer and die on monsoon-swept seas and in woefully inadequate camps. While I feel strongly that we must encourage other nations to participate in these assistance efforts to the greatest extent possible, we must not make our aid contingent upon theirs. We are not playing diplomatic games, we are dealing with human lives—abused and forlorn people who should be rescued and resettled and be permitted to begin rebuilding their shattered lives where they can have some hope for the future. The administration and particularly Mr. CLARK are to be congratulated for advocating this $207 million in aid.

Mr. Chairman, these people want freedom and hope, what more can we suggest must a people do before they receive our helping hand?

This money, as my friend in the well pointed out so articulately, will be used to rescue these people and provide for their immediate needs. I have been extremely heartened by the generous offers of my constituents in western New York to assist these people, and I know that I speak for the vast majority of Americans when I rise in support of this amendment to provide immediate assistance for these unfortunate, homeless people.

Our Nation, our family can do no less—we must condemn this holocaust today in Southeast Asia for the same reasons we should have done so in the 1930's. I was not in Congress then, but I am now and I say, never again.

Mr. Chairman, I hope this passes unanimously.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. CONTE) has expired.

(By unanimous consent, Mr. CONTE was allowed to proceed for 2 additional minutes.)

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to my good friend, the gentleman from California.

Mr. LAGOMARSINO. I thank the gentleman for yielding.

Mr. Chairman, I was a member of the mission to visit the refugee camps in Hong Kong a couple of weeks ago, and something that really struck home very forcefully to me was the very simple answer that those people gave when we asked them, "Why did you leave?" Three different refugees in different places, where they could not have overheard what the others said, answered, in reply to that question, one word: "Freedom."

I think we certainly, as the bastion of freedom in the world today, owe a moral and legal duty to do what we can to help.

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

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

Mr. BAUMAN. I thank the gentleman for yielding.

Mr. Chairman, in all of the discussion that I have heard regarding this amendment, which doubles, almost, the amount of money in this bill to about one-half billion dollars, there has been no reference to what commitments have been made or are being carried out by other nations.

I understand we have had meetings in Geneva and elsewhere.

Are the American taxpayers to pay the complete bill for this, or are other nations going to give some similar aid? I think certainly they have an obligation as well.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from New York.

Mr. FISH. Mr. Chairman, I did not take my full time earlier, and my remarks on the subject of the gentleman's question will appear in the RECORD on that point.

One of the items in this amendment calls for funds for the U.N. High Commissioner for Refugees, which has the prime responsibility in the camps in Southeast Asia.

It is interesting to note that Japan now pays 50 percent of the U.N. High Commissioner for refugee's bills. We used to pay 50 percent. Japan now has become the major contributor to the U.N. High Commissioner. We are down to 30 percent.

Second, I might point out, in response to our move to double the number of refugees coming in, Canada announced that it would take in, in the next fiscal year, 50,000 refugees, which is 3 or 4 times the number they were taking in before that.

The other success we had was in getting the Philippines to agree to a camp for a population of 50,000, which they are in the process now of setting up.

Ms. HOLTZMAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I advised my colleagues on July 24 of my intention to offer an amendment, identical to the one now proposed by the gentleman from Maryland (Mr. LONG). Therefore, I wish to compliment him, his subcommittee, and the Committee on Appropriations for proposing this very important amendment.

The President in Tokyo and the Vice President in Geneva made a commitment that we would double the number of refugees that we were taking from Southeast Asia. Unfortunately, there was no money to back that promise. If funds are not provided in this bill for fiscal year 1980 we will create an enormous credibility crisis. We would have made a promise, refugees would have been relying on it, other nations would have been relying on it, and the funds simply would not have been there. In fact, we saw a similar problem arise just this past spring, when Congress was forced to resort to a supplemental appropriation for refugees. We had to go through the lengthy process of supplemental funding while refugees were languishing in camps. At that time, the asylum nations in Southeast Asia were concerned that the United States was not keeping its commitment to take refugees because money was not available to process, transport, and resettle them.

In fact, this problem may have contributed to a more rigid asylum policy on the part of some countries, which then began to force refugees out to sea.

I am glad that, after the prodding of my colleague, the gentleman from New York, the ranking minority member of the Subcommittee on Immigration (Mr. FISH), and myself, OMB finally agreed to submit the budget amendment calling for full funding of the President's commitment and that the Committee on Appropriations acted as promptly as it did.

This is a crucial amendment if our Government intends to honor the commitments that have been made to the refugees and to the world. It must be kept. I strongly urge the adoption of this amendment.

□ 1540

Mr. LONG of Maryland. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Let me say from what I have been able to see, money is the least of our problems on this. We have gotten commitments from other countries for about $190 million. What we really need are commitments from other countries to take more refugees on a permanent basis.

On this basis, the United States has been the front runner. We do not have to be ashamed of what we have done. We will by the end of this year have taken nearly 300,000. We do not seem to be able to get that kind of commitment from other countries. I think it is up to our State Department to do a much harder-nosed job of getting that type of permanent refugee commitment from the other nations.

Ms. HOLTZMAN. Let me tell the gentleman from Maryland, after I visited Southeast Asia last February, I learned that we had no coherent policy for asking other countries to do their share and that we had not even approached Japan to ask them for resettlement assistance. Finally, after much prodding, our Government made such an effort to involve other countries in what must be an international operation. I would agree with the gentleman that more needs to be done. I think it is very important that the United States maintain its humanitarian position and, if we are going to make commitments, there ought to be money to back them. At the same time we ought to be getting other nations of the world to do their share.

I was pleased at Geneva to see other nations were making a larger commitment than ever before on this problem Clearly, more needs to be done. Vietnam has to change its policy to permit an orderly and humane exodus instead of forcing people out. I think some progress is being made on all these fronts.

Mr. VENTO. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, I thank the gentlewoman for yielding.

I want to rise and commend the gentlewoman from New York for her leadership on this issue and for holding the hearings in the judiciary, and the ranking minority member, Mr. FISH, for their work. I think this commitment is one we should have made and that we should keep. Without these additional resources we are going to spread the services much too thin so we would not be able to do the type of job that should be done for these refugees who are being brought to this country. I think we all see manifest in our districts and throughout this country problems that have been and are created by bringing in refugees who have not had the proper resources and services in the camps and in

locations where they can be prepared to enter this country in an appropriate manner.

The current situation of the refugees has been brought to my personal attention because of the large number of Indochinese refugees in St. Paul and because of the compassionate concern of the late Dr. Ted Mitau.

This amendment would provide an additional $207.3 million for the Indochinese refugee program. I understand that this money is essential if we are going to keep our commitment made to other countries and if we are going to provide the needed initial services to these refugees.

The plight of the Indochinese refugee is well known. We are all aware of the sometimes heroic journey these people have made to escape the persecution of despotic regimes. In fact, in many instances these people are forced to leave their homeland because of their past cooperation with U.S. military and intelligence forces.

The amendment jells perfectly with the administration's new initiative on refugees and meshes with the immigration reauthorization legislation proceeding through the House and Senate.

Of the additional $207.3 million, $84 million will be transferred to the United Nations High Commission on Refugees. Some of this will be used to establish a refugee processing center in Southeast Asia. This is desperately needed to relieve the pressure placed on Maylasia. Thailand, and Hong Kong by the rapid influx of hundreds of thousands of refugees. Without a processing center, these countries may be forced to revert back to the policy of turning away refugees at their border.

More than half of this money will be used to directly finance our increased commitment of accepting 14,000 Indochinese refugees a month.

Five million dollars will be used by the State Department to increase the efficiency of the selection and documentation of refugees for permanent resettlement to the United States. This money is urgently needed to bring the processing up to speed in these camps. The current situation is so bad that in many cases refugees have been waiting for more than 4 years.

The amendment also provides $54.5 million for transportation to the United States and $45 million in per capita grants to voluntary service organizations for initial resettlement expenses. It also provides $17 million in reimbursement to the Navy for their expenses in picking the boat people out of the ocean.

A final and extremely important purpose of the amendment will be to enhance the medical screening of the refugees. The medical problems are enormous. In addition to the problems of malnutrition and in some cases starvation, there is a very high incidence of communicable diseases. Medical personnel working with these refugees have seen a high incidence of tropical diseases which are not common in the United States.

I recently met with many individuals from my district who are providing health care for refugees. It is the opinion of these health care providers that the typical Indochinese refugee is still faced with serious health problems even after several months in this country. Enhanced medical screening together with improved health care of refugees in the processing and resettlement camps is desperately needed. The $840,000 appropriated for this purpose will do much to improve the health of these people. It is essential for their safety and well-being as well as in the public health interests of the United States that we provide sufficient money to institute comprehensive health screening of these refugees.

Mr. Chairman, these are nuts and bolts of this amendment. I think a close examination shows that this is not an extravagant expenditure. Indeed, it is a well reasoned and compassionate request for additional funds.

The basic argument concerning this amendment is whether we will keep our commitments to the international community and our commitments to these people. Vice President MONDALE has hammered out an agreement with other nations to provide an international framework for dealing with the refugee problem. I applaud this agreement because it recognizes that no single nation can accept the full responsibility for the refugees. It is our opportunity to demonstrate that we support the multinational approach. This additional appropriation is in the best interests of the United States and the best interests of the Indochinese refugees.

I urge my colleagues to support the amendment of the gentlewoman from New York.

Mrs. SCHROEDER. Mr. Chairman, I rise in support of the amendment.

I want to compliment the gentlewoman from New York and all the other members of the subcommittee who have worked so hard on this. One of the things I really want to bring to the attention of this body is what is happening to the refugees once they get here, because this is a very important piece of the equation. I do not think we have really taken enough responsibility for it at the national level.

I have not visited any of the refugee camps, but I was in my district all last month; and things got very, very tense there. As you know, once the refugees get to America, they may go anywhere to settle.

We can recommend they go to certain places, but if they want to go somewhere else, they certainly are free to do that.

I come from Denver, Colo., where we have been very, very heavily impacted by the large numbers moving in and great tension has been caused because of the pressure on services that are already really overstressed and understaffed. We cannot forget a portion of that equation. Getting the refugees here is only part of the problems.

I am very worried because the minimal funding that is there is running out at the end of this month. I think one of the things we have done traditionally in this country is say, "Give me your tired, your poor," and once they get here, we have not paid enough attention to them. I hope that this body does not forget. Helping the communities adopt and adapt these families and bring them into America and really make them a part of the country rather than just getting them here and throwing them in to compete for really valuable resources against other groups who already feel they are being shortchanged is very important.

I compliment everyone who has worked so hard on this amendment, but also say, "Don't forget," the money is running out September 30 and we must act on that, also. I think we are really under the gun.

Mr. MARRIOTT. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I would just like to make a point that if we want to get a testimony of the problems of the refugees, we should have spent the last month with the gentlewoman from Illinois (Mrs. COLLINS), and others, and myself included, in Congressman WILSON's delegation as we visited the refugee camp at Ban Van Ai up near the Mekong River and also the refugee camps in Hong Kong.

We spent a half day helping refugees off the trucks and seeing the problems they are faced with and trying to understand the problem.

I think after that experience, I can honestly say that I sincerely believe that the money, additional money of $207 million, would be well spent to help these people.

Pol Pot in Cambodia has executed at least 2½ million people. Ethnic Chinese now who are leaving North Vietnam primarily are drowning at sea. The last count was about 60 percent of those people are drowning before they find refuge.

I think we have an obligation to do all we can to help that situation. I think a good point has been made that we should also encourage other countries to do their share in helping these refugees. Japan, I think, has not done enough. Australia has not done enough. I think a point to be made, though, is many of the countries in Southeast Asia cannot do any more than they are now doing. Some of the people in the refugee camps are living better than the farmers in Thailand, for example. I think that we then have the greatest resources to help these people.

I want to make just one other point in support of this amendment.

I think, Mr. Chairman, the solution to the refugee problem is not in running around the country trying to encourage other countries, who have problems of their own, to take in these refugees. The problem is through the United Nations and through the governments of all of the countries to put the pressure on the Communist Government in Hanoi, as the gentlewoman from New York stated earlier, to stop the ungodly condition that is resulting in the proliferation of these refugees. I think that is the bottom line in terms of solving this problem.

Until we get to that point, I support and congratulate the chairman on his amendment. I think it is absolutely necessary.

Mr. CHARLES H. WILSON of California. Mr. Chairman, will the gentleman yield?

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

Mr. CHARLES H. WILSON of California. Just so the record is correct, I agree with the statement of the gentleman. However, in the case of Australia, I think the record should show that on a per-capita basis, Australia has taken in more refugees than has the United States. I do not think they should be one of the countries that is criticized in this particular instance.

Mr. MARRIOTT. I thank the gentleman.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

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

Mr. LONG of Maryland. The gentleman may be interested to know that when I and a delegation totaling 12 Congressmen were in Hanoi in mid-August, we got some assurances from the Vietnamese that they would do what they could to regularize the outflow of emigrants. Of course, they were a little bit puzzled. On one hand, we ask them to let people go when they want to leave. On the other hand, we ask them not to let them go to create too great a refugee problem.

So there is a bit of an ambiguity there. Also, when we say, "Don't create a lot of refugees," we are really asking them not to be Communists. They are not about to do that. It is a rough regime, and a lot of people do not want any part of it and do not want to stay there.

I might point out, people in Vietnam are seeing all these pitiful boats full of refugees drowning. The Vietnamese Government is naturally not showing the picture, so a lot of these people are leaving the country without any knowledge of what they are getting into. These are some of the complicating factors I thought the gentleman might be interested in.

Mr. MARRIOTT. I thank the gentleman for that. I still maintain we should do all we can to help these people if they make that decision to leave and then to continue putting the pressures on the Communist governments. I thank the gentleman.

I yield back the balance of my time.

□ 1515

Mr. YOUNG of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me slow things down just for a second here, so the Members will know exactly what we have been doing for the refugees from Indochina.

In the fiscal year 1979 bill we appropriated $38 million for Indochina refugees. We came back just a few months ago and in a supplemental bill for fiscal year 1979 we appropriated an additional $72,176,000.

According to former Senator Clark, who heads up our refugee program now, when one takes those figures plus what all we have done for Indochinese refugees, we have spent $1 billion through 1979 for Indochinese refugees.

In the fiscal year 1980 bill, the bill as before us today, the committee has approved an additional $138,844,000 for Indochinese refugees. This amendment adds an additional $207,290,000 for Indochinese refugees.

We will be receiving in this Congress very shortly a budget amendment from HEW for an additional $246 million to care for the refugees once they get here to the United States, for a grand total of just in this 12-month period $702 million, nearly a billion dollars for Indochinese refugees.

I do not raise these figures to express my opposition to caring for these unfortunate people. I did not visit any of the refugee camps during the recess, but I do not have to visit a refugee camp to have compassion for one of God's creatures.

But I have to say, Mr. Chairman, I want to use this argument just to inject another thought into today's conversation. The gentlewoman from Colorado said "Give me your tired, your poor." She was quoting, as the Members know, from the inscription on the Statue of Liberty.

Let me tell the Members who is tired. The American people are tired. The American taxpayers are tired because the American taxpayers realize that in this same bill appropriating this over $300 million to take care of refugees created by Vietnam, in what our chairman says was an excessive denial of human rights, and he is so right, in this very same bill we are appropriating American tax dollars that will go to that very same repressive government of Vietnam who is creating the situation that is requiring us to spend this more than a billion dollars on Indochinese refugees.

A little bit later in this bill the Members will have an opportunity to take care of the other side of this. I am not going to oppose this addition of $207 million to help people that cannot help themselves, but the Members are going to see a strong effort made to make sure that no other American tax dollar appropriated by this bill today goes to Vietnam through our AID programs or through the United Nations development programs, or through the World Bank or the Asian Development Bank or any other international institution to which we contribute. If the Members feel strongly about caring for these refugees, look at the other side, look at the bad guys that are creating the situation that makes these refugees. When that opportunity comes to prevent any possible use of American money to help the Vietnamese Government, vote with me to stop it.

Mr. NOLAN. Mr. Chairman, I move to strike the requisite number of words, and rise in support of the amendment.

In response to the gentleman from Florida, I would only remind this House that the United States bears some responsibility for the refugee problem, the fact is we have spent $150 billion in destroying that country. If the gentleman does not think that had something to do with the terrible, harsh living conditions in that country, some of the conditions that make people want to leave, then I am afraid the gentleman has no understanding about the effects of war on a society.

When one couples that with the fact that Vietnam has had two successive crop failures; they were hit by a typhoon last year that left 6 million people homeless, coupled with 30 years of war, has just left that country devastated with the most terrible, unimaginable, harsh living conditions. That perhaps more than anything is the primary reason why those people want to leave and find some of the peace and some of the freedom and some of the prosperity they have come to associate with America.

It is only fitting and proper that having to bear some of the responsibility for those conditions that we should bear some of the responsibility for helping those people who have become refugees as a result of it. But I submit to the gentleman from Florida and the rest of the Members of this body that some money spent on some economic aid, food aid and developmental assistance in Vietnam itself would do a great deal more good for the people of Vietnam and for this country than all of the money that we spent by trying to deal with the problem after the fact, as we are in the case of the refugees.

Mr. BAUMAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I have heard some convoluted reasoning in my time, but that certainly takes the cake. When Cornwallis surrendered at Yorktown the band played a little ditty called "The World Turned Upside Down." I have to say that when I heard the argument that the reason these poor people are fleeing by the thousands from Vietnam is because of the United States, I knew there has got to be something wrong somewhere in the logic, if any, attached to such an argument.

One of the major themes that a mass of politicians in this country called liberals preached for years was that the United States ought to get out of Vietnam and let the Communists take over so that the good life would follow, the wonderful existence that would be provided to each of the people if Ho Chi Minh and his successors were allowed to take over that government. Well, they have taken over and now suddenly the explanation for the occurrence of precisely what we conservatives predicted would happen is that the United States caused it.

At some point logic does have to intrude in debate. Let us help the refugees, but place the blame where it belongs, not on the U.S. taxpayers, or the Congress, or the several Presidents of the United States, or the thousands of dead and wounded Americans who were trying to preserve freedom and fight against those that now are causing this refugee

problem and all of the associated suffering that follows. The United States is not where the blame lies. It lies with brutal communism and the type of vicious people that now control Vietnam. Until you liberals learn the difference between freedom and communism, you will continue to make inane arguments of this nature which have no basis in logic or in fact.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. Yes, I yield to the gentleman.

Mr. LAGOMARSINO. I thank the gentleman for yielding. The gentleman has hit the nail right square on the head. The Vietnamese officials themselves told us there were two reasons refugees (boat people) were leaving. "One, because they cannot live under our system, they are capitalists, not Communists, and the second reason is because they are Chinese, they are Chinese and they belong to an ethnic race we want out of our country."

Mr. BAUMAN. Yes, there is an ethnic tinge to this mass persecution.

Mr. LAGOMARSINO. And if the gentleman will continue to yield, they did promise to try to regularize the immigration because they said when these people leave illegally they steal boats and, of course, these boats belong to them in the first place. And also another "terrible" thing is that when they leave they take with them their possessions. That is why they are leaving, because as one refugee told me, they cannot live with communism. It has nothing to do with the economic situation.

Mr. BAUMAN. I agree with the gentleman and if this insane liberal appeasement of communism continues to go on in this way long enough we will probably wind up with Jane Fonda as Secretary of State, and then we will all have to take to the boats, but the question is where will we go?

Mr. JOHN L. BURTON. Mr. Chairman, I move to strike the requisite number of words.

I would like to address the question to my dear friend and colleague from Maryland. Does the gentleman happen to know how many left these United States after Cornwallis surrendered, how many Tories left and where they went?

Mr. BAUMAN. If the gentleman will yield, there were a certain number who found that they were disaffected with the new government, and I assume they returned to their homeland in England, which has been the recipient of any number of billions of dollars in aid from this country subsequently.

Mr. JOHN L. BURTON. Many people did leave after we won, after the domocracy won against the monarchy, people did leave these United States.

Mr. BAUMAN. A certain number, but a great many stayed here.

Mr. JOHN L. BURTON. And a great many stayed over I think in Vietnam also.

Mr. BAUMAN. Many people stayed here and came here with strange sounding American names like Burton and Bauman and others.

Mr. JOHN L. BURTON. In the event that the Communists in China invade the Communists in Vietnam, because the Communists in Vietnam invaded the Communists in Cambodia, which Communists are the Communists and should be the Communists that we, the Democrats and Republicans, feel are the bad Communists versus the good Communists?

Mr. BAUMAN. If the gentleman will continue to yield, I would yield to the gentleman to answer his own question, because I know the gentleman to be an expert on Chinese and Asian matters. I heard him say at a banquet in Peking a few months ago that he was with them even before 1949.

Mr. JOHN L. BURTON. Yes, I did say that. I do think that the point here is well taken from the colloquy that many of the people are leaving Vietnam for two reasons, Chinese ethnic discrimination that is happening to them, and also the fact that many of them were supporters of the government that was in control and that was not exactly what one would call your democracy. The last time that I saw a Buddhist monk burn himself to death to protest a democracy was in Vietnam when we were defending that democracy.

I really think the question is simpler than the gentleman states it, and I do not require much knowledge to know the position of my good friend from Florida on this amendment, but I would only say at this time, and I think it is very important I do say so, that I would yield back the balance of my time.

□ 1600

Mr. DELLUMS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, members of the committee, I shall not take 5 minutes, but I would simply like to respond to my distinguished colleague from Maryland who stated that most of us who opposed America's involvement in Vietnam in some way promised some great future. I was one of those persons elected to this Congress in 1970. We stated very clearly that we thought our involvement was illegal, immoral, and indeed insane. We did not ever promise to our fellow Americans that withdrawing from Vietnam and from the mentality of death and destruction as a way of solving human problems and addressing human imperatives would grant a great panacea.

But, what we did realize was that they had no chance to do it as long as we were raining terror, death and destruction, engaging in defoliation, moving people from villages and burning them, looting people, engaging in all kinds of warfare, madness, in violation of any notion of human decency.

I would suggest to my colleague that we thought it was important to withdraw from that mentality. We never suggested that some great country would evolve out of this situation, but we thought they would at least have a chance to do it. I would like to state that in the remarks of my distinguished colleague, he said that there were two kinds of refugees leaving. One are the Chinese. The Vietnamese have been very paranoid about the Chinese, who challenged them, and thousands of them were killed; and the Pol Pot regime, who indeed murdered tens of thousands of human beings. The second group tend to be those persons who fought on the side of the United States in the Vietnamese war, and who themselves feel very paranoid vis-a-vis this particular government. The gentleman's statement is well taken, he can walk away from murders and destroying lives of those people, broke family ties in this country, and that makes them walk away and say that they have no responsibility to them.

I realize I am advocating a position that may not necessarily be popular, but I do think that it is a moral position. I do not think we can destroy and walk away without providing some resources. I think we ought to give aid to the refugees where we can, but I suggest that we ought to do far more than that. We burned and destroyed and it seems to me that we have some ethical obligation to deal with that. It is not that we were playing games.

As to Jane Fonda, I would like to suggest that she also is a citizen of the United States. She is covered by the Constitution of the United States. She has the right of free speech, and I would suggest that she has the right to say whatever she said. If it happens to be on the question of the Vietnam war, our incredible involvement, our mentality, our militarism, she and I agree.

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, I just want to emphasize that in my district there are 1,000 plus Hmongs. These mountain people worked for us during the Vietnam conflict. They fought on our side during the war. They deserve this type of assistance we are talking about. This help is an American responsibility whether we are liberals or conservatives. We must meet whatever responsibility and commitments that have been made and are due.

Mr. DELLUMS. I thank the gentleman.

Mr. AKAKA. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Maryland (Mr. LONG) to increase funding for refugee assistance, and urge my colleagues to support this amendment.

This amendment would provide assistance for the resettlement of the 7,000 additional refugees that the President has agreed to admit into the United States each month. I commend the President for this important decision. We now have the opportunity to implement his decision by offering Indochinese refugees the means of getting to the United States and beginning a new life. By this action, our country will demonstrate its continued willingness to assist these people and ease their unbearable suffering. We are all aware of the special obligation we have in this area.

We must demonstrate to the world community our willingness to commit our resources to this difficult problem.

Our positive action will be well received and make it easier for other nations to support this cause. Many believe that the United States has special responsibilities towards the refugees, and are waiting for us to act. Other nations, notably Japan, have already committed resources to assist Indochinese refugees. The time has come for us to offer a strong helping hand.

Without this assistance, our decision to double the immigration quotas for Indochinese refugees will be only a hollow gesture. Funds for the processing, transportation and resettlement of refugees are essential if these people are to adjust properly to their new surroundings and resume a normal existence. Southeast Asian refugees have demonstrated an overwhelming desire to achieve financial self-sufficiency and integration within our society. They cannot, however, do this without some basic help.

We have all read of the suffering and overwhelming misery of Asia's boat people. The opportunity is now before us to demonstrate our concern in terms that will have real impact and prevent further suffering.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. LONG).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed $14,129,000 (to be computed on an accrual basis) shall be available during the current fiscal year for administrative expenses, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, and not to exceed $24,000 for entertainment allowances for members of the Board of Directors: *Provided*, That (1) fees or dues to international organizations of credit institutions engaged in financing foreign trade, (2) necessary expenses (including special services performed on a contract or a fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Bank or in which it has an interest, including expenses of collections of pledged collateral, or the investigation or appraisal of any property in respect to which an application for a loan has been made, and (3) expenses (other than internal expenses of the Bank) incurred in connection with the issuance and servicing of guarantees, insurance, and reinsurance, shall be considered as nonadministrative expenses for the purposes hereof.

Mr. YOUNG of Florida. Mr. Chairman, I am just standing preparing to raise a point of order.

The CHAIRMAN. Let the Chair suggest to the gentleman that he speak up, because he has been standing up over the last three paragraphs, and the Chair does not know where he intends to offer his amendment. So, the Chair would request that the gentleman speak up. Is the gentleman asking for recognition?

Mr. YOUNG of Florida. Mr. Chairman, let me thank the Chair for that admonition, and suggest that I have never been bashful about speaking up.

The reason I was standing was because I could not hear the reading clerk, and I just wanted to make sure that I was protecting my opportunity to raise a point of order.

The CHAIRMAN. The Chair wants to protect the gentleman in offering his amendments or making his points of order; but the gentleman has not asked for recognition, or at least the Chair cannot hear him. For what purpose does the gentleman rise?

POINT OF ORDER

Mr. YOUNG of Florida. Mr. Chairman, I rise to make a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. YOUNG of Florida. Mr. Chairman, on page 15, beginning on line 5, I make a point of order that the following words are out of order on the ground that they are not authorized by law. Those words are:

And not to exceed $24,000 for entertainment allowances for members of the Board of Directors.

The CHAIRMAN. Does the gentleman from Maryland wish to be heard on the point of order?

Mr. LONG of Maryland. I would like to be cleared up on the question of whether the objection to the language the point of order refers to wipes out the allowance or wipes out merely the limitation, so that it might be unlimited amounts for entertainment.

The CHAIRMAN. As the Chair understands, the point of order goes to the language on line 5 of page 15, starting with the last word:

And not to exceed $24,000 for entertainment allowances for members of the Board of Directors.

That is what the point of order goes to. Does the gentleman concede the point of order?

Mr. LONG of Maryland. I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained.

The Clerk will read.

The Clerk read as follows:

SEC. 504. None of the funds herein appropriated nor any of the counterpart funds generated as a result of assistance hereunder or any prior Act shall be used to pay pensions, annuities, retirement pay, or adjusted service compensation for any persons heretofore or hereafter serving in the armed forces of any recipient country.

POINT OF ORDER

Mr. YOUNG of Florida. Mr. Chairman, I rise to make a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. YOUNG of Florida. Mr. Chairman, I make the point of order that on page 17, line 1, the following words: "or any prior Act" constitutes legislation in a general appropriations bill, and are therefore out of order.

□ 1610

The CHAIRMAN. Does the gentleman from Maryland (Mr. LONG) have any comment?

Mr. LONG of Maryland. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained against those four words "or any prior Act."

The Clerk will read.

The Clerk read as follows:

SEC. 508. Of the funds appropriated or made available pursuant to this Act, not to exceed $122,800 shall be for official residence expenses of the Agency for International Development during fiscal year 1980: *Provided*, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars.

POINT OF ORDER

The CHAIRMAN. For what purpose does the gentleman from Florida (Mr. YOUNG) rise?

Mr. YOUNG of Florida. Mr. Chairman, I rise to make a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. YOUNG of Florida. Mr. Chairman, I make the point of order that on page 17, section 508, the following words are out of order in that they are appropriations not authorized by law:

Of the funds appropriated or made available pursuant to this Act, not to exceed $122,800 shall be for official residence expenses of the Agency for International Development during fiscal year 1980:

The CHAIRMAN. Does the gentleman from Maryland (Mr. LONG) concede the point of order?

Mr. LONG of Maryland. Mr. Chairman I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained.

The Clerk will read.

The Clerk read as follows:

SEC. 509. Of the funds appropriated or made available pursuant to this Act, not to exceed $15,000 shall be for entertainment expenses of the Agency for International Development during fiscal year 1980.

POINT OF ORDER

The CHAIRMAN. For what purpose does the gentleman from Florida (Mr. YOUNG) rise?

Mr. YOUNG of Florida. Mr. Chairman, I rise to make a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. YOUNG of Florida. Mr. Chairman, on page 18, section 509, I make a point of order that it is out of order because that section is not authorized by law.

The CHAIRMAN. Does the gentleman from Maryland (Mr. LONG) have a statement to make on the point of order?

Mr. LONG of Maryland. Mr. Chairman I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained. Section 509 is stricken in its entirety.

The Clerk will read.

The Clerk read as follows:

SEC. 510. Of the funds appropriated or made available pursuant to this Act, not to exceed $108,200 shall be for representation allowances of the Agency for International Development during fiscal year 1980: *Provided*, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars.

POINT OF ORDER

The CHAIRMAN. For what purpose does the gentleman from Florida (Mr. YOUNG) rise?

Mr. YOUNG of Florida. Mr. Chairman, I rise to make a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. YOUNG of Florida. Mr. Chairman, I make the point of order that on page 18 the following words of section 510 are not authorized by law:

Of the funds appropriated or made available pursuant to this Act, not to exceed $108,200 shall be for representation allowances of the Agency for International Development during fiscal year 1980:

The CHAIRMAN. Does the gentleman from Maryland have a statement to make?

Mr. LONG of Maryland. I concede the point of order, Mr. Chairman.

The CHAIRMAN. The point of order is conceded and sustained up to the proviso after the figure "1980."

The Clerk will read.

The Clerk read as follows:

SEC. 514. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance or reparations to Angola, the Central African Empire, Cambodia, Laos, or the Socialist Republic of Vietnam.

AMENDMENT OFFERED BY MR. YOUNG OF FLORIDA

Mr. YOUNG of Florida. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. YOUNG of Florida: On page 19, line 12, after the word "directly" add the following: "or indirectly".

Mr. YOUNG of Florida. Mr. Chairman, this is the amendment that I alluded to in our conversation on the $207 million add-on for Vietnamese refugees. What I am attempting to do by this amendment is to make sure that no American tax dollar goes to Vietnam either directly or indirectly in the form of foreign aid.

The Members might wonder why I am so concerned about this. We have talked about it so much. The World Bank last year approved a $60 million loan for Vietnam, and the American taxpayer is the largest contributor to that $60 million loan. There are five or six more loan applications for Vietnam pending before the World Bank.

Mr. Chairman, the last time this bill was before the House we had heard conversation to the effect that all Vietnam loans have been frozen, that the proceeds of the first $60 million loan are not going to be distributed, and everything else is in a deep freeze.

Mr. Chairman, I wrote a letter to our Executive Director at the World Bank, the U.S. Executive Director, and also a letter to Mr. McNamara, and I asked them certain questions, for example: "Was this freeze official?"

I still have not been told officially that there is a freeze on.

No. 2, I asked: "How long is the freeze going to last?"

I asked: "Who made the decision that there was going to be a freeze?"

The other question was: "Who would have the authority to lift the freeze?"

After I did not get any answers for quite a long time I sent a Mailgram to both of these gentlemen again asking them to respond to my initial letter, and I received a letter from Mr. McNamara. He tells me that Mr. Bill Dixon has responded for the Bank, Mr. Bill Dixon, who was at the time our Alternate Executive Director.

The funny thing is that after all of this communication, after all of this delay, after all of these statements that there is a freeze on loans to Vietnam through the World Bank, to which we are the largest contributor, the fact is that nobody will confirm that—at least nobody at the World Bank. So I say to the Members that if we do not want American taxpayers' dollars going to aid the Government of Vietnam, the very same people who are creating these uncivilized conditions, for which we have spent nearly a billion dollars taking care of the refugees, then vote for this amendment. It simply adds to a prohibition that is already in this bill against any direct aid to those countries mentioned, including Vietnam. It merely adds the words "or indirectly." That means that the money of our American taxpayers, our constituents, will not go to Vietnam, no matter how tragic some of our Members might feel about our relationship with Vietnam.

I hope the day will come when we can have a good relationship with Vietnam, but I feel no obligation to rebuild or develop a nation that is still a warring nation. I feel no obligation to send American tax dollars to Vietnam to help them do the very things that are costing us hundreds of millions of dollars on the other side to try to correct.

This House has passed this amendment before with an overwhelming vote. We have had difficulty with this amendment in the other body. But it is a new ball game over there, too, this year. See what they are doing on some of these issues of foreign aid. See what they are doing on foreign policy.

I say if the House will stand by its guns, if we would support this prohibition against any direct or indirect aid to Vietnam, we will have struck a real blow for those American taxpayers who are so tired of giving and giving and giving to the enemy and the people in Vietnam who are creating a refugee situation that has cost us nearly $1 billion in the last 12 months. Vote for this amendment.

AMENDMENT OFFERED BY MR. OBEY TO THE AMENDMENT OFFERED BY MR. YOUNG OF FLORIDA

Mr. OBEY. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. OBEY to the amendment offered by Mr. YOUNG of Florida: Add the words "through international institutions funded through this Act" immediately after the word "indirectly" wherever it appears in the amendment.

Mr. OBEY. Mr. Chairman, I rise both in support of my amendment and in opposition to the Young amendment. Let me simply explain my amendment. My amendment simply makes clear—and I do not think it would be controversial irrespective of what happens to the actual Young amendment—that when we use the word "indirectly" as the gentleman from Florida (Mr. YOUNG) does in his amendment, what we are talking about is limiting aid of the United States which goes through international financial institutions. I think there is a great deal of confusion about that, and this amendment is simply meant to clarify what the intent of the Young amendment is. I doubt that there will be any controversy about it. I would urge the Members to adopt that amendment, regardless of what they are going to do with the Young amendment.

Let me assert my reasons for opposing the Young amendment. First of all, let me say that I, like the gentleman from Florida (Mr. YOUNG), feel no obligation to rebuild Vietnam. I feel no sense of guilt about what happened, and I think that, while I opposed the Vietnam war for years, it is terribly destructive for us to continue to engage in this search for guilt within our own country, which makes it impossible to deal with the Vietnamese issue on a rational basis.

□ 1620

Let me simply say I feel no need to rebuild Vietnam. I have a niece who is a refugee from Vietnam and while I am glad to have her as part of the family I very deeply regret the nature of the government which forced her to come here.

Let me simply say that the Young amendment does not do what the gentleman from Florida (Mr. YOUNG) claims it will do. The Young amendment will not eliminate funding for Vietnam. All the Young amendment will do is to insure that the United States will no longer participate in the international financial institutions which are the real target of this amendment.

Mr. Chairman, we have gone through this many times. As is known, eight former secretaries of the Treasury, Robert Anderson, Joseph Barr, John Connally—not exactly a radical—C. Douglas Dillon, Henry Fowler, David Kennedy, George Schultz, William Simon—also not necessarily a Vietnam-loving radical—all of them have indicated that if amendments like this pass, our leadership ability in the banks is finished because we cannot under their charters make that money available to the banks. All that happens then is that you increase the likelihood that countries such as Vietnam are going to be able to receive money because we will no longer be there in strong position to oppose it. Our voting force will be reduced in the banks and I do not think it makes any sense to do that.

I also want to point out that while the gentleman from Florida (Mr. YOUNG) chooses not to recognize it, there is, in fact, a freeze on Vietnam funding at the World Bank. I have a copy of the letter to the gentleman from Florida (Mr. YOUNG) from Mr. Dixon at the bank which reads as follows:

. . . the Bank has made clear that it would be completely inconsistent with its basic policies for any new loan commitments to be approved until the situation in Vietnam changes.

As you know, in January, 1979, Mr. Fried emphasized to Bank management and to other members of the Board that lending to Vietnam should be discontinued. Other Executive Directors made similar representations.

Mr. Chairman, the fact is there have been no new loans to Vietnam and none are planned for the foreseeable future.

There have been no loans for Vietnam in the past year.

It is also my understanding, and I understand the gentleman from New York (Mr. DOWNEY) will verify this, Mr. McNamara personally in a conversation with a number of Members of Congress made quite clear there is, in fact, a bank freeze on Vietnam lending.

Mr. DOWNEY. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from New York.

Mr. DOWNEY. Mr. Chairman, I thank the gentleman for yielding.

I would say about a month and a half ago President McNamara was at a meeting with at least 12 other Members of Congress. This question was put to him specifically with respect to bank involvement in Vietnam and he said categorically that the bank was not involved and that there was a freeze in funding.

Mr. OBEY. Mr. Chairman, I thank the gentleman.

Mr. Chairman, let me point out we also have a letter from Cy Vance. The last time I looked he was still working for the Government. His letter reads as follows:

> No new lending to Vietnam has taken place since mid-1978 nor do we expect any loans to be brought forward for approval this year. It is clear that Vietnam's deliberate policy of expelling large numbers of refugees brings into question the appropriateness of any loan to Vietnam at this time.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. OBEY was allowed to proceed for 2 additional minutes.)

Mr. OBEY. Mr. Chairman, I would repeat, the only effect of this amendment will be to eliminate the U.S. participation in the banks, because the banks' charters prohibit the acceptance of contributions if they are limited in any way by any donor country. There are a lot of people who do not happen to like that. I happen to think that is in our advantage, because the last time I looked around the world I found there were a lot of countries that were rather undependable in terms of choosing friends. I do not believe it would be in the interest of the United States to politicize the banks and to have each donor country in the world saying, "Here is my list of no-noes, boys, and if you do not go along with that list of no-noes, you are not going to get my money."

That would destroy the effect of the banks, and the result would be that we would be back to bilateral lending only as a basis for international assistance, and as we all know the United States bears a disproportionate share of that burden.

Mr. LONG of Maryland. Mr. Chairman, I move to strike the requisite number of words, and rise in opposition to the Young of Florida amendment.

Mr. Chairman, this, of course, is no new amendment. I find myself in something of a quandary on it. I have strongly opposed any aid to Vietnam, direct or indirect. In fact, when I was in Hanoi in the middle of August, some of the delegation seemed to indicate that if they acted favorably on refugees and on the missing in action question, there might be aid to Vietnam. I said that as chairman of the Foreign Operations Subcommittee on Appropriations I would strongly oppose aid to Vietnam no matter what they did. I felt if they made any concession on refugees they should do it in order to get a better relationship between our countries and not in response to the idea that they were going to get any money. We ought to make that clear.

Mr. Chairman, we have had this amendment before us before. All it has done is just gum up the works. The Senate will not take it, the President will not take it. Frankly, I am inclined to agree with the gentleman from Florida. I do not think the charters forbid their taking this money under those conditions; they simply don't want to take the conditions and our administration backs them up on this interpretation. The President can always get lawyers in this town to tell him anything he wants to hear, but the fact is, we have a problem; we must include language in the bill that will be workable for both bodies. Two years ago in a conference with the Senate on this issue we broke up in disagreement. We finally went back to conference and dropped out the language. That I do not think is very helpful.

Mr. Chairman, I hope we can leave this language out.

Mr. Chairman, I think there is another way we can solve the problem. The next time the appropriation bill is considered we indicate that any money the banks give to Vietnam in the future will be matched by a corresponding cut in the amount of appropriations that will be given. That is a solution that will work.

This indirect solution I do not believe will work. I hope the Young amendment will be not agreed to.

Mr. Chairman, I must say I do not understand the Obey amendment. The Obey amendment simply says you cannot provide funds through the banks. There are other ways in which indirect aid can be going to Vietnam. For example, India receives bilateral aid and then indirectly, launders it into Vietnam.

The amendment proposed by the gentleman from Wisconsin (Mr. OBEY) would provide a clearer signal for that kind of indirect aid to be given. I do not like that particular language.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. LONG of Maryland. I will be glad to yield to the gentleman from Wisconsin.

Mr. OBEY. Let me point out it does not refer only to the World Bank. It simply adds the words, "through international institutions funded through this Act."

Mr. LONG of Maryland. I know that, Mr. Chairman.

Mr. OBEY. Mr. Chairman, it simply makes clear that when you use the word "indirect," that you are talking about American money as funneled through all international institutions.

Mr. LONG of Maryland. I understand.

Mr. OBEY. That is exactly what the Young amendment does.

Mr. LONG of Maryland. Apparently it leaves open the possibility of doing it through the U.N. or doing it, in a manner I just described, where India decides that she will take some of our bilateral aid and launder it to Vietnam.

Mr. OBEY. Will the gentleman yield further, Mr. Chairman?

Mr. LONG of Maryland. I yield further to the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Chairman, it does absolutely nothing of the kind. It simply makes clear when you say, "indirectly," you are talking about what in fact we are talking about, and that is all the amendment does.

□ 1630

Mr. LONG of Maryland. I do not understand why the gentleman wants to use the language then. The gentleman is implying that in some other way indirectly is OK. I do not believe the gentleman means that.

Now, on the question of whether the World Bank has stated that no new lending will be provided to Vietnam, I gather that is true; although, I have not been informed of that officially.

On the other hand——

Mr. JOHN L. BURTON. Mr. Chairman, will the gentleman yield?

Mr. LONG of Maryland. I yield to the gentleman from California.

Mr. JOHN L. BURTON. She wore a glove because she had warts.

Mr. LONG of Maryland. I am afraid I did not hear what the gentleman said.

Mr. JOHN L. BURTON. The gentleman said, "On the other hand."

I said, "She wore a glove because she had warts." It is a timeworn joke told me by the gentleman from Texas, Dr. PAUL.

The CHAIRMAN. The time of the gentleman from Maryland (Mr. LONG) has expired.

(By unanimous consent, Mr. LONG of Maryland was allowed to proceed for 1 additional minute.)

Mr. LONG of Maryland. Mr. McNamara stated there would be no new lending to Vietnam; but Mr. McNamara cannot speak for other lending institutions; it may be moot as far as the World Bank is concerned, but it is not moot as far as these other financial institutions are concerned.

Mr. YOUNG of Florida. Mr. Chairman, I rise to speak against the Obey amendment to the Young amendment.

Mr. Chairman, let me just state what is happening. The language of the Obey amendment appears to be very innocuous. But, I want to take us back to July when there was a similar amendment offered by the gentleman from Florida on the International Development Association to prevent any funding through that agency to Vietnam.

The gentleman from New York (Mr. MCHUGH) who is on the floor at the present time, offered an amendment to that amendment, at which time the gentleman said, "Notwithstanding, however, that none of the restrictions shall prevent any assistance to Egypt or the Sudan."

Now, if you recall the conversation that

took place then, I raised considerable suspicion that the intent of that amendment was not favorable. The gentleman from New York responded, and I have the record here, I could read it word for word, but it is very lengthy; the gentleman said no, he just wanted to protect Egypt and Sudan.

I suggested that it was a tactic to nullify my original amendment.

The gentleman said, "Oh, no, that is not the case."

I remind my colleagues that the gentleman from New York (Mr. McHUGH) is on the floor now, so that the gentleman knows what I am saying. At that time the gentleman from New York (Mr. McHUGH) had an amendment which had been prepared for him by attorneys outside of the gentleman's own office. Those attorneys are now chuckling, and if you read some of the latest news accounts you would find the World Bank attorneys themselves are saying that the McHugh amendment nullified the Young amendment, so that the work the House did as it related to IDA and Vietnam is null and void.

Now, Mr. Chairman, that is about what is going to happen to us here now. We are going to see a little dazzling footwork. We are going to see another innocuous little amendment that is going to attempt to nullify this prohibition against American dollars going to Vietnam.

I appeal to my friends on the other side. I appeal to my friends to let us have a straight vote on the issue of aid to Vietnam. Let us either allow them to have it or let us not allow them to have it, but let us not clutter up the issue with a lot of parliamentary footwork, with a lot of innocuous amendments that are intended to destroy the effectiveness of the main amendment.

Now, that is exactly what happened on the McHugh amendment to the Young amendment back in July to the International Development Association. That is what I fear is about to happen to us now.

I just think that the people of America deserve for their Congress to take a position, not try to waffle out of it, not try to cloud the issue, but take a position, either you want American tax dollars going to Vietnam indirectly, or however they get there, or you do not. Let that be the vote and let us not fool around with these innocuous sounding amendments that eventually have the effect of nullifying everything we thought we were doing.

AMENDMENT OFFERED BY MR. M'HUGH AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. YOUNG OF FLORIDA

Mr. McHUGH. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. McHUGH as a substitute for the amendment offered by Mr. YOUNG of Florida:

On page 19, at line 12, add the words "or indirectly" immediately following the word "directly"; and on page 19, at line 14, strike the period and insert the following: ", except that nothing in this paragraph shall in any way prevent the obligation or expenditure of funds indirectly that could be used to finance any assistance to Israel, Egypt, Mexico, the Dominician Republic, Indonesia, Malaysia, Thailand or any other nation not specifically mentioned in this paragraph otherwise eligible to receive assistance.".

Mr. McHUGH. Mr. Chairman, in proposing this amendment I would also like to respond to the comments made by the gentleman from Florida (Mr. YOUNG). I think it is clear from the record, if the gentleman from Florida (Mr. YOUNG) will review it carefully, that I was not suggesting by my prior amendment that I was trying to protect only Egypt and Sudan. As I clearly indicated at that time, those countries were simply illustrative of the problem that is presented by the amendment of the gentleman from Florida (Mr. YOUNG) which would prohibit "indirect" assistance.

The problem was very eloquently and effectively described by the gentleman from Wisconsin (Mr. OBEY). The problem is that we have a series of legal opinions from competent legal authorities, as well as the opinions of the last eight Secretaries of the Treasury, Republican, and Democrat, that the effect of the Young amendment is not to preclude aid to Vietnam alone. That is not the issue, and in that sense the amendment of the gentleman from Florida (Mr. YOUNG) is the red herring in this debate.

As these competent authorities have pointed out, the effect of the amendment of the gentleman from Florida (Mr. YOUNG) is to preclude all U.S. contributions from going to the International Organizations, because their charters prohibit the receipt from any country of contributions which are conditioned for political or other reasons. That is the problem with the Young amendment and let no one misunderstand.

The reason we offer these amendments is to avoid that very dramatic and unfortunate result. Let there be no misunderstanding about it. If the gentleman from Florida (Mr. YOUNG) misinterpreted what I was doing the last time, let me make it clear that the substitute amendment which I am offering now is to give the Members of this body an opportunity to avoid the result that would follow from the amendment of the gentleman from Florida (Mr. YOUNG), which would be to preclude U.S. participation in any of the international lending institutions.

There is no issue with respect to Vietnam here. Our bill expressly prohibits direct assistance to Vietnam and, therefore, no U.S. dollars would go directly to Vietnam under this bill.

Moreover, there is no real issue here of indirect assistance, because, as has been pointed out, there is no intent on the part of the World Bank to offer loans to Vietnam. In fact, since 1975, there has only been one loan to Vietnam. It was for an irrigation project in a rural area to serve people with incomes per year of less than $200. That was the only loan, and there is no intention to provide additional direct or indirect assistance to Vietnam.

Now, what is this substitute amendment I am offering? It very clearly provides that nothing in the Young amendment or in paragraph 514 as amended by Mr. YOUNG should preclude the use of U.S. funds by these international lending institutions for countries which are eligible for aid, including those friendly to us. I specify a number of those countries: Israel, Egypt, Mexico, the Dominican Republic, Indonesia, Malaysia, and Thailand. The amendment also protects any other nation not specifically mentioned in this paragraph which would otherwise be eligible to receive assistance.

The point is to protect our contributions, to permit them to go to these international lending institutions, to permit countries which we want to help through these institutions to receive our help.

The choice is clear. If that is what you want to do, then you should vote for the McHugh substitute. If you want to preclude all U.S. contributions from going to the multilateral lending institutions, then you should vote for the Young amendment. It is that simple. That is the issue. There is no razzle-dazzle. There is no attempt at parliamentary footwork. The purpose of my amendment is to set up clearly for the Members of the House the issue. By precluding indirect aid the Young amendment would remove the United States from participation in the international lending institutions. Those institutions would ultimately collapse without our participation, and that is the problem.

I hope that the Members will adopt my substitute and vote down the amendment offered by the gentleman from Florida (Mr. YOUNG).

AMENDMENT OFFERED BY MR. OBEY TO THE AMENDMENT OFFERED BY MR. M'HUGH AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. YOUNG OF FLORIDA

Mr. OBEY. Mr. Chairman, I offer an amendment to the amendment offered as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. OBEY to the amendment offered by Mr. McHUGH as a substitute for the amendment offered by Mr. YOUNG of Florida: Add the words "through international institutions funded through this Act" immediately after the word "indirectly' whenever it appears in the amendment.

□ 1640

Mr. OBEY. Mr. Chairman, I am attempting to do to the McHugh amendment exactly what I am trying to do to the Young amendment. I do not believe either one of them serves the purposes of good legislation, although I would infinitely prefer the McHugh amendment to the Young amendment.

All this amendment does again is simply say, whether we adopt the McHugh amendment or whether we adopt the Young amendment, that if we adopt either amendment, we are simply making it clear that what we are talking about is what we are talking about. And what we are talking about is a limitation on the American funds which go to an-

other country through the device of international financial institutions.

Believe it or not, after this issue has been discussed for 4 and 5 years in a row on this House floor, there is still some confusion about what the word, "indirectly," means.

The gentleman from Florida (Mr. YOUNG) has verified that what he is talking about is the international financial institutions. This amendment does not try to give anybody more aid, and it does not try to take any aid away. It simply tries to make clear what the intent of the Young amendment is and what the intent of the McHugh amendment is.

I personally do not favor either amendment, because I agree with the statement of the eight former Secretaries of the Treasury that we cannot limit American contributions to the banks or, rather, we cannot earmark or provide any limitation on American contributions to the banks without wiping out our entire contribution to the banks. That is what the Secretaries of the Treasury have said, going all the way back to Eisenhower.

I do not think that John Connally and I do not think that Bill Simon are trying to sell the Congress a bill of goods on behalf of Jimmy Carter. The last time I looked, Mr. Connally was trying to do just the opposite.

Mr. Chairman, I suggest to the Members that we should heed the advice of eight Secretaries of the Treasury and oppose these amendments.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Chairman, in the gentleman's clarifying amendment he mentions international institutions. Does the gentleman intend the United Nations development program to be included as one of those international institutions?

Mr. OBEY. Mr. Chairman, first let me ask the gentleman what he is intending by his amendment.

Mr. YOUNG of Florida. I am intending to definitely preclude any American funding from going to Vietnam through the UNDP.

Mr. OBEY. Then my amendment would do the same thing. My amendment simply makes clear that we are talking about international institutions. We are not talking about anything else except international institutions.

Mr. YOUNG of Florida. So the gentleman's amendment would apply to the UNDP fund, and it would apply to the World Bank as well as the Asian Development Bank?

Mr. OBEY. Mr. Chairman, this amendment would apply in the same manner as the amendment offered by the gentleman from Florida.

Mr. YOUNG of Florida. I think that is enough legislative history on that, and I thank the gentleman for yielding.

Mr. OBEY. Then may I ask the gentleman a question? The gentleman indicated earlier he is opposed to my amendment. In light of the legislative history we have just had, would he retract that opposition?

Mr. YOUNG of Florida. Mr. Chairman, if the gentleman will yield, I will say that I am opposed to the gentleman's amendment to my amendment, but I am not nearly as opposed to that amendment as I am to the substitute.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

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

Mr. LONG of Maryland. Mr. Chairman, would the gentleman then allow aid to go, say, to India, to be laundered to Vietnam?

Mr. OBEY. My amendment does not allow anything that is not allowed by the Young amendment. It does not preclude anything that is not precluded by the Young amendment.

Mr. LONG of Maryland. Then why does the gentleman indicate "international financial institutions"? I ask that because bilateral aid given India has been laundered into Vietnam.

Mr. OBEY. As far as I know, there is no way to track that.

Mr. LONG of Maryland. Mr. Chairman, the Young language, as it is, would preclude that, although the language of the amendment offered by the gentleman from Wisconsin (Mr. OBEY) specifies "international financial institutions."

Mr. OBEY. Mr. Chairman, if I may answer the gentleman's question and if I may reclaim my time, my understanding is that the Young amendment does not reach that problem. As the gentleman knows, there is no way to reach that problem except to cut off all aid, period. There is no bookkeeping way to keep track of that. We are simply trying to clarify for the benefit of the Members exactly what we are talking about in the event either one of these ill-advised amendments is adopted.

Mr. Chairman, I yield back the balance of my time.

Mr. LONG of Maryland. Mr. Chairman, I would like to hear from the gentleman from Florida (Mr. YOUNG) on that question, whether the intent of his amendment is to preclude such aid.

The CHAIRMAN. The gentleman from Wisconsin (Mr. OBEY) had the time, and he has given it up. Does the gentleman from Maryland (Mr. LONG) seek time on his own?

Mr. YOUNG of Florida. Mr. Chairman, I rise in opposition to the McHugh substitute.

The CHAIRMAN. The gentleman from Florida (Mr. YOUNG) is recognized for 5 minutes.

Mr. YOUNG of Florida. Mr. Chairman, I did not realize how prophetic my earlier comment was going to be on the parliamentary razzle-dazzle here, but now that the McHugh substitute comes along, it bears out what I was saying happened before and what I thought was going to happen again. And it has happened.

I hope that we will definitely defeat the McHugh substitute. I prefer, of course, the Obey amendment to the McHugh substitute because that will clean it up somewhat, but it would not really be to my satisfaction.

I would like to respond to the issue raised by the gentleman from Maryland (Mr. LONG). The gentleman wants to know what my intent is.

The gentleman from Wisconsin (Mr. OBEY) says that his amendment would have the same effect as my amendment would. The effect of my amendment and what I intend is this, and I would like to have the whole world know this and understand it: I intend to make sure that no American tax dollar goes to Vietnam in the form of foreign assistance, either directly through any of our aid programs or indirectly through any of our multilateral international foreign aid programs. That means zero. I do not want any American dollar going to Vietnam. That is what I intend, and that is what the effect of my amendment would be.

Let me respond to something the gentleman from New York (Mr. MCHUGH) said about how that really was not my intent. I want the Members to please believe me, Mr. Chairman, that is my intent.

The gentleman from New York (Mr. MCHUGH) suggests that my intent is to stop all U.S. contributions to the international banks. That is not the case. That is not what I intend, and that, Mr. Chairman, would not be the effect of my amendment.

Every year when we have this argument, the gentleman from Wisconsin (Mr. OBEY) raises the issue of the letter from the eight former Secretaries of the Treasury. All I can say to the gentleman and to those eight former Secretaries is this: They have not read the charter. Nowhere in their letter do they specify what article or chapter or paragraph or sentence of the charter makes that preclusion or prohibition that prevents them from accepting restricted funds.

This is very interesting. During oversight hearings on this very point, I presented that question to the Assistant Secretary of the Treasury who handles international banks for us, and I asked him to point to that place in the charter where it is prohibited. Despite the fact that he had a roomfull of staff and a lot of attorneys present, he was unable to do it. He knew that question was going to come up, because we have been arguing about it for 3 years, but when the question was raised at an oversight hearing, he could not cite the section of the charter.

Mr. Chairman, I challenge any Member in this Chamber or anyone from the Treasury Department or anyone from the World Bank to cite for me a section of the charter that prohibits them from accepting restricted funds. It is not there.

Mr. JOHN L. BURTON. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Florida. I will be happy to yield to the gentleman from California.

Mr. JOHN L. BURTON. Mr. Chairman, let me ask the gentleman, was the cita-

tion I gave him the last time he raised this point somewhat narrow?

Mr. YOUNG of Florida. No, that citation was not germane.

Mr. JOHN L. BURTON. Was that not a citation from the charter that prohibited them from keeping or accepting earmarked or "strings-on" funds? Was that the wrong citation?

Mr. YOUNG of Florida. That was the wrong citation. As a matter of fact, when I reread the charter after we had that conversation, I found that citation, No. 1, does not exist.

Mr. JOHN L. BURTON. Wait. Which charter was the gentleman reading?

Mr. YOUNG of Florida. No. 2, there is no prohibition in the charter on the acceptance of restricted funds. So on that issue it is only opinion that they do not believe they would accept those funds. Maybe they would not, but there is nothing in the charter that prohibits them from accepting the funds.

Mr. JOHN L. BURTON. In other words, the citation I gave the gentleman did not appear in the charter itself?

Mr. YOUNG of Florida. That is correct, I regret to inform my friend and colleague.

Mr. Chairman, despite the many arguments that we hear, it is not my intent to stop U.S. participation in the international banks or in the United Nations development program. It is my intent, purely and simply, to make sure that my constituents' tax money and the tax money of the constituents of other Members is not taken from them by our constitutional taxing authority and then, through our appropriations process, sent to Vietnam either directly or indirectly.

Mr. Chairman, I remind the Members that I raised this issue earlier today when we talked about an amendment adding an additional $207 million to care for Indochinese refugees. These are people whose lives we are saving. These are people whose lives are being saved by the expenditure of hundreds of millions and, yes, a billion American dollars.

Mr. McHUGH. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Obey amendment.

Mr. Chairman, I rise not only in support of the Obey amendment, but to take the opportunity to respond to the gentleman from Florida.

It has been pointed out by the gentleman from Wisconsin (Mr. OBEY), but I think it needs emphasis, that while the gentleman from Florida (Mr. YOUNG) and perhaps the gentleman from Maryland (Mr. LONG) think, off the tops of their heads, that the word "indirectly" would not have the effect of precluding all U.S. contributions to the development banks, the fact is that competent lawyers have looked at this very carefully and have rendered a different opinion. Their opinion is that precluding "indirect" aid would preclude all U.S. participation in the development banks. These opinions have been rendered by the General Counsel of the Treasury Department, the Comptroller General of the United States, the American Law Division of the Library of Congress, the International Law Division of the District of Columbia Bar, and others.

The gentleman from Florida (Mr. YOUNG) talks about citations, but he has not provided one piece of evidence that there is a legal opinion carefully thought out which supports his off-the-top-of-the-head view.

In my office I have a Government publication which sets forth all of the charters of the international lending institutions. I regret very much that I do not have that book here, but I did write down the provision in those charters which the legal opinions have indicated would preclude all U.S. contributions if the word "indirectly" is adopted. The provisions which are included in the charters read as follows:

> To the extent necessary to carry out the operations provided for in this Agreement and subject to the provisions of this Agreement, all property and assets of the Bank shall be free from restrictions, regulations, controls, and moratoria of any nature.

The pages where these provisions are found and which relate to the specific charters of the banks in question are on pages 446, 456, 505, 553, 568, and 599. I will provide for the record, as soon as I can, the publication I am referring to and its official citation. I want to emphasize, however, that based upon the legal opinions that I have cited and my own observations of the bank charters, it is clear that this language has the effect of precluding all U.S. participation if the Young of Florida amendment is adopted. For that reason I hope that the Members of the House will reject the Young of Florida amendment.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. McHUGH. I yield to the gentleman from Wisconsin.

Mr. OBEY. I thank the gentleman for yielding.

Mr. Chairman, I would like to point out, also, that the Library of Congress CRS service, American Law Division, indicates as follows, in a letter dated July 16, to me. It has the following language:

> It is therefore, by virtue of interpretation of otherwise non-specific charter provisions, as well as by board of governors resolutions, that the November 16 memorandum—

Which is an earlier memorandum which they sent—

> concluded that conditional monetary contributions would be offensive to the charters and board of governors resolutions of the various financial institutions.

The therefore conclude that the opinion indicated by the eight Secretaries of the Treasury is in fact the correct one.

You have a choice. You can believe the gentleman from Florida (Mr. YOUNG) or you can believe that Robert Anderson, Joe Barr, John Connally, C. Douglas Dillon, Henry Fowler, David Kennedy, George Schultz, and William Simon are not telling a lie to the Congress of the United States.

The only conclusion you can draw if you take the viewpoint of the gentleman from Florida (Mr. YOUNG) is that they are misleading the American Congress, because they are "some lawyers," as the gentleman from Florida (Mr. YOUNG) described them, who will simply roll over and play dead anytime the White House asks them to do something.

I think these are eight distinguished Americans who were trying to indicate that there is a trap into which we would fall if we were to adopt the Young of Florida amendment. I urge you not to fall into that trap.

The CHAIRMAN. The time of the gentleman from New York (Mr. McHUGH) has expired.

(On request of Mr. OBEY and by unanimous consent, Mr. McHUGH was allowed to proceed for 1 additional minute.)

Mr. OBEY. Mr. Chairman, we have a choice of deciding what is in the national interest of the United States. The amendment of the gentleman from Florida (Mr. YOUNG) is only theoretical. Both Mr. McNamara and Mr. Dixon made it quite clear that Vietnam "ain't going to get no money," they "ain't going to get no money" from the World Bank, and that ought to be clear by now.

Our point is whether we want to take a theoretical swipe at Vietnam, and make us all feel good, or whether we want to continue American leadership in those banks. If you want to stop revolutions around the world that we do not like and that we do not need, you have to ask yourself what is the best technique to do it. One of the techniques is to have strong military capability which you can rely on, and the other technique is to try to assure the kind of social and economic conditions around the world that make those revolutions unlikely. That is what the banks are trying to do. They are too important to the national interest of the United States for us to scuttle in this manner by adopting the Young of Florida amendment. I urge the Members to oppose the Young of Florida amendment.

Mr. ASHBROOK. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment offered by the gentleman from Florida (Mr. YOUNG).

Mr. Chairman, the gentleman and I have offered that amendment over the years. Back in the days when we did not have as direct and forthright a ranking minority member on the Committee on Appropriations I offered the amendment. Now that the gentleman speaks with a strong and direct voice I have not had to do that. I support him wholeheartedly.

I cannot help but think that this entire amendment tells us a lot about the House of Representatives. There are two words we are talking about that tells us everything we need to know about this body and why we are in trouble with the American people: Direct and indirect.

I have been around here long enough to know, and I sit back and smile, this House will do anything except act directly. Given any excuse to avoid, to put aside, to shove off, to put the heat on someone else, to get a hook to hang on, anything but act direct. I think that is why I appreciate our colleague, the gentleman from Florida (Mr. YOUNG). He speaks directly, openly, and honestly.

I have been sitting back and thinking about all of the copouts. We do not act on things, because there is a letter which has been sent down based on some

change in the future. But you notice the operative sentence in that letter, "until things change."

I remember a few years ago siting and listening to Averill Harriman when a major policy of the United States was going to be changed, and he said he had the assurance of friendly intentions of our adversaries. Asked what those friendly intentions were, he said, "Well, we had cocktails with them the other day and they smiled at us." It takes about that kind of friendly intention to change a policy. Do you think that letter from the World Bank means anything? They spell it out for you: Until conditions change.

Change to what we are talking about? Of course not. Changes which would be meager but just enough to let them do what they already want to do.

That is copout No. 1.

Copout No. 2: Rather than act directly ourselves, we talk about what former Secretaries of the Treasury have done. By the way, the dollar is in such good shape, I think I will take the advice of what these former Secretaries of the Treasury have done. They have done so well with the American dollar and handling our affairs that we ought to take their word on "direct" and "indirect."

Copout No. 3: "Well, the Senate will not accept this."

Of course, they may not. But why do we fail to act directly because the Senate may or may not do something?

Copout No. 4: "The President may veto it."

Oh, let us roll over and play dead, let us not act directly, let us put the heat on the President, give him the onus. Because he might veto it we do not want to act directly.

We have not gotten to copout No. 5 as yet and that is, "Well, we will put something in the report," or copout No. 6, "Some bureaucrat will not really use all of the authority we give him."

Rather than act directly ourselves we are always looking for some reason not to act directly.

Then I have seen the copout over the years that we do not want to take a position so we put in the bill, "Well, if the President deems it in the national interest, he can change the entire policy we set up. Give him the authority."

Time and time and time again we see examples that this body, the majority in this body, will do anything but act direct, will act indirectly everytime it gets the chance. The majority will do anything except be specific.

I think that is one of the reasons the American people hold in low esteem this body.

□ 1700

Here is a precise example. We are talking about laundered funds. Anybody in politics knows what laundered money is. Some of you may even have received some laundered money over the years. We know what laundered money is. It is money that goes to someone, and they give it to someone else to accomplish a purpose which may be illegal or may be improper, or again, you want to avoid the responsibility.

This is a laundered money amendment.

I hope we vote down the substitute and support the amendment of the gentleman from Florida.

I yield back the balance of my time.

Mr. YOUNG of Florida. Mr. Chairman, I rise in opposition to the Obey amendment to the McHugh substitute.

Mr. Chairman, we are coming to a couple of issues now that we ought to resolve. On the question of whether there is a freeze on, for example, I say that I have not been responded to. Others say where have I been, that there is definitely a freeze on.

The gentleman from Wisconsin (Mr. OBEY) just a few minutes ago, said there is not going to be any of the money distributed to Vietnam.

If I were the gentleman from Wisconsin (Mr. OBEY), or the gentleman from New York (Mr. MCHUGH), I think I would get tired of being told one thing by World Bank people, while they are telling somebody else something else.

Here is an edition of Barron's September 3, 1979. They interviewed a Mr. Frederick Nossal, financial relations adviser of the Bank's Information Department. Mr. Nossal told Barron's that the freeze has nothing to do with the $60 million loan that is being disbursed now.

True, as the Dixon letter says, there have been no disbursements to date, but $25 to $30 million have been committed to the project through letters of credit, which when presented for payments by suppliers, will automatically be honored.

Director Fried told us—this is Barron's again—that he has not asked the Bank to hold up disbursement of the $60 million and that he fully expects the money to be spent.

So, who is telling you the truth? I am telling you that there is no confirmation of a freeze. Mr. Nossal says the $60 million is going to be disbursed.

You are on the floor telling us now there is a freeze. Well now, there is something wrong when two different stories coming out of the same source end up here in the House of Representatives.

Now, if there is a freeze, why will they not tell me? I hold the position of ranking minority member on this subcommittee. I spend a lot of time on the floor when this bill is on the floor. I try not to waste a lot of time otherwise.

But if that is the case, and if there is a freeze, why would not Mr. McNamara or Mr. Dixon or Mr. Fried tell me that there is a freeze on? Why would not they tell me who put the freeze into effect? Who decided, Mr. Chairman, that there is going to be a freeze? Mr. McNamara? Mr. Fried? Mr. Bill Dixon? The Board of Directors, who, according to the charter, are the only ones to make that kind of a decision?

Who has the authority to lift the freeze? Well, obviously the same one who put the freeze in effect, if in fact there is a freeze in effect, and if in fact that freeze is going to last.

Mr. Nossal says the $60 million is going to be distributed.

I say the question of a freeze is phony, and if it is not phony, why will not Mr. McNamara come out in the open and answer the questions of a Member of Congress who asked specific questions more than a month ago? Why? Because the arrogance of the President of the World Bank is such that he feels he does not have to answer to the American people through their elective representative in Congress. Is that the problem? Why sure, that is one of the big problems.

The people who run the World Bank consider themselves supersovereign, answerable to no one but themselves, and that is why we are getting all this flak about whether or not they can accept American dollars if we impose a restriction. You can listen to all of the argument on this floor, as you have for years, that they cannot take it, but still no one has picked up this copy of the articles of agreement and cited one paragraph or section that says they cannot take the money. That argument, my friends, also, is a phony.

Now, the gentleman from New York (Mr. MCHUGH) made the point that I had never offered any legal opinions relative to this issue. As a matter of fact, I did. As a matter of fact, I cited a Library of Congress Congressional Research Service opinion that they could accept the funds, but then all of a sudden the pressure built up; and the same person who wrote that first opinion wrote a second one and said, well, but maybe they could not.

Let me tell my colleagues about another one. I cited it. Look at the record. It is in the minority views that I filed. It is on page 87 of the report. This is an analysis by the National Law Center. They say this:

> The World Bank has misconstrued its powers under its articles, and in view of current international relations, its position is outmoded and untenable. The Bank's articles do not preclude it from considering human rights factors in loan decisions.
>
> Indeed, they seem to impose responsibility to do so. Contrary to long-standing IBRD precedent, human rights are not the internal political affairs of members.

And it goes on.

The CHAIRMAN. The time of the gentleman from Florida (Mr. YOUNG) has expired.

(At the request of Mr. OBEY and by unanimous consent, Mr. YOUNG of Florida was allowed to proceed for 2 additional minutes.)

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Florida. I yield to the gentleman from Wisconsin.

Mr. OBEY. I thank the gentleman for yielding.

Let me simply repeat again for the third time that what Mr. McNamara has told Members of Congress and what Mr. Dixon made clear in his letter to the gentleman and what Mr. Vance has made quite clear to the committee in his letter to us, is that there are no new loans being approved by the bank, and none are expected to be approved by the bank as long as Vietnam continues its outrageous behavior. The key word is "new."

The gentleman and I both know there is a legal contractual obligation which exists between Vietnam and the bank

on its previous loan, and the conditions under which that loan can be disbursed are related only to the economic preparation of that package, but no new loans are being made. That is the word of the Secretary of State. That is the word of the former Assistant Director of the bank, Mr. Dixon.

Let me also point out to the gentleman that I recognize that nobody's word seems to be good enough for the gentleman from Florida, but the fact is eight Secretaries of the Treasury still indicate that the bank's interpretation of their charter is correct.

Now, somebody has to be telling the truth sometime. People do not just tell the truth if they happen to agree with the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Chairman, I only ask this: I ask any one of those eight former Secretaries of Treasury to show me where in this charter that prohibition exists. That is all I am asking for. They are entitled to their opinion, but I am entitled to ask the question. Here is the charter. Come and read it. Tell me where the prohibition is.

I say to my colleagues that it is not there.

One further point: If Mr. McNamara has been willing to respond to certain Members of Congress on the question of this freeze, why is Mr. McNamara unwilling to respond to this Member of Congress who has a formal responsibility in this particular issue? Why has he failed to respond to me? Why will he not tell me whether or not this freeze is a formal freeze or an informal freeze? Why will he not tell me who made the decision to impose the freeze? Why will he not tell me who has the authority to make a decision to lift the freeze?

The CHAIRMAN. The time of the gentleman from Florida has again expired.

(At the request of Mr. McHUGH and by unanimous consent, Mr. YOUNG of Florida was allowed to proceed for 2 additional minutes.)

Mr. McHUGH. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Florida. I yield to the gentleman from New York.

Mr. McHUGH. I thank the gentleman for yielding.

The gentleman has referred to a legal opinion which he believes sustains his position, and that is contained in the Journal of International Law and Commissions, which I have in my hand. This is an article the gentleman refers to. It is written by a 1978 graduate of the American University Law School. This Journal was published in 1978, so what we are talking about is an article written by one person, a 1978 graduate, stacked up against all of the weighty legal opinions we have cited earlier.

It seems to me, if the gentleman is straightforward about it, that he would have to agree that this particular opinion, written by a 1978 graduate, is not only not the opinion of this law school or center, but is not very persuasive when compared with the opinions rendered by the Comptroller General of the United States, the Library of Congress, the International Law Division of the District of Columbia Bar, and the others which have been cited.

□ 1710

I hope the Members will take that into account in weighing the merits of this argument.

Mr. YOUNG of Florida. We can easily resolve this whole issue. Would the gentleman cite for me what article or what paragraph in the charter or articles of agreement prohibit the acceptance of funds?

Mr. McHUGH. I have already explained that to the gentleman.

Mr. YOUNG of Florida. Would the gentleman cite a specific article?

Mr. McHUGH. If the gentleman will yield further, I have specifically cited pages from a Government publication which sets forth the bank charters, including the provisions the gentleman is asking for.

Mr. YOUNG of Florida. Would the gentleman cite a specific article in the charter?

Mr. McHUGH. I have cited the express words of the provisions in those charters. I have read it to the gentleman and the entire committee, and it is very clear that the banks subject to those charters cannot accept money which is restricted. It is very clear.

Mr. YOUNG of Florida. Would the gentleman cite the specific language in the charter itself?

Mr. McHUGH. I have cited it to the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. OBEY) to the amendment offered by the gentleman from Florida (Mr. YOUNG).

The amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. OBEY) to the amendment offered by the gentleman from New York (Mr. McHUGH) as a substitute for the amendment offered by the gentleman from Florida (Mr. YOUNG).

The amendment to the amendment offered as a substitute for the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. McHUGH) as a substitute for the amendment offered by the gentleman from Florida (Mr. YOUNG), as amended.

The question was taken; and on a division (demanded by Mr. OBEY) there were—ayes 19, noes 24.

Mr. McHUGH. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

□ 1720

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from New York (Mr. McHUGH) for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 153, noes 244, not voting 37, as follows:

[Roll No. 439]

AYES—153

Addabbo	Florio	Murphy, N.Y.
Akaka	Foley	Neal
Anderson, Calif.	Ford, Tenn.	Nedzi
Annunzio	Fowler	Nolan
Ashley	Frost	Nowak
Aspin	Garcia	O'Brien
Barnes	Gephardt	Obey
Bedell	Glaimo	Ottinger
Bellenson	Gonzalez	Patten
Bingham	Gray	Patterson
Blanchard	Green	Pease
Boland	Hall, Ohio	Preyer
Bolling	Hamilton	Price
Bonior	Hanley	Rangel
Bonker	Harkin	Ratchford
Brademas	Harris	Reuss
Brodhead	Hawkins	Richmond
Brooks	Heftel	Rosenthal
Brown, Calif.	Holland	Rostenkowski
Burlison	Holtzman	Sabo
Burton, John	Howard	Scheuer
Burton, Phillip	Jacobs	Schroeder
Carr	Jeffords	Seiberling
Chisholm	Johnson, Calif.	Shannon
Clay	Johnson, Colo.	Sharp
Conyers	Kastenmeier	Simon
Corman	Kazen	Solarz
Danielson	Kildee	St Germain
Daschle	Kogovsek	Stack
Dellums	Kostmayer	Stark
Derrick	LaFalce	Stewart
Derwinski	Lederer	Stokes
Dicks	Lehman	Studds
Diggs	Leland	Swift
Dingell	Lloyd	Thompson
Dixon	Long, Md.	Traxler
Donnelly	Lowry	Udall
Downey	McCormack	Van Deerlin
Drinan	McHugh	Vanik
Duncan, Oreg.	McKinney	Vento
Eckhardt	Maguire	Walgren
Edgar	Markey	Waxman
Edwards, Calif.	Matsui	Weiss
Erlenborn	Mazzoli	Williams, Mont.
Fary	Mica	Wilson, Tex.
Fascell	Mikulski	Wirth
Fazio	Mineta	Wolpe
Fenwick	Mitchell, Md.	Wright
Ferraro	Moakley	Yates
Fisher	Moffett	Zablocki
Fithian	Moorhead, Pa.	
	Murphy, Ill.	

NOES—244

Abdnor	Bereuter	Cheney
Ambro	Bethune	Clausen
Andrews, N.C.	Bevill	Cleveland
Andrews, N. Dak.	Biaggi	Clinger
Anthony	Boggs	Coelho
Applegate	Boner	Coleman
Archer	Bouquard	Collins, Tex.
Ashbrook	Bowen	Conable
Atkinson	Breaux	Conte
Badham	Brinkley	Corcoran
Bafalis	Broomfield	Cotter
Bailey	Brown, Ohio	Coughlin
Baldus	Broyhill	Courter
Barnard	Buchanan	Crane, Daniel
Bauman	Burgener	Crane, Philip
Beard, R.I.	Butler	D'Amours
Benjamin	Campbell	Daniel, Dan
Bennett	Carney	Daniel, R. W.
	Cavanaugh	Dannemeyer

Davis, Mich.
de la Garza
Deckard
Devine
Dickinson
Dornan
Dougherty
Duncan, Tenn.
Early
Edwards, Ala.
Edwards, Okla.
Emery
English
Erdahl
Ertel
Evans, Del.
Evans, Ga.
Evans, Ind.
Findley
Fish
Flippo
Forsythe
Fountain
Frenzel
Fuqua
Gaydos
Gibbons
Gilman
Gingrich
Ginn
Glickman
Goldwater
Goodling
Gore
Gradison
Gramm
Grassley
Grisham
Guarini
Gudger
Guyer
Hall, Tex.
Hammer-schmidt
Hance
Harsha
Heckler
Hefner
Hightower
Hillis
Hinson
Hopkins
Horton
Hubbard
Huckaby
Hutto
Hyde
Ichord
Ireland
Jeffries
Jenkins
Jenrette
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kelly
Kemp
Kindness
Kramer
Lagomarsino
Latta
Leach, Iowa
Leach, La.
Leath, Tex.
Lee
Lent
Levitas
Lewis
Livingston
Loeffler
Long, La.
Lott
Lujan
Luken
Lungren
McClory
McCloskey
McDade
McDonald
McKay
Marks
Marlenee
Marriott
Martin
Mathis
Mattox
Mavroules
Michel
Miller, Ohio
Minish
Mitchell, N.Y.
Mollohan
Montgomery
Moore
Moorhead, Calif.
Mottl
Murphy, Pa.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Nelson
Nichols
Oakar
Oberstar
Panetta
Paul
Perkins
Petri
Pickle
Pursell
Quayle
Quillen
Rahall
Railsback
Regula
Rhodes
Rinaldo
Ritter
Roberts
Robinson
Roe
Rose
Roth
Royer
Rudd
Runnels
Russo
Santini
Satterfield
Sawyer
Schulze
Sebelius
Sensenbrenner
Shelby
Shumway
Shuster
Skelton
Slack
Smith, Nebr.
Snowe
Snyder
Solomon
Spence
Staggers
Stangeland
Stanton
Steed
Stenholm
Stockman
Stratton
Stump
Symms
Synar
Tauke
Taylor
Thomas
Trible
Vander Jagt
Volkmer
Walker
Wampler
Watkins
White
Whitehurst
Whitley
Whittaker
Whitten
Williams, Ohio
Wilson, Bob
Wilson, C. H.
Winn
Wyatt
Wydler
Wylie
Yatron
Young, Fla.
Young, Mo.
Zeferetti

NOT VOTING—37

Albosta
Alexander
Anderson, Ill.
AuCoin
Beard, Tenn.
Byron
Carter
Chappell
Collins, Ill.
Davis, S.C.
Dodd
Flood
Ford, Mich.
Hagedorn
Hansen
Hollenbeck
Holt
Hughes
Lundine
McEwen
Madigan
Mikva
Miller, Calif.
Pashayan
Pepper
Peyser
Pritchard
Rodino
Rousselot
Roybal
Smith, Iowa
Spellman
Treen
Ullman
Weaver
Wolff
Young, Alaska

□ 1740

Messrs. BOLAND, SABO, and ASHLEY changed their vote from "no" to "aye."

Mr. APPLEGATE changed his vote "aye" to "no."

Mr. DONNELLY changed his vote from "present" to "aye."

So the amendment offered as a substitute for the amendment, as amended was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. YOUNG).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. YOUNG of Florida. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 281, noes 117, not voting 36, as follows:

[Roll No. 440]

AYES—281

Abdnor
Addabbo
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Anthony
Applegate
Archer
Ashbrook
Atkinson
Badham
Bafalis
Bailey
Barnard
Bauman
Beard, R.I.
Benjamin
Bennett
Bereuter
Bethune
Bevill
Biaggi
Boggs
Boland
Boner
Bouquard
Bowen
Breaux
Brinkley
Brooks
Broomfield
Brown, Ohio
Broyhill
Buchanan
Burgener
Butler
Campbell
Carney
Cheney
Clausen
Cleveland
Clinger
Coelho
Coleman
Collins, Tex.
Conable
Conte
Corcoran
Cotter
Coughlin
Courter
Crane, Daniel
Crane, Philip
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daschle
Davis, Mich.
Davis, S.C.
de la Garza
Deckard
Derrick
Derwinski
Devine
Donnelly
Dornan
Dougherty
Duncan, Tenn.
Early
Edwards, Ala.
Edwards, Okla.
Emery
English
Erdahl
Ertel
Evans, Del.
Evans, Ga.
Evans, Ind.
Ferraro
Fish
Fithian
Flippo
Florio
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fowler
Frenzel
Frost
Fuqua
Gaydos
Giaimo
Gibbons
Gingrich
Ginn
Glickman
Goldwater
Goodling
Gore
Gradison
Gramm
Grassley
Grisham
Guarini
Gudger
Guyer
Hall, Tex.
Hammer-schmidt
Hance
Hanley
Harsha
Heckler
Hefner
Heftel
Hightower
Hillis
Hinson
Holland
Hopkins
Horton
Howard
Hubbard
Huckaby
Hutto
Ichord
Ireland
Jacobs
Jeffords
Jeffries
Jenkins
Jenrette
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kazen
Kelly
Kemp
Kindness
Kogovsek
Kramer
Lagomarsino
Latta
Leach, Iowa
Leach, La.
Leath, Tex.
Lederer
Lee
Lent
Levitas
Lewis
Livingston
Lloyd
Loeffler
Long, La.
Lott
Lujan
Luken
Lungren
McClory
McCormack
McDade
McDonald
McKay
Madigan
Marks
Marlenee
Marriott
Martin
Mathis
Mattox
Mavroules
Mazzoli
Mica
Michel
Miller, Ohio
Minish
Mitchell, N.Y.
Moakley
Mollohan
Montgomery
Moore
Moorhead, Calif.
Motti
Murphy, N.Y.
Murphy, Pa.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Nelson
Nichols
O'Brien
Oakar
Panetta
Patten
Patterson
Paul
Perkins
Petri
Pickle
Pursell
Quayle
Quillen
Rahall
Railsback
Regula
Rhodes
Rinaldo
Ritter
Robinson
Roe
Rose
Roth
Royer
Rudd
Runnels
Russo
Santini
Satterfield
Sawyer
Schulze
Sebelius
Sensenbrenner
Sharp
Shelby
Shumway
Shuster
Skelton
Slack
Smith, Nebr.
Snowe
Snyder
Solomon
Spence
St Germain
Stack
Staggers
Stangeland
Stanton
Steed
Stenholm
Stockman
Stratton
Stump
Symms
Synar
Tauke
Taylor
Thomas
Traxler
Trible
Udall
Van Deerlin
Vander Jagt
Vanik
Volkmer
Walgren
Walker
Wampler
Watkins
White
Whitehurst
Whitley
Whittaker
Whitten
Williams, Mont.
Williams, Ohio
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wyatt
Wydler
Wylie
Yatron
Young, Fla.
Young, Mo.
Zeferetti

NOES—117

Akaka
Ashley
Aspin
Baldus
Barnes
Bedell
Beilenson
Bingham
Blanchard
Bolling
Bonior
Bonker
Brademas
Brodhead
Brown, Calif.
Burlison
Burton, John
Burton, Phillip
Carr
Cavanaugh
Chisholm
Clay
Collins, Ill.
Conyers
Corman
D'Amours
Danielson
Dellums
Dicks
Diggs
Dingell
Dixon
Dodd
Downey
Drinan
Duncan, Oreg.
Eckhardt
Edgar
Edwards, Calif.
Erlenborn
Fary
Fascell
Fazio
Fenwick
Findley
Fisher
Foley
Garcia
Gephardt
Gonzalez
Gray
Green
Hall, Ohio
Hamilton
Harkin
Harris
Hawkins
Holtzman
Hyde
Johnson, Calif.
Johnson, Colo.
Kastenmeier
Kildee
Kostmayer
LaFalce
Lehman
Leland
Long, Md.
Lowry
Lundine
McCloskey
McHugh
McKinney
Maguire
Markey
Matsui
Mikulski
Mineta
Mitchell, Md.
Moffett
Moorhead, Pa.
Murphy, Ill.
Neal
Nedzi
Nolan
Nowak
Oberstar
Obey
Ottinger
Pease
Preyer
Price
Rangel
Ratchford
Reuss
Richmond
Rosenthal
Rostenkowski
Sabo
Scheuer
Schroeder
Seiberling
Shannon
Solarz
Stark
Stewart
Stokes
Studds
Swift
Thompson
Vento
Waxman
Weiss
Wirth
Wolpe
Yates
Zablocki

NOT VOTING—36

Albosta
Alexander
Anderson, Ill.
AuCoin
Beard, Tenn.
Byron
Carter
Chappell
Dickinson
Flood
Gilman
Hagedorn
Hansen
Hollenbeck
Holt
Hughes
McEwen
Mikva
Miller, Calif.
Pashayan
Pepper
Peyser
Pritchard
Roberts
Rodino
Rousselot
Roybal
Simon
Smith, Iowa
Spellman
Treen
Ullman
Weaver
Wolff
Wright
Young, Alaska

□ 1800

Mr. TAUKE changed his vote from "no" to "aye."

Mr. STEWART changed his vote from "aye" to "no."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 515. None of the funds appropriated in this Act shall be used for any form of aid directly to Cuba.

AMENDMENT OFFERED BY MR. PAUL

Mr. PAUL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PAUL: On page 19, line 16, after the word "Cuba." strike the period and insert a comma and add the following: "the Union of Soviet Socialist Republics, and the People's Republic of China."

Mr. PAUL. Mr. Chairman, this amendment is not complex at all. It merely adds the words, "the Union of Soviet Socialist Republics, and the People's Republic of China." This would mean that no

funds appropriated in this act would be used in any form to aid these two countries in addition to Cuba.

While I was home on my last visit during the month of August, I did not have one individual or one constituent come up to me and advocate that we here in the Congress spend money on foreign aid. I think foreign aid is one of the sore spots in my district and throughout Texas as well, if not throughout this country.

Today people are starting to really feel the bad effects of big Government and inflation. And every time we talk about foreign aid and expenditures of this sort, if we fail to recognize that this has to come from the American taxpayers and if we fail to recognize that it comes from the poor and the average taxpayer, when we spend more of the taxpayers money, I do not think we will ever clean up the mess up here in Washington. The American taxpayer is beginning to recognize that foreign aid is coming out of his pocket, and it does have an effect on the inflation rate.

This is not an earth-shattering amendment. I fully recognize that to date we have not given any direct aid to China or Russia, even though some indirect aid has gone to Russia. This amendment would not involve any indirect aid.

I feel that this amendment is noncontroversial, and I hope that both sides will agree to adding these two countries. I think this would be a tremendous reassurance to our taxpayers that we are going on record at least in opposing aid to Russia and China, as well as Cuba, in this day and age when the taxpayers are suffering so much.

I think we are moving into an age when we are improving our relations with China and Russia, and there may be a day when there is most-favored-nation status granted to them.

Under these conditions, I would like to protect the American taxpayer, and it is up to us, I think, to at least go on record as opposing direct aid to these two Communist nations, because if there is any way to rub salt on the wounds of the American taxpayer, it is by giving foreign aid to our sworn enemies. With this amendment we would be on paper at least as prohibiting foreign aid from going to nations of this sort, nations which have proven to be the most violent and vicious violaters of human rights.

Mr. JOHN L. BURTON. Mr. Chairman, will the gentleman yield?

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

Mr. JOHN L. BURTON. Mr. Chairman, let me ask the gentleman, does this mean that aid could go directly to Albania?

Mr. PAUL. This amendment has nothing to do with Albania, and it has nothing to do with indirect aid.

Mr. JOHN L. BURTON. So an amendment to the gentleman's amendment would be in order to prevent direct aid from going to Albania?

Mr. PAUL. Surely. I would think so.

Mr. Chairman, I yield back the balance of my time.

□ 1810

Mr. LONG of Maryland. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, section 620(f) of the Foreign Assistance Act of 1961, prohibits any assistance to any Communist country. This provision includes by name the Soviet Union and the People's Republic of China. Adding these countries to the list of prohibited countries under the appropriation act is both unnecessary and redundant.

The administration announced that it has no intention of providing assistance to these countries under the Foreign Assistance Act and has noted that such assistance is prohibited by law. These unnecessary amendments would single out these countries for a gratuitous insult at a very sensitive time when we are trying to come to some decision on the SALT Treaty.

When I was in Russia it was pretty clear that the Russians want good relations with us. I do not see any reason why we should turn around and kick them in the teeth when we have no particular reason to, when the matter is in the law already.

Mr. Chairman, I oppose the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. PAUL).

The question was taken; and on division (demanded by Mr. PAUL) there were—ayes 30, noes 78.

Mr. PAUL. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. ASHBROOK

Mr. ASHBROOK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASHBROOK: Page 19, insert "or indirectly" in line 16, after "aid directly".

Mr. ASHBROOK. Mr. Chairman, it shall not take more than 30 seconds to explain this amendment. I would do precisely in section 515 what has already been accomplished in section 514. The section would then read:

None of the funds appropriated in this Act shall be used for any form of aid directly or indirectly to Cuba.

We debated over an hour on this subject. The House has spoken. I would assume we would apply the same standard to Cuba.

Mr. LONG of Maryland. Mr. Chairman, we do not oppose this amendment.

Mr. McHUGH. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

I will take only 30 seconds in response to the gentleman.

Obviously, the votes on the prior amendment indicate how this one will turn out. I simply would like to point out that not only would the impact of this amendment be to preclude any U.S. contributions going to the banks, because of this indirect prohibition relative to Cuba, but Cuba is not even eligible to receive assistance from the banks. So the amendment is more ludicrous, if that is possible, than the prior amendments which were adopted, and I certainly hope that the Members will reject this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. ASHBROOK).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 522. None of the funds appropriated or otherwise made available by this Act to the Export-Import Bank and funds appropriated by this Act for direct foreign assistance may be obligated for any government which aids or abets, by granting sanctuary from prosecution to, any individual or group which has committed an act of international terrorism, unless the President of the United States finds that the national security requires otherwise.

AMENDMENT OFFERED BY MR. LONG OF MARYLAND

Mr. LONG of Maryland. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LONG of Maryland: Page 21, line 3, strike out "an" and insert in lieu thereof ", or is being sought by any other government for prosecution for, any war crime or".

Mr. LONG of Maryland. Mr. Chairman, this amendment would prohibit assistance to any government which gives sanctuary to those sought by another state for prosecution for a war crime. This is a prohibition that would put governments which have harbored Nazi war criminals for many years on notice that the United States expects their full cooperation in the extradition of those war criminals for prosecution elsewhere. Any government which fails to cooperate in extradition should be ineligible for economic assistance or Export-Import Bank credits.

The need for this amendment becomes apparent when one considers the case of Dr. Mengele, the infamous "Angel of Death" who was chief "doctor" at Hitler's Auschwitz concentration camp during World War II. He stands accused of the most heinous crimes against the inmates of that camp, including the torture, disfigurement, and murder of at least 200,000 children in perverted experiments. Warrants for his arrest have been issued by the public prosecutors in Frieburg, in Breisgau and in Frankfurt, Germany, based on the statements of many survivors of Auschwitz and on court findings from previous war crimes trials.

This man, who is responsible for some of the most unspeakable horrors the world has ever known, is living freely today in Paraguay, as a Paraguayan citizen, according to the Simon Wiesenthal Center for Holocaust studies. In fiscal year 1980 Paraguay will receive $3.83 million in economic aid from the United States. Yet there is no record of any action by the Paraguyan Government to assist in bringing Mengele to justice.

This is not only a violation of civi-

lized behavior but a violation of the UN charter.

It is time for us to make it clear that governments who tolerate Mengele and other such war criminals known to be living in certain Latin American countries will not get another dime of assistance from the United States unless their policies change dramatically.

□ 1820

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. LONG of Maryland. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. I thank the gentleman for yielding.

I would like to say on behalf of the minority, we are willing to accept this amendment.

Mr. HARKIN. Mr. Chairman, will the gentleman yield?

Mr. LONG of Maryland. I yield to the gentleman from Iowa.

Mr. HARKIN. I thank the gentleman for yielding.

Mr. Chairman, I would like to ask the gentleman from Maryland (Mr. LONG), in regards to section 522, when he uses the words ". . . any individual, who has committed an act of international terrorism," talking about granting sanctuary from prosecution to that individual, I wonder if perhaps this might not also cover the Government of Chile, which is now harboring an individual who is wanted by the U.S. Government for prosecution in this country for committing a terrorist bombing on the streets of Washington about 3 years ago? Would this cover that also, to a country like Chile that is harboring that individual who is wanted for prosecution?

Mr. LONG of Maryland. That would be my understanding. Let me point out that is not part of my amendment, because it is already included in the bill.

Mr. HARKIN. That kind of thing is covered by section 522?

Mr. LONG of Maryland. That is covered by the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. LONG).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 526. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance any military assistance to Panama.

AMENDMENT OFFERED BY MR. MINISH

Mr. MINISH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MINISH: Page 23, after line 12, insert the following:

SEC. 527. None of the funds appropriated or otherwise made available pursuant to title II or title III of this Act shall be obligated or expended to finance any assistance to Algeria, Ecuador, Gabon, Indonesia, Iran, Iraq, Qatar, Kuwait, Libya, Nigeria, Saudi Arabia, United Arab Emirates, or Venezuela.

Mr. MINISH. Mr. Chairman, the measure before us today contains more than $250 million in direct aid to members of the OPEC cartel.

In April of this year, I attempted to amend the International Development Cooperation Act to deny aid to OPEC nations. At the time, opponents of my amendment argued that the assistance in the bill was earmarked for our "friends" in OPEC.

I think everyone who voted against my amendment in April should reconsider his or her vote in light of some recent actions by our so-called friends in OPEC.

Back in April, OPEC supplied oil to the United States at a price of $14.54 per barrel. Today the going rate is closer to $20.

Indonesia is one of our alleged friends in OPEC that is scheduled to receive $241 million in today's legislation. Indonesia, which has traditionally charged about $1.50 per barrel above the OPEC market price for her oil, hit the American consumer with a costly 12-percent surcharge the very day after this amendment failed in April.

Indonesia's action, which I do not consider to be the act of a friend, has cost the American people more than $1 million per day in extra crude oil costs.

Another one of our so-called OPEC friends is Nigeria. A July 31 report in the national press stated that Nigeria is considering cutting its production by 10 percent. Why? To further put the squeeze on hapless consumers by tightening the supply of oil. This action would undoubtedly contribute to further oil price increases.

There are those who have argued that the wealth generated by the oil in these countries never reaches the poor and middle classes. The fact remains, the price fixing and profiteering by OPEC—as a block—have been the single greatest cause of inflation in this country. The effects of inflation on our own middle and lower-income people, particularly those on fixed incomes, concerns me far more than the effect on OPEC of cutting off this aid. It will be very difficult for our own people to pay their energy bills this winter.

And it is also important to remember that these countries are always among the first to add surcharges to the regular OPEC price for oil. Indonesia was under no obligation to charge a surcharge, but it did anyway.

The American people have been more than generous to OPEC over the years. Since World War II, we have contributed more than $6.6 billion in direct aid to these countries. I need not comment on how this generosity has been repaid.

Indonesia is a perfect example of how the American people are being treated in return for their help. In 1970, we imported 70,000 barrels per day of Indonesian oil at a cost of about $2 per barrel. Today we import over 500,000 barrels daily at $20 a barrel. Yet, in the years 1962 through 1969—in a time of cheap oil when a case might legitimately have been made that American aid was necessary—we gave Indonesia a total of $4.5 million in direct assistance. This year, however, when our oil needs will cause us to pay Indonesia about $3.65 billion for crude oil, we add to that figure by supplying $241 million in string-free assistance. It does not make sense.

Mr. Chairman, I say the OPEC countries are profiting enough from the exorbitant prices they demand for their oil. I see no need to further burden the American taxpayers by appropriating more funds for the members of this cartel.

Mr. SENSENBRENNER. Mr. Chairman, will the gentleman yield?

Mr. MINISH. I would be happy to yield to the gentleman from Wisconsin.

Mr. SENSENBRENNER. I thank the gentleman for yielding.

Mr. Chairman, I would like to commend the gentleman from New Jersey (Mr. MINISH) for his remarks on cutting off foreign aid to OPEC. But I know that his amendment only relates to titles II and III of this bill, which is the bilateral economic and military assistance.

Why has not the gentleman broadened his amendment to include all of the funds so that we can get at the funds that would be extended to OPEC countries indirectly through the multilateral aid programs?

Mr. MINISH. If the gentleman has an amendment, I will accept it. Does the gentleman want to amend it?

Mr. SENSENBRENNER. I do.

□ 1830

Mr. LONG of Maryland. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I have to rise in opposition to this amendment. I know we all feel frustrated about the cost of our imported oil and the way the OPEC countries have consistently raised the oil prices. But let us face it, the real basic problem is that we did not take action to deal with our own internal oil supply problem or our alternate energy problem in years past.

In fiscal year 1980 the administration plans to provide some form of bilateral aid to 4 of the 13 OPEC nations. All four of these countries have had long-term bilateral aid programs with the United States, and a closer look at their economic profiles does not fulfill the visions one has of an oil rich OPEC nation.

Three of the four recipients—Ecuador, Gabon, and Nigeria—receive a total of only $17 million altogether. The fourth recipient, Indonesia, receives the lion's share, $241 million. Indonesia is a country desperate with overpopulation, illiteracy, poverty, and hunger. Indonesia supports a population of 143 million people. It has a per capita income of less than $240.

The transportation systems are nearly nonexistent and their vast natural resources go untapped.

The AID program is aimed at increasing the low, overall agricultural production and rural incomes; stemming the population growth; helping to alleviate the acute shortage of trained people. Since 1973 U.S. assistance has concentrated on improving the condition of rural poor. A series of decentralized projects attempt to create employment and increase rural productivity.

At a time when the U.S. needs all the moderate support within OPEC that it can muster, it does not seem prudent to offer a slap in the face to four of its members who have been long-term allies of the United States and major trading partners with its manufacturers.

The main countries that are leading the movement and are raising our oil prices are not getting any aid so they are not touched by this amendment. What we are doing is hitting the small number of countries getting aid who are not the major offenders.

Mr. Chairman, this is a harmful amendment and I hope it will be voted down.

AMENDMENT OFFERED BY MR. SENSENBRENNER AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. MINISH

Mr. SENSENBRENNER. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. SENSENBRENNER as a substitute for the amendment offered by Mr. MINISH: Page 23, insert the following after line 12:

"SEC. 527. None of the funds appropriated or otherwise made available pursuant to this Act may be used to furnish assistance to any country that is a member of the Organization of Petroleum Exporting Countries."

Mr. SENSENBRENNER. Mr. Chairman, I believe this amendment takes care of the problem which I brought up in my colloquy with the distinguished gentleman from New Jersey (Mr. MINISH). That is it gets at the indirect aid that would be provided to the OPEC countries under the bill. I believe very strongly that we ought to cut out the $259 million worth of bilateral assistance. The gentleman from New Jersey's amendment takes care of that. But I am certain that there is multilateral assistance that goes to the OPEC countries as well. We should not be using American taxpayers' dollars to help the rich get richer.

I strongly urge that my amendment in the nature of a substitute be approved.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

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

Mr. LONG of Maryland. I am afraid I did not really hear the gentleman's amendment. I wonder if he could say just exactly how this substitutes for the other amendment?

Mr. SENSENBRENNER. The substitute reads as follows:

None of the funds appropriated or otherwise made available pursuant to this act may be used to furnish assistance to any country that is a member of the Organization of Petroleum Exporting Countries.

Mr. LONG of Maryland. If the gentleman will yield, I cannot see any difference between the gentleman's amendment and that of the gentleman from New Jersey. Therefore, my remarks in opposition to the amendment of the gentleman from New Jersey have to apply to the gentleman now speaking in the well. I think it is harmful. The gentleman's amendment in the nature of a substitute is aiming at the very countries who are not the main reasons why we are having to pay higher oil prices. They are not rich countries. So the gentleman is wrong on that. These are poor countries and they are only four of them altogether.

In other words, we are aiming at the wrong target and going to make very angry the people who feel that we are trying to aim at them by missing. I think the gentleman's amendment is a harmful amendment.

Mr. SENSENBRENNER. If those countries that are wanting American foreign aid are feeling so poor they can resign their membership from OPEC and they would be immediately eligible for foreign aid under my substitute amendment as soon as they get out of OPEC.

Mr. OBEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I know what the popular thing to do is on this amendment. We have all come from our home districts and it is obvious to me today that having done that we are willing to do exactly what has gotten this country in so much trouble in the first place. Apparently we are collectively willing to respond to every instant pressure that comes from any source without having the guts and the thoughtfulness to explain to people why sometimes what they may be suggesting is not necessarily in the interest of the United States.

Mr. Chairman, both of these amendments are essentially blunderbuss amendments. What they do is bring into serious question whether this Congress really wants to do anything significant on the issue of energy supply. Oh, we are great, we are just great at offering this amendment or that amendment to convince people we have done something to instantly solve or respond to their frustrations over energy.

I have heard 50 people on this floor today talk to me about how weak President Carter appears based on their discussions they have had back home with people in their districts. Then what do we do? We come back to Washington and help make President Carter weaker by adopting amendment after amendment that limits his ability to deal with international affairs in a way which defends the national interest of the United States. That is not politically smart and it is not substantively wise.

Let me suggest to the Members the only countries affected by both amendments, despite the intent of the gentleman from Wisconsin, his amendment is erroneously drawn, the only countries who are affected by either amendment are the countries laid out by the gentleman from Maryland, the chairman. They are Ecuador, Indonesia, Gabon, and Nigeria.

Before Members vote on this amendment, I want them to keep in mind what we get from those countries in oil every day. From Ecuador we get 64,000 barrels of oil a day. From Indonesia we get 540,000 barrels of oil a day. From Nigeria we get 904,000 barrels of oil a day.

Do the Members really think they increase the likelihood that we will continue to get that oil and we will continue to get it at a price which we are paying today if we adopt this amendment? What are the Members going to say to their constituents 3 or 4 months from now if this amendment passes and we have had another round of OPEC price increases and that round of OPEC price increases has been as a result of their anger at the U.S. Congress for its passage of this amendment? I know Members do not like to hear that and I know I do not like to go to my constituents and say it. But the hard fact is that all those countries have to do to compensate for this amendment is to raise oil prices again, and the Members are inviting them to do so if they pass this amendment.

□ 1840

Second, I would point out to the Members that three of the four countries involved are countries which did not participate in the original oil boycott in 1975. Nigeria did not; Indonesia did not; Ecuador did not do it. These are not the rich countries. The only countries being funded in this bill are the countries which are the poorest in the world. The amendment does not cut off any funds to Saudi Arabia. The amendment does not cut off any funds to Qatar or any of the wealthy OPEC countries. It only attacks the least wealthy OPEC countries, countries which have in times past served the national interest of the United States.

Mr. Chairman, I urge the Members to do the responsible thing and oppose this amendment.

Mr. MINISH. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from New Jersey.

Mr. MINISH. Mr. Chairman, the gentleman apparently did not hear my remarks when he said that this amendment was offered after visiting the district. This amendment was offered in April.

And, since when do they do us a favor by giving us this oil. We pay $20 a barrel. The day after a similar amendment was defeated, this past April our so-called friend Indonesia increased the price by an additional $2 a barrel, this additional surcharge cost the American consumers an additional $500 million per year.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. OBEY. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

Mr. RUSSO. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. JOHN L. BURTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from New Jersey (Mr. MINISH).

Mr. MINISH. Mr. Chairman, I thank the gentleman for yielding. As I indicated earlier, the very day after this amendment was defeated this past April Indonesia increased the price of oil by $2 a barrel.

If you are worried about the constituents, my friend, let me tell you that you are going to be worried a lot more when the price of heating oil for their homes goes up to around 80 cents a gallon, as it is in New Jersey. Here, we are giving this country $200 million in aid and they are charging us $20 a barrel for oil. They do not need and do not deserve this assistance. It is ridiculous to say that they will not sell us the oil. They

have all the reason in the world to sell us more oil at these prices.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. JOHN L. BURTON. I yield to the gentleman from Wisconsin.

Mr. OBEY. I would simply respond to the gentleman that the U.S. Congress is not going to determine how much oil we get from these countries. The only man in the United States who has any real influence over what happens on that is the President, and if we pass this amendment we weaken his ability to deal with each and every OPEC country we need oil from in order to keep our economy functioning. What we do is continue the process of weakening the very man who we are criticizing for being weak.

Mr. MINISH. I think it will strengthen the President's hand.

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. JOHN L. BURTON. I will be happy to yield to the gentleman from Missouri.

Mr. VOLKMER. I would just like to have a question——

Mr. JOHN L. BURTON. I will be happy to answer it. I knew about oil before they even sold it for profit.

Mr. VOLKMER. My difficulty with the amendment is that it was Saudi Arabia, even though it will not apply, which increased their production just this summer in order to make sure that we do not have a shortfall, as I understand the increase in production.

The other thing that concerns me is, if this amendment is adopted——

Mr. JOHN L. BURTON. Excuse me—his amendment or his amendment?

Mr. VOLKMER. Either one. As to Nigeria and Ecuador and Indonesia, that applies to approximately 10 percent of our daily import of oil. If they cut it off, how do we replace it? I would like to ask the gentleman from New Jersey that if the gentleman from California will yield to the gentleman from New Jersey.

Mr. JOHN L. BURTON. I yield.

Mr. VOLKMER. Where do we get the oil from to replace that oil?

Mr. MINISH. I do not think the gentleman should assume that Indonesia is going to cut off selling us oil at $20 a barrel.

Mr. VOLKMER. All right.

Mr. DELLUMS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to make a few comments in opposition to both of these amendments. First of all, I would associate myself with the remarks of my distinguished colleague from Wisconsin (Mr. OBEY), who I think has laid out the issue very clearly. I would just like to move a little further.

I was home in my district, as I am sure all Members were at some point during this break. I happened to do a radio interview where people called in. One of the callers called in and asked on the air of me, "Do we in this country provide foreign assistance to OPEC countries?"

My answer was "Yes."

His response was, "Oh, my God."

The political response to that could have been to say, "Oh, my God," as well. But, I chose not to do that because I think it is terribly important, as I have said many times on this floor, that we have a profound obligation to do more than simply be mirror images of unenlightened, uninformed public opinion. My response to that person is the statement I would make to the Members.

There are times when governments do have differences of opinion as to questions of policy, but the bigger story is that in many of these OPEC countries there are literally tens of thousands of human beings who are poverty stricken and who are desperate. We are perhaps the wealthiest nation in the world, and we are only spending 1.5 percent of our total budget to deal with the question of starvation.

It would seem to me that even though we disagree at a level of policy with respect to governments, we should not substitute those who are nongovernment, who are living in poverty and disease. To that extent I think both of these amendments will strike at only the politics of the situation; not the realities of the world, and certainly not the reality of our energy bill.

I also point out to the author of the amendment that American oil companies, indeed, have contributed significantly to the energy crisis in this country. We are not penalizing the American oil companies.

One of my colleagues, the author of the substitute amendment, indicated that we would make the rich richer. I find that ludicrous, because I think that if we could take that voting record of that particular person and look at it, we will see that when we have debated and discussed the energy bill and the role of the big oil companies here in this Nation, we certainly have not penalized them. It seems to me that we go in one direction and make possible multimillionaires of the oil companies for billions of dollars, and yet we are prepared to strike out those poor people in OPEC nations.

We are essentially paying the same price to England to buy their oil; to Norway to buy their oil; to Canada to buy their oil, and from Texas, absolutely, from the United States in purchasing their oil. So, where is the continuity? Where is the consistency in these amendments that, with all due respect to the people who offered them, I think are misguided? I think they make no sense.

Finally, I would end on this note: We are perhaps the wealthiest nation in the world. If governments differ, let us discuss those differences, but the poor, impoverished, desperate people do have to have foreign aid, and should not be penalized. We should be larger than that, bigger than that. To vote in support of these amendments is to respond to that, "Oh, my God," response of an unenlightened, uninformed American people. But, as the people have reached that question, it would seem to me that if we can respond to it intelligently and wisely, people will understand.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, I would just like to remind the Members of this House—and again I know that this is not a popular thing to say—but I heard this morning Members have 1-minute speeches praising the departing Under Secretary of the Department of Energy, Mr. O'Leary. He made the statement a couple of weeks ago that we all ought to remember that we might not like the price Saudi Arabia is charging; we all ought to remember, for instance, that all they need to process to meet their own domestic needs is 4.5 million barrels of oil, and today every barrel above that amount they process and supply to the United States is simply a gift to world stability. I do not think we contribute to a relationship with that country if we adopt this amendment.

Mr. MINISH. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman from New Jersey.

Mr. MINISH. Let me say that from the time we were paying $2 a barrel for oil we were giving them $4.5 million a year. Now we are giving them $241 million a year plus $3.5 billion for the oil. So I think the money is there.

When the gentleman mentions England, I am sure the gentleman knows that we are not giving foreign aid to England. I am saying that we want to take it out of OPEC nations.

□ 1850

Mr. LONG of Maryland. Mr. Chairman, I move to strike the requisite number of words. Both of these amendments aim at the wrong parties and hit the wrong people, the people who are not guilty. I hope very much that the House will vote down both these amendments.

Mr. MINISH. Will the gentleman yield? The gentleman is doing the grandstanding.

Mr. PEASE. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to these politically appealing but shortsighted amendments. Do not get me wrong. I believe the U.S. Government must do much more to combat OPEC's arbitrary production and pricing policies. But we should not blindly flail away at OPEC. Rather we should weigh our options carefully, understand fully OPEC's vulnerabilties, recognize the diversity among the member nations of OPEC, and then get on with supporting those steps that offer really effective means of reducing our vulnerability to OPEC.

There are several problems with these amendments. Let me explain a couple of its drawbacks.

First, they give the impression of striking a meaningful blow against the OPEC cartel. The plain truth of the matter is that most of the member nations of OPEC are not even eligible to receive any of the development assistance to be funded by this bill. The oil-rich states of the Middle East like Saudi Arabia and Libya could care less whether these amendments pass.

I for one think that if we are going about throwing punches at OPEC that we at least ought to be certain to land a punch where it will hurt. It is time we stop boxing with the shadow of OPEC and get serious about what effective steps we can take to begin to offset some of OPEC's clout.

Second, these amendments seem to be based upon the premise that all member nations of OPEC are luxuriously rich and their leaders are modern-day "robber barons" preoccupied with the task of finding ways to spend all of their money. They fail to take into account the tremendous divergence of interests and needs among the nations that constitute OPEC. Consequently, the only countries that would really be significantly influenced by this amendment would be Ecuador, Gabon, Indonesia, and Nigeria. We would be punishing the poorest among the member nations of OPEC under the guise of getting tough with the oil-rich Arab nations.

To understand the unanticipated, harmful effects this amendment would have, consider the case of Ecuador. This tiny South American nation of nearly 8 million people has just returned to civilian democratic government after 9 years of dictatorship. Hopefully, the government of President Roldos will be able to set an example that will be emulated elsewhere among the military dictatorships of South America.

But the new democracy in Ecuador must come to grips with immense problems of poverty, hunger, and illiteracy among the Ecuadorian people if it is to survive. We should be striving to find ways in which our country can help nurture democratic traditions in this region. Instead these amendments would have us turn our backs on the new developments in Ecuador in a misguided attempt to get back at OPEC.

The annual per capita GNP of Ecuador is $640 in contrast with that of Saudi Arabia which is $4,480 or Kuwait which is $15,480. In addition, in 1977, the United States bought nearly $609 million worth of oil from Ecuador, but at the same time Ecuador bought approximately $565 million worth of U.S. exports. So our trade with Ecuador was almost balanced in contrast with that of other members of OPEC.

Developing countries like Ecuador who happen to be members of OPEC deserve better treatment that would be extended them by measures such as the Sensenbrenner amendment. For this reason, I hope these amendments will be defeated. Should they pass, I hope they will at least be amended to provide exemptions for Ecuador, Nigeria, Indonesia, and Gabon.

Mr. MINISH. Mr. Chairman will the gentleman yield?

Mr. PEASE. I yield to the gentleman from New Jersey.

Mr. MINISH. I thank the gentleman for yielding.

Does the gentleman really believe that Indonesia has treated us fairly? After giving them 3.5 billion—billion dollars—in aid, they increased the surcharge after the original increase by another $2 per barrel. I am amazed at the poor people in the other countries. I want the Members to know that there are a lot of poor people in our cities who are not going to be able to afford this oil.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. PEASE) has expired.

(At the request of Mr. McHUGH, and by unanimous consent, Mr. PEASE was allowed to proceed to 2 additional minutes.)

Mr. McHUGH. Mr. Chairman, will the gentleman yield?

Mr. PEASE. I yield to the gentleman from New York.

Mr. McHUGH. I thank the gentleman for yielding, and I thank him for his remarks. He has rightly pointed out that there are only four countries affected by this amendment in any way. The one that I think is affected the most is Indonesia which would receive under our legislation, before the cuts which have been adopted, $242 million.

The basic things I think the Members should remember about Indonesia are, first of all, that it is a country of 130 million people with a per capita income per year of less than $300. Secondly, it provides over 500,000 barrels of oil to this country today. Thirdly, it did not participate in the OPEC embargo in 1973. Finally—and this is a point that has not yet been made—the Indonesian Government is participating in a very constructive way in dealing with the refugee problem. It is accepting refugees into its shores despite some public opposition. It is providing some processing centers and has offered to do more in that respect. I think for all of these reasons it would simply be against the U.S. interest to adopt this amendment, as politically attractive as it is on its face.

I thank the gentleman for yielding.

Mr. SENSENBRENNER. Mr. Chairman, will the gentleman yield?

Mr. PEASE. I yield to the gentleman from Wisconsin.

Mr. SENSENBRENNER. I thank the gentleman for yielding.

Mr. Chairman, to get back to the difference between the pending amendment and the amendment originally offered by the gentleman from New Jersey (Mr. MINISH), the pending amendment attempts to get at the indirect aid that is given to OPEC countries as well as the direct aid. Among the World Bank, the Asian Development Bank, and the Inter-American Development Bank, which are substantially funded by American taxpayers' dollars, OPEC countries get $1,071,000,000 more in aid, in addition to the $259 million in aid that they get directly through bilateral aid programs. So I would urge a yes vote on the pending amendment to try to get at that aid money, too.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) as a substitute for the amendment offered by the gentleman from New Jersey (Mr. MINISH).

The question was taken; and on a division (demanded by Mr. SENSENBRENNER) there were—ayes 17, noes 53.

So the amendment offered as a substitute for the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey (Mr. MINISH).

The question was taken; and on a division (demanded by Mr. MINISH) there were—ayes 28, noes 53.

□ 1900

Mr. MINISH. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. One hundred and three Members are present, a quorum.

The pending business is the demand of the gentleman from New Jersey (Mr. MINISH) for a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

● Mr. HALL of Ohio. Mr. Chairman, I rise in opposition to the Young amendment that was offered to limit appropriations for the United Nations Development Program to $126,050,000.

The Appropriations Committee has recommended an appropriation of $130 million for the U.N. Development Program. It is important to keep in mind that the amount in the committee bill already is $10 million below the amount requested by the administration. It also is $10 million below the amount authorized for fiscal 1980 by the House Foreign Affairs Committee in the International Development Cooperation Act.

The Appropriations Committee increased UNDP funding for fiscal 1980 by only $3,940,000 over the fiscal 1979 level. The effect of the Young amendment would be to keep funding at the 1979 level and eliminate the slight increase approved by the Appropriations Committee.

The Foreign Affairs Committee authorized the full amount recommended by the executive branch for the UNDP. We did so in recognition of the importance of UNDP as the principal U.N. body for coordinating technical assistance programs for economic and social development. Over the years, U.S. support of UNDP has been an important factor in encouraging other nations to support the program.

UNDP assistance, administered cooperatively by recipient countries and the U.N. specialized agencies, supports large-scale development projects in such sectors as transportation, communications, agriculture, forestry, fisheries, and industrial development. The success and continuity of these programs has significantly depended upon the leadership and commitment of the United States.

"Technical assistance" refers to the transfer of expertise, as distinct from the large-scale transfers of capital involved in projects such as the construction of dams, major roads, or industrial facilities. U.N. technical assistance helps recipient developing countries to prepare themselves to effectively utilize the outside capital inflows they receive for local development.

From all sources—voluntary and assessed contributions—the U.N. agencies spent approximately $663 million on technical assistance in 1977. This amounted to 27.6 percent of the total funds available within the U.N. system. The effect of this money is multiplied several times since the technical assistance activities stimulate followup investments on a larger scale from the private sector and from international financial institutions.

Our contribution to UNDP represents

a solid investment in the developing world for which we can expect high returns both on a short-term and on a long-term basis. As my colleague from Ohio, Mr. PEASE, pointed out in a colleague letter he circulated in July, the United States has shared significantly in the $19 billion in investment opportunities the UNDP helped generate during its first programing cycle (1971–76). In addition, the United States ranks first among all nations in UNDP equipment purchases, UNDP subcontracts, and in hosting UNDP fellowships. On a long-term basis, the United States will benefit from the opportunities for trade and investment which emerge from the development brought about with UNDP technical assistance.

Now is not the time to cut back on the valuable investment the UNDP holds both for the developing world and for our own country. This is not a "give-away" program—it is a mutually beneficial development mechanism that contributes to global stability and progress.●

Mr. LONG of Maryland. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. KAZEN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4473) making appropriations for Foreign Assistance and related programs for the fiscal year ending September 30, 1980, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. LONG of Maryland. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 4473, just under consideration.

The SPEAKER. Is there objection to the request of the gentleman from Maryland (Mr. LONG).

There was no objection.

CONFERENCE ON S. 230, EXTENSION AND REVISION OF NURSE TRAINING AND OTHER HEALTH PROGRAMS

Mr. STAGGERS submitted the following conference report and statement on the Senate bill (S. 230) to amend title VIII of the Public Health Service Act to extend through fiscal year 1980 the program of assistance for nurse training, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 96–419)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 230) to amend title VIII of the Public Health Service Act to extend through fiscal year 1980 the program of assistance for nurse training, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

TITLE I—NURSE TRAINING

SEC. 101. (a) This title may be cited as the "Nurse Training Amendments of 1979".

(b) Whenever in this Act (other than sections 204, 208, and 313) an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

SEC. 102. Section 801 (relating to authorizations for construction grants) (42 U.S.C. 296) is amended by striking out "and" after "1977," and by inserting after "for fiscal year 1978" the following: ", and $2,000,000 for the fiscal year ending September 30, 1980".

SEC. 103. (a) Subsections (a) and (b) of section 805 (relating to loan guarantees and interest subsidies) (42 U.S.C. 296d) are each amended by striking out "1978" and inserting in lieu thereof "1980".

(b) Subsection (e) of such section is amended by inserting after "in fiscal year 1978" the following: "and in each of the next two fiscal years".

SEC. 104. Subsection (f)(1) of section 810 (relating to capitation grants) (42 U.S.C. 296e) is amended by striking out "and" after "1977," and by inserting after "fiscal year 1978" the following: "and $24,000,000 for the fiscal year ending September 30, 1980."

SEC. 105. The first sentence of subsection (d) of section 820 (relating to special project grants and contracts) (42 U.S.C. 296k) is amended by striking out "and" after "1977," and by inserting before the period the following: ", and $17,000,000 for the fiscal year ending September 30, 1980".

SEC. 106. Subsection (b) of section 821 (relating to advanced nurse training programs) (42 U.S.C. 296l) is amended by striking out "and" after "1977", and by inserting after "for fiscal year 1978" the following: ", and $13,500,000 for the fiscal year ending September 30, 1980".

SEC. 107. Subsection (e) of section 822 (relating to nurse practitioner programs) (42 U.S.C. 296m) is amended by striking out "and" after "1977," and by inserting before the period the following: ", and $15,000,000 for the fiscal year ending September 30, 1980".

SEC. 108. Subsection (b) of section 830 (relating to traineeships) (42 U.S.C. 297) is amended by striking out "and" after "1977," and by inserting before the period ", and $15,000,000 for the fiscal year ending September 30, 1980".

SEC. 109. (a) Subsection (b)(4) of section 835 (relating to loan agreements) (42 U.S.C. 297a) is amended by striking out "1978" and inserting in lieu thereof "1980".

(b) Section 837 (relating to authorizations for student loan funds) (42 U.S.C. 297c) is amended (1) by striking out "and" after "1977," in the first sentence and (2) by inserting before the period in the first sentence ", and $13,500,000 for the fiscal year ending September 30, 1980", (3) by striking out "fiscal year 1979" and inserting in lieu thereof "the fiscal year ending September 30, 1981", and (4) by striking out "October 1, 1978" and inserting in lieu thereof "October 1, 1980".

(c)(1) Subsection (a) of section 839 (relating to distribution of assets) (42 U.S.C. 297e) is amended by striking out "September 30, 1980, and not later than December 31, 1981" and inserting in lieu thereof "September 30, 1983, and not later than December 31, 1983".

(2) Paragraph (1) of such subsection is amended by striking out "1980" and inserting in lieu thereof "1983".

(3) Subsection (b) of such section is amended by striking out "1980" each place it occurs and inserting in lieu thereof "1983".

SEC. 110. (a) Subsection (b) of section 845 (relating to scholarship grants) (42 U.S.C. 297j) is amended (1) by striking out "next two fiscal years" in the first sentence and inserting in lieu thereof "next four fiscal years", (2) by striking out "1979" and inserting in lieu thereof "1981", and (3) by striking out "1978" and inserting in lieu thereof "1980".

(b) Subsection (c)(1) of such section is amended (1) by striking out "next two fiscal years" in subparagraph (A) and inserting in lieu thereof "next four fiscal years," (2) by striking out "1978" in subparagraph (B) and inserting in lieu thereof "1980", and (3) by striking out "1979" in such subparagraph and inserting in lieu thereof "1981".

(c) The amendments made by subsections (a) and (b) do not authorize appropriations for the fiscal year ending September 30, 1979, for scholarships under section 845 of the Public Health Service Act in addition to the amount available for such scholarships under section 101(a) of Public Law 95–482.

SEC. 111. Subpart I of part B of title VIII (relating to traineeships) is amended by adding after section 830 (42 U.S.C. 297) the following new section:

"TRAINEESHIPS FOR TRAINING OF NURSE ANESTHETISTS

"SEC. 831. (a)(1) The Secretary may make grants to public or private nonprofit institutions to cover the costs of traineeships for the training, in programs which meet such requirements as the Secretary shall by regulation prescribe and which are accredited by an entity or entities designated by the Commissioner of Education, of licensed, registered nurses to be nurse anesthetists.

"(2) Payments to institutions under this subsection may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary. Such payments may be used only for traineeships and shall be limited to such amounts as the Secretary finds necessary to cover the costs of tuition and fees, and a stipend and allowances (including travel and subsistence expenses) for the trainees.

"(b) For the purpose of making grants under subsection (a), there are authorized to be appropriated $2,000,000 for the fiscal year ending September 30, 1980.".

SEC. 112. Section 836(b)(3) (relating to student loans) (42 U.S.C. 297b(b)(3)) is amended (1) by inserting after "(3)" the following: "in the case of a student who received such a loan before the date of enactment of the Nurse Training Amendments of 1979,", and (2) by striking out "any such loan" and inserting in lieu thereof "any such loan made before such date".

SEC. 113. (a)(1) The Secretary of Health, Education, and Welfare (hereinafter in this section referred to as the "Secretary") shall arrange, in accordance with subsection (b), for the conduct of a study—

(A) to determine the need to continue a specific program of Federal financial support for nursing education.

(B) to determine the reasons nurses do not practice in medically underserved areas and to develop recommendations for actions which could be taken to encourage nurses to practice in such areas, and

(C) to determine the rate at which and the reasons for which nurses leave the nursing profession and to develop recommendations for actions which could be taken to encourage nurses to remain or re-enter the nursing profession, including actions involving practice settings conducive to the retention of nurses.

(2) The part of the study described in paragraph (1)(A) shall include consideration of the following:

(A) The need for nurses under the present health care delivery system and under such system as it may be modified by increased

use of ambulatory care facilities or as it may be changed by the enactment of legislation for national health insurance. Determination of such need shall include determination of the need for nurses trained in each type of school of nursing (as defined in section 853(2) of the Public Health Service Act), for nurses with graduate training in the varying nurse practitioner clinical specialties, and for nurse administrators and nurse educators.

(B) The cost of nursing education and a comparison of the cost of education at each type of school of nursing (as so defined) and comparison of the cost of each of the graduate programs of nursing.

(C) The availability of other sources of support for nursing education, including support under general programs of Federal financial support for postsecondary education, under State and other public programs, and from private sources.

(b)(1) The Secretary shall first request the National Academy of Sciences (hereinafter in this section referred to as the "Academy"), acting through the Institute of Medicine, to conduct the study, required by subsection (a), under an arrangement whereby the actual expenses incurred by the Academy directly related to the conduct of such study will be paid by the Secretary. If the Academy agrees to such request, the Secretary shall enter into such an agreement with the Academy.

(2) If the Academy declines the Secretary's request to conduct such study under such an arrangement, then the Secretary, after consulting with the Committee on Labor and Human Resources of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives, shall enter into a similar arrangement with another appropriate public or nonprofit private entity to conduct such study.

(2) Any arrangement entered into under paragraph (1) or (2) of this subsection for the conduct of a study shall require that such study be completed and reports thereon be submitted within such period as the Secretary may require to meet the requirements of subsection (c).

(4) The Secretary shall undertake such preliminary activities as may be necessary to enable the Secretary to enter into an arrangement for the conduct of the study at the earliest possible date.

(c) Not later than six months after the date the arrangement for the conduct of the study is entered into under subsection (b), the Secretary and the entity conducting the study shall each report to the Committee on Human Resources of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives their respective preliminary recommendations respecting the matters described in subparagraphs (A), (B), and (C) of subsection (a)(1) and, if a need for continued Federal financial support for nursing is found, the form in which the support should be provided. Not later than two years after such date, the Secretary and the entity which conducted the study shall each report to such Committees recommendations respecting such matters (including the form of Federal financial support for nursing) and the basis for such recommendations.

TITLE II—OTHER HEALTH PROGRAMS

SEC. 201. Section 729(a) (relating to limits on Federal loan insurance and insured loans) (42 U.S.C. 294(a)) is amended—

(1) by inserting before the period in the first sentence a comma and the following: "except that in the case of loans to students in schools of medicine, osteopathy, and dentistry, the Secretary may increase the total of such loans which may be covered by Federal loan insurance to $15,000 if he determines that the costs of education as such schools requires such increase"; and

(2) by inserting before the period in the second sentence a comma and the following: "except that the Secretary may increase such amount for borrowers who are or were students in schools of medicine, osteopathy, and dentistry to $60,000 if he determines that the costs of education at such schools requires such increase".

SEC. 202. (a) Section 752(b)(5)(A) (relating to service requirements for National Health Service Corps scholarships) (42 U.S.C. 294u(b)(5)(A)) is amended by striking out "(not to exceed three years)" and inserting in lieu thereof "(not to exceed three years or such greater period as the Secretary, consistent with the needs of the Corps, may authorize)".

(b)(1) Such section 752(b)(5)(A) is further amended by adding after the first sentence the following: "With respect to an individual receiving a degree from a school of veterinary medicine, optometry, podiatry, or pharmacy, the date referred to in paragraphs (1) through (4) shall be the date upon which the individual completes the training required for such degree, except that the Secretary shall, at the request of such individual, defer such date until the end of the period of time (not to exceed one year or such greater period as the Secretary, consistent with the needs of the Corps, may authorize) required for the individual to complete an internship, residency, or other advanced clinical training.".

(2) The last sentence of such section is amended by striking out "such".

(3) Section 752(b)(5)(B) is amended by striking out "other than a school of medicine, osteopathy, or dentistry" and inserting in lieu thereof "other than a school referred to in subparagraph (A)".

(c) Section 338(a) is amended by striking out "$70,000,000" and inserting in lieu thereof "$82,000,000".

SEC. 203. Section 281(c) (relating to requirements for participation of schools in area health education center programs) (42 U.S.C. 295g-1(c)) is amended by adding after and below paragraph (4) the following:

"The requirement of paragraph (3) shall not apply to a medical or osteopathic school participating in an area health education center program if another such school participating in the same program meets the requirement of that paragraph.".

SEC. 204. Section 802(a) of the Health Professions Educational Assistance Act of 1976 (relating to transition provisions on area health education centers) is amended—

(1) by striking out "for the next fiscal year" and inserting in lieu thereof "for the next three fiscal years";

(2) by striking out "no payment shall be made to an entity under such a contract" and inserting in lieu thereof "no payment under such a contract shall be made to an entity which had not first entered into such a contract before October 12, 1976, (1)"; and

(3) by inserting before the period at the end thereof the following: ", or (2) for any fiscal year beginning after September 30, 1979".

SEC. 205. (a) Paragraph (4) of section 788(b) (42 U.S.C. 295g-8(b)(4)) is repealed and paragraphs (5) and (6) of such section are redesignated as paragraphs (4) and (5), respectively.

(b) Subparagraph (B) of section 788(e)(2) is amended by striking out $5,000,000" and inserting in lieu thereof "$10,000,000".

SEC. 206. (a) Section 748(b)(3)(B) (42 U.S.C. 294e(b)(3)(B)) is amended (1) by striking out "or" at the end of clause (iv), (2) by striking out the period at the end of clause (v) and inserting in lieu thereof ", or", and (3) by adding after clause (v) the following:

"(vi) maternal and child health.".

(b) Section 792(a) (42 U.S.C. 295h-1(a)) is amended (1) by striking out "or" at the end of paragraph (3), (2) by striking out the period at the end of paragraph (4) and inserting in lieu thereof ", or", and (3) by adding after paragraph (4) the following new paragraph:

"(5) maternal and child health.".

SEC. 207. Section 771(d)(5) (42 U.S.C. 295f-1(d)(5)) is amended by striking out "may waive (in whole or in part) application to a school of dentistry of the requirement of any paragraph of this subsection if the Secretary" and inserting in lieu thereof "may—

"(A) in the case of a school of dentistry which increased its enrollment of full-time first-year students in accordance with paragraph (3), waive (in whole or in part and under such conditions as the Secretary may prescribe) application of the requirement of subsection (a)(1) that it maintain its increased enrollment of such students, and

"(B) in the case of any school of dentistry, waive (in whole or in part) application of the requirement of any paragraph of this subsection,

if the Secretary determines".

SEC. 208. Section 401 of the Health Programs Extension Act of 1973 (42 U.S.C. 300a-7) is amended by adding at the end thereof the following new subsection:

"(e) No entity which receives, after the date of enactment of this paragraph, any grant, contract, loan, loan guarantee, or interest subsidy under the Public Health Service Act, the Community Mental Health Centers Act, or the Development Disabilities Assistance and Bill of Rights Act may deny admission or otherwise discriminate against any applicant (including applicants for internships and residencies) for training or study because of the applicant's reluctance, or willingness, to counsel, suggest, recommend, assist, or in any way participate in the performance of abortions or sterilizations contrary to or consistent with the applicant's religious beliefs or moral convictions.".

SEC. 209. Section 1701(b) (42 U.S.C. 300u(b)) is amended by striking out "and" after "1978," and by inserting before the period a comma and the following: $14,000,000 for the fiscal year ending September 30, 1980, $15,000,000 for the fiscal year ending September 30, 1981, and $16,000,000 for the fiscal year ending September 30, 1982".

TITLE III—PUBLIC HEALTH SERVICE ADMINISTRATION

SEC. 301. This title may be cited as the "Public Health Service Administrative Amendments of 1979".

SEC. 302. (a) Section 203 (42 U.S.C. 204) is amended by adding at the end thereof the following new sentence: "Warrant officers may be appointed to the Service for the purpose of providing support to the health and delivery systems maintained by the Service and any warrant officer appointed to the Service shall be considered for purposes of this Act and title 37, United States Code, to be a commissioned officer within the commissioned corps of the Service.".

(b) Section 205(b) (42 U.S.C. 206(b)) is amended by striking out "six" and inserting in lieu thereof "eight" and by inserting after "the Chief Dental Officer of the Service," the following: "the Chief Nurse Officer of the Service, the Chief Pharmacist Officer of the Service,".

SEC. 303. Section 205(c) (42 U.S.C. 206(c)) is amended to read as follows:

"(c)(1) The Surgeon General, with the approval of the Secretary, is authorized to create special temporary positions in the grade of Assistant Surgeons General when necessary for the proper staffing of the Service. The Surgeon General may assign officers of either the Regular Corps or the Reserve Corps to any such temporary position, and

while so serving they shall each have the title of Assistant Surgeon General.

"(2) Except as provided in this paragraph, the number of special temporary positions created by the Surgeon General under paragraph (1) shall not on any day exceed 1 per centum of the highest number, during the ninety days preceding such day, of officers of the Regular Corps on active duty and officers of the Reserve Corps on active duty for more than thirty days. If on any day the number of such special temporary positions exceeds such 1 per centum limitation, for a period of not more than one year after such day, the number of such special temporary positions shall be reduced for purposes of complying with such 1 per centum limitation only by the resignation, retirement, death, or transfer to a position of a lower grade, of any officer holding any such temporary position.".

SEC. 304. (a) The third sentence of subsection (a) of section 206 (42 U.S.C. 207(a)) is amended by striking out paragraphs (5) and (6) and inserting in lieu thereof the following:

"(5) Officers of the assistant grade—first lieutenant;

"(6) Officers of the junior assistant grade—second lieutenant;

"(7) Chief warrant officers of (W-4) grade—chief warrant officer (W-4);

"(8) Chief warrant officers of (W-3) grade—chief warrant officer (W-3);

"(9) Chief warrant officers of (W-2) grade—chief warrant officer (W-2); and

"(10) Warrant officers of (W-1) grade—warrant officer (W-1).".

(b) Section 206(c) (42 U.S.C. 207(c)) is repealed.

(c) The first sentence of section 206(d) (42 U.S.C. 207(d)) is amended by striking out "junior assistant grade" and inserting in lieu thereof the following: "warrant officer (W-1) grade".

SEC. 305. Section 207(a)(1) (42 U.S.C. 209 (a)(1)) is amended by inserting immediately after "original appointments to the Regular Corps may be made only in the" the following: "warrant officer (W-1), chief warrant officer (W-2), chief warrant officer (W-3), chief warrant officer (W-4),".

SEC. 306. Section 209(c) (42 U.S.C. 210b (c)) is amended by striking out "assistant grade" and by inserting in lieu thereof the following: "warrant officer (W-1) grade".

SEC. 307. (a) Section 210(d)(1) (42 U.S.C. 211(d)(1)) is amended by striking out "Officers in the junior assistant grade" and by inserting in lieu thereof the following: "Officers in the warrant officer (W-1) grade, chief warrant officer (W-2) grade, chief warrant officer (W-3) grade, chief warrant officer (W-4) grade, and junior assistant grade".

(b) Section 210(g) (42 U.S.C. 211(g) is amended—

(1) in the first sentence by striking out "an officer of the Regular Corps in the junior assistant grade" and inserting in lieu thereof the following: "an officer of the Regular Corps in the warrant officer (W-1) grade or junior assistant grade";

(2) in the second sentence by striking out "an officer of the Regular Corps in the assistant, senior assistant," and inserting in lieu thereof the following: "an officer of the Regular Corps in the chief warrant officer (W-2), chief warrant officer (W-3), assistant, senior assistant,";

(3) in paragraph (1) by striking out "if in the assistant grade" and inserting in lieu thereof the following: "if in the chief warrant officer (W-2) or assistant grade"; and

(4) in paragraph (2) by striking out "if in the senior assistant grade" and inserting in lieu thereof the following: "if in the chief warrant officer (W-3) or senior assistant grade".

SEC. 308. Section 211(e) (42 U.S.C. 212(e)) is amended by striking out "a part of a year of active service of six months or more shall be counted as a whole year and a part of a year of active service which is less than six months shall be disregarded" and by inserting in lieu thereof the following: " a part of a year that is six months or more is counted as a whole year, and a part of a year that is less than six months is disregarded".

SEC. 309. (a) Section 214(c) (42 U.S.C. 215(c)) is amended by striking out the comma immediately after "nonprofit educational research" and by inserting immediately after "Service" the following: "to any appropriate committee of the Congress or".

(b) Section 214(d) (42 U.S.C. 215(d)) is amended by inserting after the first sentence the following new sentence: "In the case of detail of personnel under subsections (b) or (c) to be paid from applicable Service appropriations, the Secretary may condition such detail on an agreement by the State, subdivision, or institution concerned that such State, subdivision, or institution concerned shall reimburse the United States for the amount of such payments made by the Service.".

SEC. 310. (a) The first sentence of section 218(b) (42 U.S.C. 218a(b)) is amended to read as follows: "Any officer whose tuition, fees, and other necessary expenses are paid pursuant to subsection (a) while attending an educational institution or training program for a period in excess of thirty days shall be obligated to pay to the Service an amount equal to two times the total amount of such tuition, fees, and other necessary expenses received by such officer during such period, and two times the total amount of any compensation received by, and any allowance paid to, such officer during such period, if after return to active service such officer voluntarily leaves the Service within (1) six months, or (2) twice the period of such attendance, whichever is greater.".

(b) The third sentence of section 218(b) (42 U.S.C. 218a(b)) is amended by striking out "reimbursement" wherever it appears and by inserting in lieu thereof the following: "payment".

SEC. 311. Section 219(c) (42 U.S.C. 219-1 (c)) is repealed.

SEC. 312. Section 221(a) (42 U.S.C. 213a(a)) is amended by adding at the end thereof the following new paragraphs:

"(12) Section 1552, Correction of military records: claims incident thereto.

"(13) Section 1553, Review of discharge or dismissal.

"(14) Section 1554, Review of retirement or separation without pay for physical disability.".

SEC. 313. (a) The table in section 201(a) of title 37, United States Code, is amended by striking out "Surgeon General." in the fourth column of such table and by inserting in such column to correspond with pay grade O-9 the following: "Surgeon General.".

(b)(1) Section 1006(a) of title 37, United States Code, is amended by inserting immediately after "member of an armed force" the following: "or of the Public Health Service".

(2) Section 1006(b) of such title is amended by inserting immediately after "member of an armed force" the following: "or of the Public Health Service".

(3) Section 1006(c) of such title is amended by inserting immediately after "member of an armed force" the following: "or of the Public Health Service".

(4) Section 1006(c) of such title is amended by inserting immediately after "members of the armed forces" the following: "or of the Public Health Service".

5) Section 1006(d) of such title is amended by inserting immediately after "from his armed force" the following: "or from the Public Health Service".

(6) Section 1006(e) of such title is amended by inserting before the period the following: "and the Public Health Service,".

(7) Section 1006(h) of such title is amended by inserting immediately after "members of an armed force" the following: "or of the Public Health Service".

(c) Section 415(d) of title 37, United States Code, is amended to read as follows:

"(d) An allowance of $250 for uniforms and equipment may be paid to each commissioned officer of the Public Health Service who is—

"(1) on active duty or on inactive duty training status; and

"(2) required by directive of the Surgeon General to wear a uniform.

An officer is not entitled to more than one allowance under this subsection.".

SEC. 314. The amendments made by sections 303, 304, 305, 306, 307, and 313 shall take effect on October 1, 1979.

And the House agree to the same.

HARLEY O. STAGGERS,
HENRY A. WAXMAN,
DAVID E. SATTERFIELD,
RICHARDSON PREYER,
JAMES T. BROYHILL,
TIM LEE CARTER,
Managers on the Part of the House.

EDWARD KENNEDY,
HARRISON A. WILLIAMS, Jr.,
GAYLORD NELSON,
ALAN CRANSTON,
C. PELL,
RICHARD S. SCHWEIKER,
JACOB K. JAVITS,
ORRIN G. HATCH,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 230) to amend title VIII of the Public Health Service Act to extend through fiscal year 1980 the program of assistance for nurse training and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted a substitute text.

The Senate recedes from its disagreement to the amendment of the House with an amendment which is a substitute for the Senate bill and the House amendment. The differences between the Senate bill, the House amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

AUTHORIZATIONS OF APPROPRIATIONS

A. Nurse training

The Senante bill and the House amendment each provided authorizations of appropriations for programs of nurse training for fiscal year 1980 in the amount of $103 million. However, the Senate bill provided $4 million for construction authority while the House amendment provided $2 million for construction and $2 million for traineeships for the training of nurse anesthetists.

The conference substitute conforms to the House amendment (Table 1).

B. National Health Service Corps

The Senate bill contained a provision not included in the House amendment which would increase the authorization of appropriations under section 338 of the Public Health Service Act for the National Health Service Corps program from $70 million to $82 million for fiscal year 1980.

The conference substitute conforms to the Senate bill.

C. Health information and health promotion

The Senate bill provided authorizations of appropriations of $14, $15, and $16 million for fiscal years 1980, 1981, and 1982, respectively, for programs of health information and health promotion under Title XVII of the Public Health Service Act. The House amendment did not contain these provisions; however, the House had authorized identical appropriations for these programs in another House-passed measure (H.R. 3641).

The conference substitute conforms to the Senate bill.

TABLE I.—AUTHORIZATIONS OF APPROPRIATIONS FOR PROGRAMS OF NURSE TRAINING FOR FISCAL YEAR 1980

[In millions of dollars]

Authority	Fiscal year 1979 appropriation	Proposed fiscal year 1980 authorization		Fiscal year 1980 authorization, conference substitute
		Senate bill	House amendment	
Capitation	24	24.0	24.0	24.0
Advanced training	12	13.5	13.5	13.5
Nurse practitioner training	13	15.0	15.0	15.0
Special projects	15	17.0	17.0	17.0
Construction	0	4.0	2.0	2.0
Interest subsidies		1.0	1.0	1.0
Loans	13.5	13.5	13.5	13.5
Loan repayment	.75	(1)	(1)	(1)
Traineeships	13	15.0	15.0	15.0
Scholarships	9	(1)	(1)	(1)
Nurse anesthetist		0	2.0	2.0
Total	100.25	103.0	103.0	103.0

[1] No line item.

TRAINEESHIPS FOR TRAINING OF NURSE ANESTHETISTS

The House amendment contained a provision, not included in the Senate bill, which added a new section 831 to the Public Health Service Act authorizing the Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") to make grants to cover the costs of traineeships for the training of nurse anesthetists.

The conference substitute conforms to the House amendment.

The managers recognize the current need for providing support for the training of nurse anesthetists. However, adoption of this grant program at this time is intended to serve only as a short-term mechanism for the provision of financial assistance to these health practitioners. Next year, when this bill expires, it is the managers' intent that this grant program be subjected to the same review and possible revision as all other nurse training authorities.

STUDY OF FEDERAL SUPPORT FOR NURSING EDUCATION

Both the Senate bill and the House amendment require the Secretary to arrange for a study to determine the need to continue a specific program of Federal financial support for nursing education. Several minor differences occurred between the Senate bill and the House amendment. Those differences and the agreements of the conference substitute follow:

(1) Study Content: Both the Senate bill and the House amendment provide that the study shall determine the need to continue a specific program of Federal financial support for nursing education. The Senate bill also calls for recommendations regarding ways to encourage nurses to practice in medically underserved areas, and recommendations to stimulate the retention or re-entry of nurses into the nursing profession. In addition, the Senate bill provides more specific direction as to the factors which must be taken into account in conducting this study, such as the effect that increasing utilization of ambulatory care in health maintenance organizations and other settings might have on the numbers and types of nurses needed in both inpatient and outpatient services. The conference substitute conforms to the requirements of the Senate bill.

(2) Study Contractor: Both the Senate bill and the House amendment provide that the Secretary is first to request the National Academy of Sciences, acting through the Institute of Medicine, to undertake the study. If the Academy declines the request, the Secretary is to enter into a similar arrangement with another appropriate public or nonprofit private entity to conduct the study. The Senate bill provides that arrangements with any entity other than the National Academy of Sciences may be made only after consultation with the Committee on Labor and Human Resources of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives. The conference substitute conforms to the Senate bill.

(3) Study Submittal: Both the Senate bill and the House amendment require the National Academy of Science's Institute of Medicine (or any other entity conducting the study) to submit its findings and recommendations to the Secretary. The House amendment requires simultaneous submittal of the same material to the Committee on Labor and Human Resources of the Senate, and the Committee on Interstate and Foreign Commerce of the House of Representatives. The conference substitute conforms to the House amendment.

(4) Timing of Reports: The Senate bill requires a final report to be submitted to the Congress by the Secretary not later than January 15, 1980. The House amendment requires a preliminary report within six months after formal agreements are completed between the Secretary and the National Academy of Sciences (or other appropriate entity), and a final report not later than two years from that date. The conference substitute conforms to the intent of the House amendment.

The managers are aware that studies on this same issue are currently underway in both HEW and within the nursing profession. The purpose for authorizing yet another study stems from the managers' awareness of the longstanding—and thus far unresolved—controversy between the nursing profession and the Department of HEW over the need for Federal support of nursing education programs. While all available data and recommendations regarding possible revisions to the Nurse Training Act authorities will be considered when this legislation expires, this independent study will be a particularly valuable source of information as it is designed to represent an objective assessment of the problem. The results of this study should be of enormous value to the Congress.

It is the managers' intent that the negotiations surrounding the formal agreement between the Secretary and the Academy (or other entity, in the event the Academy declines the Secretary's request) not be protracted. In view of the short time frame within which assessment must be completed, the conferees expect the agreement to be formalized within 60 days from the date of enactment of the proposed legislation, and would urge the two parties to reach agreement within a month of the date of enactment.

DEFERRAL OF SERVICE OBLIGATION FOR NATIONAL HEALTH SERVICE CORPS SCHOLARSHIP RECIPIENTS

The Senate bill and the House amendment each contain a provision amending section 752(b)(5)(A) of the Public Health Service Act regarding the period of time which the Secretary, at the request of a medical, osteopathic, or dental school scholarship recipient, is required to defer that individual's service obligation to enable him to complete an internship, residency, or other advanced clinical training. Existing law limits such deferral to a period not to exceed 3 years. The provisions of the Senate bill, the House amendment and the conference substitute would authorize the Secretary to extend the period of deferral for such an individual beyond 3 years, if such additional deferral is consistent with the needs of the Corps.

In addition, the House amendment requires the Secretary to defer such service obligation for not less than one year for veterinarians, optometrists, podiatrists, or pharmacists who received National Health Service Corps scholarships, in order to complete their advanced clinical training. The conference substitute provides that the Secretary shall at the request of such individuals, defer their service obligation for a period of one year, or such greater time as the Secretary may authorize consistent with the needs of the Corps, for such internship, residency, or other advanced clinical training. This policy will be reviewed again by the Congress next year in line with the overall review of the Health Professions Educational Assistance Act.

FINANCIAL DISTRESS GRANTS FOR HEALTH PROFESSIONS SCHOOLS

The Senate bill and the House amendment each contain a provision mending section 788(e)(2)(B) of the Public Health Service Act increasing the maximum amount of funds authorized under section 788(e)(1) which may be obligated for financial distress grants for schools of the health professions from $5 million to $10 million. In addition, the House amendment repeals section 788(b)(4) of the Public Health Service Act which limits second and subsequent financial distress grants for health professions schools to 75 percent of the prior year grant award. The conference substitute conforms to the House amendment. This policy will be reviewed again by the Congress next year in line with the overall review of the Health Professions Educational Assistance Act.

NATIONAL HEALTH SERVICE CORPS SCHOLARSHIP AWARDS

The Senate bill removes all restrictions on the percentage of National Health Service Corps scholarship funds which must be used to support specific professional training. Current law provides that 90 percent of appropriated funds are to be obligated for scholarships for medical, osteopathic, and dental students, and that at least 10 percent of that 90 percent must be used to support dental students. The House amendment continues to place a restriction on the per-

centage of funds obligated for specific professional training by requiring that at least 9 percent of all appropriated funds be obligated for students of dentistry. The conference substitute retains existing statutory provisions. Both Committees intend to undertake a major review of the National Health Service Corps program next year during consideration of the reauthorization of the Health Professions Educational Assistance Act. This review will include, in part, an assessment of the need for the various health practitioners by the Corps. Consequently, the managers believe that any action which affects the distribution of National Health Service Corps scholarships should be postponed until that review is completed.

TRAINEESHIPS AND SPECIAL PROJECT SUPPORT FOR MATERNAL AND CHILD HEALTH

The House amendment includes maternal and child health among those disciplines within schools of public health eligible to receive traineeship and special project support under sections 748(b)(3)(B) and 792(a) of the Public Health Service Act. The Senate bill contains no similar provision. The conference substitute conforms to the House amendment.

CAPITATION SUPPORT FOR SCHOOLS OF DENTISTRY

The House amendment authorizes the Secretary to waive the maintenance of increased enrollment requirement for dental school capitation support under section 771(a)(1) of the Public Health Service Act, and to impose such other conditions as he may prescribe, when a dental school is in jeopardy of losing its accreditation if its increased enrollment is maintained. The Senate bill has no similar provision. The conference substitute conforms to the House amendment. This policy will be reviewed again by the Congress next year in line with the overall review of the Health Professions Educational Assistance Act.

PUBLIC HEALTH SERVICE ADMINISTRATION

The House amendment provides a series of amendments not contained in the Senate bill to Title II of the Public Health Service Act (Administration) to improve the management of the Commissioned Corps of the Public Health Service. The major provisions of the House amendment include: (1) Amendment of section 203 of the PHS Act to authorize the appointment of warrant officers to the Commissioned Corps of the Public Health Service; (2) Amendment of section 205 of the PHS Act to establish the positions of Chief Nurse Officer and Chief Pharmacist Officer for the Public Health Service; to include such positions among those designated as Assistant Surgeons General; and to increase from three-fourths of 1 percent, to 1 percent, the number of active duty officers of the Corps who may hold the special temporary grade of Assistant Surgeon General; (3) Repeal of section 206(c) of the PHS Act which automatically promotes any Public Health Service Division Chief to the grade of "Director" for the duration of such assignment; (4) Amendment of section 207 of the PHS Act to extend to officers of the Reserve Corps the same education and training credits currently available to officers of the Regular Corps; (5) Amendment of section 211 of the PHS Act to clarify the manner of computation of creditable service years for retirement pay; (6) Amendment of section 214 of the PHS Act to authorize the conditioning of the detail of a Commissioned Officer of the Public Health Service by requiring the entity to which the officer is detailed to reimburse the United States for the costs of that detail, and specifically include appropriate Committees of the Congress among those entities to which officers may be detailed; (7) Amendment of Section 218 of the PHS Act to require an officer to pay back two times the total of all sums paid by the Public Health Service for his training programs if he voluntarily leaves the Service following such training within either six months or twice the period of training, whichever is greater; (8) Repeal of section 219 of the PHS Act which prohibits the granting of earned annual leave between the time an officer of the Public Health Service applies for or is directed to accept retirement, separation, or release from active duty, and the actual date of such action; (9) Amendment of section 221 of the PHS Act to extend Commissioned Officers of the Public Health Service the same rights now provided for Commissioned Officers of the Army, Navy, Air Force, Marine Corps, and Coast Guard relative to: (a) correction of military records; (b) review of discharge or dismissal; and (c) review of retirement or separation without pay for physical disability; (10) Amendment of the PHS Act to add a new section 228 to prescribe the method of calculation for severance pay upon involuntary release from active duty of Reserve Corps officers of the Public Health Service, and (11) Amendment of Title 37 of the United States Code: (a) to establish the position of Surgeon General of the Public Health Service at the same level as the Surgeon General of the Army; (b) to provide the same authority for advance payment of compensation and allowances to Commissioned Officers of the Public Health Service that is currently provided for members of the Armed Forces; (c) to provide one year of credit for a Commissioned Officer of the Public Health Service who earned a masters degree before entry or reentry into active duty where such degree was required for appointment, and to provide three years of such credit for an earned doctoral degree required for appointment; and (d) to provide for a second uniform allowance to any Commissioned Officer of the Public Health Service required to wear the uniform of the United States Coast Guard.

The conference substitute conforms to the House amendment except that provisions numbered 4, 10, and 11(c) above have been deleted by the managers at the request of the Administration as being too costly. In addition, the managers agreed to delete provision number 11(d) because the managers view as inappropriate the practice of officers of the Public Health Service wearing a uniform other than that prescribed for the Public Health Service.

HARLEY O. STAGGERS,
HENRY A. WAXMAN,
DAVID E. SATTERFIELD,
RICHARDSON PREYER,
JAMES T. BROYHILL,
TIM LEE CARTER,
Managers on the Part of the House.

EDWARD KENNEDY,
HARRISON A. WILLIAMS, Jr.
GAYLORD NELSON,
ALAN CRANSTON,
C. PELL,
RICHARD S. SCHWEIKER,
JACOB K. JAVITS,
ORRIN G. HATCH,
Managers on the Part of the Senate.

CONFERENCE ON S. 544, HEALTH PLANNING AND RESOURCES DEVELOPMENT OF 1979

Mr. STAGGERS submitted the following conference report and statement on the Senate bill (S. 544) to amend titles XV and XVI of the Public Health Service Act to revise and extend the authorities and requirements under those titles for health planning and resources development:

CONFERENCE REPORT (REPT. NO. 96-420)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 544) to amend titles XV and XVI of the Public Health Service Act to revise and extend the authorities and requirements under those titles for health planning and resources development, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

SHORT TITLE; REFERENCES TO PUBLIC HEALTH SERVICE ACT; AND TABLE OF CONTENTS

SECTION 1. (a) This Act may be cited as the "Health Planning and Resources Development Amendments of 1979".

(b) Whenever in this Act (other than in subsections (j) and (k) of section 115 and subsection (a) of section 128) an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

TABLE OF CONTENTS

Sec. 1. Short title; references to Public Health Service Act; and table of contents.

TITLE I—REVISION OF HEALTH PLANNING AUTHORITY

Sec. 101. Revision and reporting on national guidelines for health planning.
Sec. 102. National health priorities; National Council on Health Planning and Development.
Sec. 103. The role of competition in the allocation of health services.
Sec. 104. Designation of health service areas.
Sec. 105. Designation of health systems agencies.
Sec. 106. Planning grants.
Sec. 107. Carryover of grant funds.
Sec. 108. Membership requirements.
Sec. 109. Governing body selection.
Sec. 110. Responsibilities of governing bodies.
Sec. 111. Meetings and records.
Sec. 112. Support and reimbursement for members of governing bodies.
Sec. 113. Conflicts of interest.
Sec. 114. Staff expertise.
Sec. 115. Health plan requirements.
Sec. 116. Criteria and procedures for reviews.
Sec. 117. Certificate of need programs.
Sec. 118. Appropriateness review.
Sec. 119. Review and approval of proposed uses of Federal funds.
Sec. 120. Coordination of health planning with rate review.
Sec. 121. Coordination within standard metropolitan statistical areas and with other entities.
Sec. 122. Collection and publication of hospital charges.
Sec. 123. State health planning and development agencies.
Sec. 124. Statewide Health Coordinating Counsel composition.
Sec. 125. Centers for health planning.
Sec. 126. Definitions.
Sec. 127. Authorizations.
Sec. 128. Technical amendment.
Sec. 129. Effective date.

TITLE II—REVISION OF AUTHORITY FOR HEALTH RESOURCES DEVELOPMENT

Sec. 201. Revision and extension of assistance.
Sec. 202. Conforming amendments.
Sec. 203. Technical amendments.
Sec. 204. Effective date.

TITLE III—PROGRAM TO ASSIST AND ENCOURAGE THE DISCONTINUANCE OF UNNEEDED HOSPITAL SERVICES

Sec. 301. Authorization of program.
Sec. 302. Study.

TITLE I—REVISION OF HEALTH PLANNING AUTHORITY

REVISION AND REPORTING ON NATIONAL GUIDELINES FOR HEALTH PLANNING

SEC. 101. (a)(1)(A) Section 1501 is amended (i) by striking out "and shall, as he deems appropriate, by regulation revise such guidelines" in subsection (a), and (ii) by adding after subsection (c) the following:

"(d) The Secretary shall, on an annual basis, review the standards and goals included in the guidelines issued under subsection (a). In conducting such a review, the Secretary shall review the health systems plans and annual implementation plans of health systems agencies and State health plans. If the Secretary proposes to revise a guideline issued under subsection (a), he shall make such revision by regulations promulgated in accordance with section 553 of title 5, United States Code.

"(e)(1) The Secretary may collect data to determine whether the health care delivery systems meet or are changing to meet the goals included in health systems plans under section 1513(b)(2) and State health plans under section 1524 and to determine the personnel, facilities, and other resources needed to meet such goals. The Secretary shall prescribe (A) the manner in which such data shall be assembled and reported to the Secretary by health systems agencies, State health planning and development agencies, and other entities, and (B) the definitions which shall be used by such agencies and entities in assembling and reporting such data.

"(2) The Secretary shall from the data collected under paragraph (1) periodically make public a (A) statement of the relationship between the goals contained in the health systems plans and the State health plans and the status of the supply, distribution, and organization of health resources with respect to which such goals were established, and (B) summary of changes (either through additions or reductions) in resources needed to meet such goals.".

(B) The amendments made by subparagraph (A) do not authorize the enactment of new budget authority before October 1, 1979.

(2) Subsection (b)(1) of section 1501 is amended by adding at the end thereof the following: "Such standards shall reflect the unique circumstances and needs of medically underserved populations in isolated rural communities.".

(3) Subsection (c) of section 1501 is amended by striking out "In issuing guidelines under subsection (a) the Secretary shall" and inserting in lieu thereof "At least 45 days before the initial publication of a regulation proposing a guideline under subsection (a) or a revision under subsection (d) of such a guideline, the Secretary shall, with respect to such proposed guideline or revision,".

(b)(1) Section 1513(b)(1) is amended by adding after and below subparagraph (F) the following: "The agency shall also assemble and report to the Secretary such data (including data on the personnel, facilities, and other resources needed to meet the goals set forth in the agency's health system plan) as the Secretary may require to carry out his responsibilities under section 1501(e). The Secretary may not require the assembling and reporting of data under this paragraph which is regularly collected by any entity of the Department of Health, Education, and Welfare under a provision of law other than this title.".

(2) Section 1522(b)(10) is amended by inserting after "require the State agency to" the following: "(A) assemble and report to the Secretary data (other than data which is regularly collected by any entity of the Department of Health, Education, and Welfare under a provision of law other than this title) which the Secretary may require to carry out his responsibilities under section 1501(e), including data on the personnel, facilities, and other resources needed to meet the goals set forth in the State health plan, and (B)".

NATIONAL HEALTH PRIORITIES; NATIONAL COUNCIL ON HEALTH PLANNING AND DEVELOPMENT

SEC. 102. (a)(1) Section 1502 is amended by adding at the end the following:

"(12) The identification and discontinuance of duplicative or unneeded services and facilities.

"(13) The adoption of policies which will (A) contain the rapidly rising costs of health care delivery, (B) insure more appropriate use of health care services, and (C) promote greater efficiency in the health care delivery system.

"(14) The elimination of inappropriate placement in institutions of persons with mental health problems and the improvement of the quality of care provided those with mental health problems for whom institutional care is appropriate.

"(15) Assurance of access to community mental health centers and other mental health care providers for needed mental health services to emphasize the provision of outpatient as a preferable alternative to inpatient mental health services.

"(16) The promotion of those health services which are provided in a manner cognizant of the emotional and psychological components of the prevention and treatment of illness and the maintenance of health.".

(2) Section 1502(9) is amended by inserting before the period the following: "and the development and use of cost saving technology".

(b) Section 1503(b)(1) is amended (1) by striking out "fifteen" and inserting in lieu thereof "twenty"; (2) by inserting "the Assistant Secretary for Rural Development of the Department of Agriculture," after "Defense,"; (3) by striking out "not less than five shall be persons who are not providers of health services" and inserting in lieu thereof "not less than eight members shall be persons who are not providers of health care and those members shall include individuals who represent urban and rural medically underserved populations"; and (4) by inserting "not less than one member shall represent hospitals," after "Federal Government,".

THE ROLE OF COMPETITION IN THE ALLOCATION OF HEALTH SERVICES

SEC. 103. (a) Section 1502(a) is amended by adding after paragraph (16) (added by section 102(a)) the following new paragraph:

"(17) The strengthening of competitive forces in the health services industry wherever competition and consumer choice can constructively serve, in accordance with subsection (b), to advance the purposes of quality assurance, cost effectiveness, and access.".

(b) Section 1502 is amended (1) by inserting "(a)" after "1502.", and (2) by adding at the end the following:

"(b)(1) The Congress finds that the effect of competition on decisions of providers respecting the supply of health services and facilities is diminished. The primary source of the lessening of such effect is the prevailing methods of paying for health services by public and private health insurers, particularly for inpatient health services and other institutional health services. As a result, there is duplication and excess supply of certain health services and facilities, particularly in the case of inpatient health services.

"(2) For health services, such as inpatient health services and other institutional health services, for which competition does not or will not appropriately allocate supply consistent with health system plans and State health plans, health systems agencies and State health planning and development agencies should in the exercise of their functions under this title take actions (where appropriate to advance the purposes of quality assurance, cost effectiveness, and access and the other purposes of this title) to allocate the supply of such services.

"(3) For the health services for which competition appropriately allocates supply consistent with health systems plans and State health plans, health systems agencies and State health planning and development agencies should in the performance of their functions under this title give priority (where appropriate to advance the purposes of quality assurance, cost effectiveness, and access) to actions which would strengthen the effect of competition on the supply of such services.".

(c) Section 1513(a) is amended (1) by striking out "and" at the end of paragraph (3), (2) by inserting "and" at the end of paragraph (4), and (3) by adding after paragraph (4) the following:

"(5) preserving and improving, in accordance with section 1502(b), competition in the health service area,".

(c) Section 1532(c) is amended by adding at the end the following:

"(11) In accordance with section 1502(b), the factors which affect the effect of competition on the supply of the health services being reviewed.

"(12) Improvements or innovations in the financing and delivery of health services which foster competition, in accordance with section 1502(b), and serve to promote quality assurance and cost effectiveness.".

DESIGNATION OF HEALTH SERVICE AREAS

SEC. 104. (a)(1) Section 1511(b)(4) is amended to read as follows:

"(4) The Secretary shall review on his own initiative or at the request of any Governor or designated health systems agency the appropriateness of the boundaries of the health service areas established under paragraph (3) and, if he determines that—

"(A) the boundaries for a health service area no longer meet the requirements of subsection (a), or

"(B) the boundaries for a proposed revised health service area meet the requirements of subsection (a) in a significantly more appropriate manner in terms of the efficiency and effectiveness of health planning efforts,

he shall revise the boundaries in accordance with the procedures prescribed by paragraph (3)(B)(ii). If the Secretary acts on his own initiative to revise the boundaries of any health service area, he shall consult with the Governor of the State or States which would be affected by the revision, the chief executive officer or agency of the political subdivisions within such State or States, and the designated health systems agency or agencies and the established Statewide Health Coordinating Council or Councils that would be affected by the revision. A Governor may request a revision of the boundaries of a health service area only after consultation with the Governor of any other State or States that would be affected by the revision, the chief executive officer or agency of the political subdivisions within such State or States, and the designated health systems agencies and the established Statewide Health Coordinating Council or Councils that would be affected by the revision and shall include in such request the comments concerning the proposed revision made by such individuals and entities. A designated health systems agency may request a revision of the boundaries of its health service area only after consultation with the Governor of the State or States that would be affected by the revision, the chief executive officer or agency of the political subdivisions within such State or States, the Statewide Health Coordinating Council of such State or States, and the health systems agencies that would be affected by the revision and shall include in such request the comments concerning the proposed revision made by such individuals and entities. No proposed revision of the boundaries of a health service area shall comprise an entire

State without the prior consent of the Governor of such State. In addition, for each proposed revision of the boundaries of a health service area, the Secretary shall give notice and an opportunity for a hearing to all interested persons and make a written determination of his findings and decision.".

(2) Not later than one year after the date of the enactment of this Act the Secretary shall by regulation prescribe criteria for the revision of health service area boundaries under section 1511(b)(4) of the Public Health Service Act (as amended by paragraph (1)).

(b) Section 1511(c) is repealed.

(c)(1) Section 1536(a) is amended by inserting "the Commonwealth of Puerto Rico," before "the Virgin Islands".

(2) Section 1531(1) is amended by striking out "and the Commonwealth of Puerto Rico".

DESIGNATION OF HEALTH SYSTEMS AGENCIES

SEC. 105. (a) Section 1515(b)(4) is amended by striking out the last sentence and inserting in lieu thereof: "In considering such applications, the Secretary shall give priority to any application which has been recommended by a Governor or a Statewide Health Coordinating Council for approval. When the Secretary enters into an agreement with an entity under paragraph (1), the Secretary shall notify the Governor of the State in which such entity is located of such agreement.".

(b) The last sentence of section 1515(c)(2) is amended to read as follows: "In considering such applications, the Secretary shall give priority to any application which has been recommended by a Governor or a Statewide Health Coordinating Council for approval.".

(c) Section 1515(c) is amended by adding after paragraph (3) the following:

"(4) Before renewing an agreement with a health systems agency under this subsection, the Secretary shall provide the State health planning and development agency of the State in which the health systems agency is located an opportunity to comment on the performance of such agency and to provide a recommendation on whether such agreement should be renewed and whether its renewal should be made subject to conditions as authorized by paragraph (3).

"(5) If the Secretary enters into an agreement under this subsection with an entity or renews such an agreement, the Secretary shall notify the Governor of the State in which such entity is located of the agreement, its renewal, and, if any conditions have been imposed under paragraph (3), such conditions.".

(d)(1)(A) Paragraphs (1) and (3) of section 1515(c) are each amended by striking out "twelve months" and inserting in lieu thereof "thirty-six months".

(B) The amendments made by subparagraph (A) shall take effect with respect to designation agreements entered into under section 1515(c) of the Public Health Service Act after the date of the enactment of this Act.

(2) Section 1515(c)(1) is amended—

(A) by inserting "(A)" after "(c)(1)",

(B) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively,

(C) by amending clause (ii) (as so redesignated) to read as follows:

"(ii) by the Secretary if the Secretary determines, in accordance with subparagraph (B), that the entity is not complying with the provisions of such agreement.", and

(D) by adding at the end the following:

"(B) Before the Secretary may terminate, under subparagraph (A)(ii), an agreement with an entity for designation as the health systems agency for a health service area, the Secretary shall—

"(i) consult with the Governor and the Statewide Health Coordinating Council of each State in which is located the health service area respecting the proposed termination,

"(ii) give the entity notice of the intention to terminate the agreement and in the notice specify with particularity (I) the basis for the determination of the Secretary that the entity is not in compliance with the agreement, and (II) the actions that the entity should take to come into compliance with the agreement, and

"(iii) provide the entity with a reasonable opportunity for a hearing, before an officer or employee of the Department of Health, Education, and Welfare designated for such purpose, on the matter specified in the notice.

The Secretary may not terminate such an agreement before consulting with the National Council on Health Planning and Development respecting the proposed termination. Before the Secretary may permit the term of an agreement to expire without renewing the agreement, the Secretary shall make the consultations prescribed by clause (i) and the preceding sentence, give the entity with which the agreement was made notice of the intention not to renew the agreement and the reasons for not renewing the agreement, and provide, as prescribed by clause (iii), the entity an opportunity for a hearing on the matter specified in the notice.".

(e) Section 1515(c) (as amended by subsection (d)) is amended by adding after clause (ii) of paragraph (1)(A) the following: "A designation agreement under this subsection may be terminated by the Secretary before the expiration of its term if the health service area with respect to which the agreement was entered into is revised under section 1511(b)(4) and the Secretary determines, after consultation with the Governor and Statewide Health Coordinating Council of each State in which the health service area (as revised) is located, that the health systems agency designated under such agreement cannot effectively carry out the agreement for the area (as revised). In terminating an agreement under the preceding sentence, the Secretary may provide that the termination not take effect before an agreement for the designation of a new agency takes effect and shall provide the agency designated under the agreement to be terminated an opportunity to terminate its affairs in a satisfactory manner.".

(f) Section 1514 is amended (1) by striking out "may" and inserting in lieu thereof "shall", and (2) by striking out "(including entities" through "section 304)".

(g) Section 1515(d) is amended (1) by inserting "agreement" after "If a designation", and (2) by inserting "or is not renewed" after "prescribed for its expiration".

(h) Section 1515(c)(3) is amended (1) by inserting "(A)" after "(3)"; (2) by inserting "during the period of the agreement to be renewed" after "section 1513"; and (3) by adding at the end thereof the following new subparagraph:

"(B) If upon a review under section 1535 of the agency's operation and performance of its functions, the Secretary determines that it has not fulfilled, in a satisfactory manner, the functions of a health systems agency prescribed by section 1513 during the period of the agreement to be renewed or does not continue to meet the requirements of section 1512(b), he may terminate such agreement or return such agency to a conditionally designated status under subsection (b) for a period not to exceed twelve months. At the end of such period, the Secretary shall either terminate the agreement with such agency or enter into an agreement with such agency under paragraph (1). The Secretary may not take the action authorized by the first sentence of this subparagraph unless the Secretary has—

"(i) provided the agency with notice of his intent to return it to a conditional status or terminate the agreement with the agency and included in that notice specification of any functions which the Secretary has determined the agency did not satisfactorily fulfill and of any requirements which the Secretary has determined the agency has not met;

"(ii) provided the agency with a reasonable opportunity for a hearing, before an officer or employee of the Department of Health, Education, and Welfare designated for such purpose, on the action proposed to be taken by the Secretary; and

"(iii) in the case of a proposed termination of an agreement, consulted with the National Council on Health Planning and Development respecting the termination.".

PLANNING GRANTS

SEC. 106. (a) Section 1516 is amended by redesignating subsection (c) as subsection (d) and by striking out subsection (b) and inserting in lieu thereof the following:

"(b) The amount of any grant under subsection (a) to a health systems agency designated under section 1515(b) shall be determined by the Secretary.

"(c)(1) Except as provided in paragraph (2), the amount of a grant under subsection (a) to a health systems agency designated under section 1515(c) shall be the greater of the amount determined under subparagraph (A), (B), or (C) as follows:

"(A) The amount of a grant to a health systems agency shall be the lesser of—

"(i) the product of $0.60 and the population of the health service area for which the agency is designated, or

"(ii) $3,750,000.

"(B)(i) If the application of the health systems agency for such grant states that the agency, in its latest fiscal year ending before the period in which such grant will be available for obligation, collected non-Federal funds meeting the requirements of clause (ii) for the purposes for which such grant may be made, the amount of such grant shall be the sum of—

"(I) the amount determined under subparagraph (A) or (C), whichever is applicable, and

"(II) the lesser of the amount of such non-Federal funds or $200,000 or the product of $0.25 and the population of the health service area for which the agency is designated, whichever is greater.

"(ii) The non-Federal funds which an agency may use for the purpose of obtaining a grant under subsection (a) which is computed on the basis of the formula prescribed by clause (i) shall be funds which are not paid to the agency for the performance of particular services by it and which are otherwise contributed to the agency without conditions as to their use other than the condition that the funds shall be used for the purposes for which a grant made under this section may be used.

"(C) The amount of a grant to a health systems agency may not be less than—

"(i) in the case of a grant made in the fiscal year ending September 30, 1979, $175,000 and, to the extent appropriations are specifically made after October 1, 1979, to provide the additional amount authorized by this clause, an amount which bears the same ratio to $50,000 as the number of days beginning in the period beginning on October 1, 1979, and ending on the date of the period for which the grant was made bears to 365,

(ii) $225,000 in the case of a grant made in the fiscal year ending September 30, 1980, and

"(iii) $245,000 in the case of a grant made in the fiscal year ending September 30, 1981, and

"(iv) $260,000 in the case of a grant made in any succeeding fiscal year.

(2) If the Secretary determines, after review of the budget of a health systems agency and after consultation with the State health planning and development agency of

the State in which such agency is located, that the amount of a grant which is to be made to the agency in accordance with paragraph (1) is in excess of the amount needed by the agency to adequately perform its functions under its designation agreement, the amount of the grant to the agency shall be such amount as the Secretary determines the agency needs for the performances of such functions.".

(b) Subsection (d) (as so redesignated) is amended by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) Of the amount appropriated under paragraph (1) for any fiscal year, the Secretary may use not more than 5 per centum of such amount to increase the amount of grants in such fiscal year to health systems agencies under subsection (a) to assist the agencies in meeting extraordinary expenses (including extraordinary expenses resulting from any agency's health service area being located in more than one State or from an agency serving a large rural or urban medically underserved population or a geographically large health service area) which would not be covered under the amount of a grant that would be available to an agency under subsection (c) and in improving their performance as a result of the development and implementation of innovative health planning techniques.".

"(3) Notwithstanding subsection (c)(1), if the total of the amounts appropriated under paragraph (1) for any fiscal year (reduced by the amount to be retained by the Secretary for use under paragraph (2)) is less than the amount required to make grants to each health system agency designated under section 1515(c) in the amount prescribed for such agency by subparagraph (A), (B), or (C) of subsection (c)(1), the Secretary shall make a pro rata reduction in the amount of the grant to each such agency, but, to the extent of available appropriations, no such agency shall receive a grant in an amount less than the amount prescribed by such subparagraph (C) for such fiscal year.".

(c) The second sentence of section 1516(a) is amended by inserting "(including submission of the health systems agency's budget)" after "such conditions".

CARRYOVER OF GRANT FUNDS

SEC. 107. (a) Section 1513(c)(3) is amended by striking out the period at the end of the fourth sentence and inserting in lieu thereof the following: "unless another grant or contract is made or entered into, in which case the funds under the first grant or contract shall remain available for the period of the second grant or contract. Funds from a first grant or contract which remain available for obligation in the period of a second grant or contract shall not be considered in determining the amount of the second grant or contract.".

(b)(1) The second sentence of section 1516(a) is amended by striking out ", and shall be available for obligation" and all that follows in such sentence and inserting in lieu thereof a period.

(2) Such section is amended by inserting after the second sentence the following: "Funds under a grant which remain available for obligation at the end of the fiscal year in which the grant has been made shall remain available for obligation in the succeeding fiscal year, except that (1) no funds under any grant to an agency may be obligated in any period in which a designation agreement is not in effect for such agency, and (2) notwithstanding clause (1), a grant made to a conditionally designated entity with which the Secretary will not enter into a designation agreement under section 1515(c) shall be available for obligation for such additional period as the Secretary determines such entity will require to satisfactorily terminate its activities under the agreement for its conditional designation.".

(c) The second sentence of section 1525(a) is amended to read as follows: "Funds under a grant which remain available for obligation at the end of the fiscal year in which the grant has been made shall remain available for obligation in the succeeding fiscal year, but no funds under any grant to a State Agency may be obligated in any period in which a designation agreement is not in effect for such State Agency.".

(d) Section 1526(c) is amended (1) by striking out "(1) such a grant" and all that follows through "(2)", and (2) by inserting at the end the following: "Funds under a grant which remain available for obligation at the end of the fiscal year in which the grant has been made shall remain available for obligation in the succeeding fiscal year, but no funds under any grant to a State Agency may be obligated in any period in which a designation agreement is not in effect for such State Agency.".

MEMBERSHIP REQUIREMENTS

SEC. 108. (a)(1) Clause (i) of section 1512(b)(3)(C) is amended (A) by inserting "(I)" after "shall be", and (B) by striking out all after "providers of health care" and inserting in lieu thereof ", and (II) broadly representative of the health service area and shall include individuals representing the principal social, economic, linguistic, handicapped, and racial populations and geographic areas of the health service area and major purchasers of health care (including labor organizations) in the area.".

(2) The first sentence of section 1512(b)(3)(C)(ii) is amended (A) by striking out "residents of" and inserting in lieu thereof "residents of, or have their principal place of business in,", (B) in subclause (I), by inserting "podiatrists, physician assistants," after "optometrists,", (C) by inserting "rehabilitation facilities," after "long-term care facilities," in subclause (II), (D) by striking out "substance abuse" in subclause (II) and inserting in lieu thereof "alcohol and drug abuse", (E) by striking out "and" at the end of subclause (IV), and (F) by inserting before the period a comma and the following: "and (VI) other providers of health care".

(3) The second sentence of section 1512(b)(3)(C)(ii) is amended (A) by striking out "one-third" and inserting in lieu thereof "one-half", and (B) by inserting before the period at the end the following: "and of such direct providers of health care, at least one shall be a person engaged in the administration of a hospital".

(b)(1) Section 1512(b)(3)(C)(iii)(I) is amended by striking out "and other representatives of governmental authorities" and inserting in lieu thereof "and other representatives of units of general purpose local government".

(2) Subclause (II) of such section is amended (A) by striking out "is equal" and inserting in lieu thereof "is at least equal", and (B) by striking out "and" at the end.

(3) Such section is amended by striking out subclause (III) and inserting in lieu thereof the following:

"(III) include (through consumer and provider members) individuals who are knowledgeable about mental health services,

"(IV) if the health systems agency serves an area in which there is located one or more hospitals or other health care facilities of the Veterans' Administration, include, as a nonvoting, ex officio member, an individual whom the Chief Medical Director of the Veterans' Administration shall have designated for such purpose, and

"(V) if the agency serves an area in which there is located one or more health maintenance organizations, include at least one member who is representative of such organizations.".

(c) Section 1512(b)(3)(C) is amended by inserting after and below clause (iv) the following: "For purposes of clause (iii)(I), to be considered a representative of a unit of general purpose local government, an individual must be appointed by such unit or a combination thereof, and the State government of a State which is comprised of a single health service area shall be deemed to be a unit of general purpose local government. A member of a governing body appointed pursuant to clause (iii)(IV) shall not be considered in determining the number of members of the governing body for purposes of the numerical limit prescribed by subparagraph (A).".

(d)(1) Section 1512(b)(3)(C)(i) is amended (A) by striking out "(nor within the twelve months preceding appointment been)", and (B) by inserting "(including labor organizations and business corporations)" after "major purchasers of health care".

(2) Section 1531(3) is amended to read as follows:

"(3) The term 'provider of health care' means an individual—

"(A) who is a direct provider of health care (including a physician, dentist, nurse, podiatrist, optometrist, physician assistant, or ancillary personnel employed under the supervision of a physician) in that the individual's primary current activity is the provision of health care to individuals or the administration of facilities or institutions (including hospitals, long-term care facilities, rehabilitation facilities, alcohol and drug abuse treatment facilities, outpatient facilities, and health maintenance organizations) in which such case is provided and, when required by State law, the individual has received professional training in the provision of such care or in such administration and is licensed or certified for such provision or administration;

"(B) who holds a fiduciary position with, or has a fiduciary interest in, any entity described in clause (ii) or (iv) of subparagraph (C) other than an entity described in such clause which is also an entity described in section 501(c)(3) of the Internal Revenue Code of 1954 and which does not have as its primary purpose the delivery of health care, the conduct of research, the conduct of instruction for health professionals, or the production of drugs or articles described in clause (iii) of subparagraph (C);

"(C) who receives (either directly or through the individual's spouse) more than one-fifth of his gross annual income from any one or combination of—

"(i) fees or other compensation for research into or instruction in the provision of health care,

"(ii) entities engaged in the provision of health care or in research or instruction in the provision of health care,

"(iii) producing or supplying drugs or other articles for individuals or entities for use in the provision of or in research into or instruction in the provision of health care, or

"(iv) entities engaged in producing drugs or such other articles;

"(D) who is the member of the immediate family of an individual described in subparagraph (A), (B), or (C); or

"(E) who is engaged in issuing any policy or contract of individual or group health insurance or hospital or medical service benefits.

An individual shall not be considered a provider of health care solely because the individual is the member of the governing board of an entity described in clause (ii) or (iv) of subparagraph (C).".

(e) Section 1512(b)(3)(C)(iv) is amended (1) by striking out "of its members", and (2) by adding before the period at the end a comma and the following "except that appointments shall be made to such subcommittees and groups in such a manner that a majority of their members shall be consumers of health care".

GOVERNING BODY SELECTION

SEC. 109. Section 1512(b)(3) is amended by adding after subparagraph (C) the following new subparagraph:

"(D) SELECTION.—Each health systems agency shall establish a process for the selection of the members of its governing body which process is designed to assure that (i) such members are selected in accordance with the requirements of subparagraph (C), (ii) there is the opportunity for broad participation in such process by the residents of the health service area of the agency, and (iii) the participation of such residents will be encouraged and facilitated. Such process shall prohibit the selection of more than one-half of the members of such body by members of such body. Each agency shall make public such process and report it to the Secretary. The requirements of this subparagraph shall apply with respect to the selection of members of a subarea advisory council if the council is authorized to select or selects one or more members of the governing body of a health systems agency.".

RESPONSIBILITIES OF GOVERNING BODIES

SEC. 110. (a) Section 1512(b)(3)(B)(i) is amended to read as follows:

"(i) shall be responsible for—

"(I) the internal affairs of the health systems agency, including matters relating to the staff of the agency and the agency's budget, except that the governing body for health planning of an agency which is a public regional planning body or unit of general local government shall not be responsible for the establishment of personnel rules and practices for the staff of the agency or for the agency's budget unless authorized by the planning body or unit of government, and

"(II) procedures and criteria developed and published pursuant to section 1532 and applicable to its functions under subsections (e), (f), and (g) of section 1513;".

(b) Section 1512(b)(3)(A) is amended (1) by striking out "have a governing body for health planning, which is established in accordance with subparagraph (C)," and inserting in lieu thereof "appoint a governing body for health planning in accordance with subparagraph (C)", (2) by striking out "which has exclusive" and inserting in lieu thereof "which shall have exclusive", and (3) by striking out "not more than twenty-five members" and inserting in lieu thereof "not less than ten members and not more than thirty members".

(c) Section 1512(b)(3)(B)(iv) is amended by striking out "(g), and (h)" and inserting in lieu thereof "and (g)".

(d)(1) Paragraph (4) of section 1512(b) is amended to read as follows:

"(4) LIABILITY.—

"(A) IN GENERAL.—Except as provided in subparagraph (B)—

"(i) a health systems agency shall not, by reason of the performance of any duty, function, or activity, required of, or authorized to be undertaken by, the agency, be liable for the payment of damages under any law of the United States or any State (or political subdivision thereof) if the member of the governing body of the agency or employee of the agency who acted on behalf of the agency in the performance of such duty, function, or activity acted within the scope of his duty, function, or activity as such a member or employee, exercised due care, and acted without malice toward any person affected by it; and

"(ii) no individual member of the governing body of a health systems agency or employee of a health systems agency shall, by reason of his performance on behalf of the agency of any duty, function, or activity required of, or authorized to be undertaken by, the agency, be liable for the payment of damages under any law of the United States or any State (or political subdivision of a State) if he believed he was acting within the scope of his duty, function, or activity as such a member or employee, and, with respect to such performance, acted without gross negligence or malice toward any person affected it.

"(B) EXCEPTION.—Subparagraph (A) does not apply with respect to civil actions for bodily injury to individuals or physical damages to property brought against a health systems agency or any member of the governing body of or employee of such an agency.".

(2) Section 1524 is amended by adding at the end thereof the following new subsection:

"(d) No individual who as a member or employee of a SHCC shall, by reason of his performance of any duty, function, or activity required of, or authorized to be undertaken by, the SHCC, be liable for payment of damages under any law of the United States or any State (or political subdivision of a State) if he believed he was acting within the scope of his duty, function, or activity as such a member or employee, and acted, with respect to that performance, without gross negligence or malice toward any person affected by it.".

(e)(1) The first sentence of section 1512(b)(3)(A) is amended by striking out "to perform for the agency" and inserting in lieu thereof "to perform".

(2)(A) Section 1512(b)(3)(B)(ii) is amended by inserting before the semicolon the following: "and in the case of a health systems agency which is a public regional planning body or unit of general local government, the planning body or unit of government shall be given, in accordance with sections 1513(b)(2) and 1513(b)(3), a reasonable opportunity to comment on the health systems plan and annual implementation plan proposed by the governing body and to propose additions to and other revisions in it".

(B) The amendment made by subparagraph (A) shall not apply with respect to a health systems agency for which a designation under section 1515 of the Public Health Service Act was in effect on January 1, 1979, and which is a unit of general local government.

(3) Clauses (iii) and (iv) of section 1512(b)(3)(B) are each amended by striking out "approval" and inserting in lieu thereof "approval or disapproval".

(4) Section 1513(b)(2) is amended by adding at the end the following: "If the health systems agency is a public regional planning body or unit of general local government, the planning body or unit of government shall be given a reasonable opportunity to comment on the proposed HSP and to propose additions to and other revisions in it. Any such proposed additions or other revisions not included in the HSP established by the agency shall be appended to the HSP. If the goals contained in the HSP are not consistent with guidelines issued by the Secretary under section 1501, it shall provide the State health planning and development agency and the Secretary with a detailed statement of the reasons for the inconsistency between such goals and guidelines. When making such HSP available to a Statewide Health Coordinating Council under section 1524(c)(2)(A), the agency shall also report such statement to such Council.".

(f) Section 1513(a) is amended by adding after the first sentence the following: "None of the funds authorized to be appropriated under this title may be used by a health systems agency directly to pay any individual to influence the issuance, amendment, or revocation of any Executive order or regulation by any Federal, State, or local chief executive officer or agency or to influence the passage, amendment or defeat of any legislation by the Congress or by any State or local legislative body. The preceding sentence does not apply with respect to compensation paid by a health systems agency to an employee of the agency unless the primary responsibility of the employee for the agency is to influence such governmental action.".

MEETINGS AND RECORDS

SEC. 111. (a) Section 1512(b)(3)(B)(viii) is amended by striking out "conduct its business meetings in public" and inserting in lieu thereof "hold in public meetings to conduct the business of the agency (other than any part of a meeting in which it is likely, as determined by the governing body, that information respecting the performance or remuneration of an employee of the agency will be disclosed and such a disclosure would constitute a clearly unwarranted invasion of personal privacy of the employee or that information relating to the agency's participation in a judicial proceeding will be disclosed)", and (2) by striking out "its records and data" and inserting in lieu thereof "records and data of the agency (other than records or data respecting the performance or remuneration of an employee the disclosure of which would constitute a clearly unwarranted invasion of the personal privacy of the employee and records or data of the agency relating to its participation in a judicial proceeding)".

(b)(1) Section 1512(b)(6)(A) is amended by inserting after "such information" the following: "(other than information respecting the performance or remuneration of an employee of the agency the disclosure of which would constitute a clearly unwarranted invasion of the personal privacy of the employee or information relating the agency's participation in a judicial proceeding)".

(2) Section 1512(b)(6) is amended by redesignating subparagraphs (A), (B), and (C) as subparagraphs (B), (C), and (D) and by adding before subparagraph (B) (as so redesignated) the following:

"(A) provide that any executive committee of the agency and any entity appointed by the governing body or executive committee of the agency shall (i) hold in public meetings to conduct the business of the committee or entity (other than any part of a meeting in which it is likely, as determined by the executive committee or entity, that information respecting the performance or remuneration of an employee of the agency will be disclosed and such disclosure would constitute a clearly unwarranted invasion of personal privacy of the employee or that information relating the agency's participation in a judicial proceeding will be disclosed), and (ii) give adequate notice of its meetings to those persons who have requested such notice;".

(c) Section 1522(b)(6) is amended (1) by striking out "conduct its business meetings in public" and inserting in lieu thereof "hold in public meetings to conduct the business of the State Agency (other than any part of a meeting in which it is likely, as determined by the State Agency, that information respecting the performance or remuneration of an employee of the agency will be disclosed and such a disclosure would constitute a clearly unwarranted invasion of personal privacy of the employee or that information relating to the agency's participation in a judicial proceeding will be disclosed)", and (2) by striking out "its records and data" and inserting in lieu thereof "records and data of the agency (other than records or data respecting the performance or remuneration of an employee the disclosure of which would constitute a clearly unwarranted invasion of the personal privacy of the employee and records or data of the agency relating to its participation in a judicial proceeding)".

SUPPORT AND REIMBURSEMENT FOR MEMBERS OF GOVERNING BODIES

SEC. 112. (a) Section 1512(b)(3) is amended by adding after subparagraph (D)

(added by section 109 of this Act) the following new subparagraph:

"(E) SUPPORT.—Each health systems agency shall have an identifiable program of providing assistance to the members of its governing body, executive committee (if any), and any entity appointed by the governing body or executive committee in making decisions for the agency, and shall include in such program means to determine the support needs of the members and to provide for meeting those needs (including the provision of training and continuing education).".

(b) Section 1512(b)(3)(B)(vi) is amended (1) by striking out "reimburse" and inserting in lieu thereof "reimburse (or when appropriate make advances to)", and (2) by inserting "and performing any other duties and functions of the health systems agency" after "governing body".

(c) Section 1512(b)(2)(A) is amended by adding at the end the following: "At least one member of the staff shall be designated to have the responsibility of providing the members of the governing body of an agency (particularly the consumer members) with such information and technical assistance as they may require to effectively perform their functions.".

CONFLICTS OF INTEREST

SEC. 113. (a) Section 1512(b)(3) is amended by adding after subparagraph (E) (added by section 112 of this Act) the following new subparagraph:

"(F) CONFLICTS OF INTEREST.—No member of a governing body, executive committee, or any entity appointed by a governing body, or executive committee may, in the exercise of any function of the agency described in subsection (e), (f), or (g) of section 1513, vote on any matter before the governing body, executive committee, or any such entity respecting any individual or entity with which such member has (or, within the twelve months preceding the vote, had) any substantial ownership, employment, medical staff, fiduciary, contractual, creditor, or consultative relationship. A governing body, executive committee, and any entity appointed by a governing body or executive committee shall require each of its members who has or has had such a relationship with an individual or entity involved in any matter before the governing body, committee, or entity to make a written disclosure of such relationship before any action is taken by the body, committee, or entity with respect to such matter in the exercise of any function of the agency described in section 1513 and to make such relationship public in any meeting in which such action is to be taken.".

(b) Section 1524 is amended by adding at the end the following new subsection:

"(d) No member of any SHCC may, in the exercise of any function of the SHCC described in subsection (c)(6), vote on any matter before the SHCC respecting any individual or entity with which such member has (or, within the twelve months preceding the vote, had) any substantial ownership, employment, medical staff, fiduciary, contractual, creditor, or consultative relationship. Each SHCC shall require each of its members who has or has had such a relationship with an individual or entity involved in any matter before the SHCC to make a written disclosure of such relationship before any action is taken by the SHCC with respect to such matter in the exercise of any function under subsection (c) and to make such relationship public in any meeting in which such action is to be taken.".

STAFF EXPERTISE

SEC. 114. Section 1512(b)(2)(A) is amended (1) by striking out "health resources" in the first sentence and inserting in lieu thereof "health (including mental health) resources", (2) by striking out "and" after "health planning," in such sentence, (3) by inserting before the period in such sentence a comma and the following: "(v) financial and economic analysis, and (vi) prevention of disease and other public health matters", and (4) by striking out "health resources" in the second sentence and inserting in lieu thereof "health (including mental health) resources".

HEALTH PLAN REQUIREMENTS

SEC. 115. (a) Section 1524(c)(1) is amended by striking out "Review" and inserting in lieu thereof "Establish (in consultation with the health systems agencies in the State and the State Agency) a uniform format for HSP's and review".

(b)(1) Section 1513(b)(2)(A) is amended by inserting '(primarily with regard to health care equipment and to health services provided by health care institutions, health care facilities, and other providers of health care and to other health resources)" after "healthful environment".

(2) Section 1513 (b)(2) is amended (A) by striking out "establish" in the first sentence and inserting in lieu thereof "establish (in accordance with the format established pursuant to section 1524(c)(1))", and (B) by inserting after the first sentence the following: "The HSP of the agency shall include goals for the delivery of mental health services in its health service area which goals shall be developed under a procedure under which persons (acting as an advisory group or subcommittee appointed by the agency or, if the agency requests and is authorized by the Secretary to use an existing group, acting as part of such a group) knowledgeable about such services (including services for alcohol and drug abuse) will be consulted with respect to such goals.".

(3) Section 1522(b)(7) is amended (A) by striking out "and" at the end of clause (A), and (B) by inserting before the period the following: ", and (C) provide for consultation and coordination (in accordance with regulations of the Secretary) between the State Agency, the Statewide Health Coordinating Council, the State mental health authority, and other agencies of the State government designated by the Governor".

(c)(1)(A) Section 1523(a)(1) is amended by inserting "(A)" after "(1)" and by inserting before the period a comma and the following: "and (B) determine the statewide health needs of the State after providing reasonable opportunity for the submission of written recommendations respecting such needs by the State health authority, the State mental health authority, and other agencies of the State government, designated by the Governor for the purpose of making such recommendations, and after consulting with the Statewide Health Coordinating Council".

(B) Section 1523(a)(2) is amended (i) by striking out "statewide health needs" and inserting in lieu thereof "statewide health needs determined under paragraph (1)(B)", and (ii) by inserting after the first sentence the following: "In carrying out its functions under this paragraph, the State Agency shall refer the HSP's to the State health authority, the State mental health authority, and other agencies of the State government (designated by the Governor to make the review prescribed by this sentence) to review the goals and related resource requirements of the HSP's and to make written recommendations to the State Agency respecting such goals and requirements.".

(C) Subsection (a) of section 1523 is amended by adding after and below the last paragraph the following: "If in determining the statewide health needs under paragraph (1)(B) or in preparing or revising a preliminary State health plan under paragraph (2) the State Agency does not take an action proposed in a recommendation submitted under the applicable paragraph, the State Agency shall when publishing such needs or health plan make available to the public a written statement of its reasons for not taking such action.".

(D) Section 1524(c)(2) is amended (i) by inserting "as determined by the State Agency of the State" after "statewide health needs" each place it occurs, and (ii) by inserting at the end of subparagraph (B) the following: "If in preparing or revising the State health plan the SHCC does not take an action proposed in a recommendation submitted under section 1523(a)(1)(B), the SHCC shall when publishing such plan make available to the public a written statement of its reasons for not taking such action.".

(2) Section 1513(b)(2) is amended (A) by striking out "and" after "resources of the area;", (B) by striking out "resources" and inserting in lieu thereof "resources (including entities described in section 1532(c)(7))", and (C) by inserting before the period at the end of the first sentence a semicolon and the following: "(D) which are responsive to statewide health needs as determined by the State health planning and development agency".

(d)(1) The first sentence of section 1513(b)(2) (as amended by subsection (c)(2)) is further amended by inserting before the period at the end a semicolon and the following: "(E) which describe the institutional health services (as defined in section 1531(5)) needed to provide for the well-being of persons receiving care within the health service area, including, at a minimum, acute inpatient (including psychiatric inpatient, obstetrical inpatient, and neonatal inpatient), rehabilitation, and long-term care services; and (F) which describe other health services needed to provide for the well-being of persons receiving care within the health services area, including, at a minimum, preventive, ambulatory, and home health services and treatment for alcohol and drug abuse".

(2) Section 1513(b)(2) is amended by adding after the sentence added by subsection (b)(2) the following: "The HSP shall describe the number and type of resources, including facilities, personnel, major medical equipment, and other resources required to meet the goals of the HSP and shall state the extent to which existing health care facilities are in need of modernization, conversion to other uses, or closure and the extent to which new health care facilities need to be constructed or acquired.".

(3) Section 1524(c)(2)(A) is amended by adding after the second sentence the following new sentences: "The plan shall also describe the institutional health services (as defined in section 1531(5)) needed to provide for the well-being of persons receiving care within the State, including, at a minimum, acute inpatient (including psychiatric inpatient, obstetrical inpatient, and neonatal inpatient), rehabilitation, and long-term care services; and also describe other health services needed to provide for the well-being of persons receiving care within the State, including, at a minimum, preventive, ambulatory, and home health services and treatment for alcohol and drug abuse. The plan shall also describe the number and type of resources, including facilities, personnel, major medical equipment, and other resources required to meet the goals of the plan and shall state the extent to which existing health care facilities are in need of modernization, conversion to other uses, or closure and the extent to which new health care facilities need to be constructed or acquired."

(e) Section 1513(b)(3) is amended (1) by inserting after "goals of the HSP" in the first sentence the following "(as stated in the HSP of the agency or, if revised under section 1524(c)(2)(A) when included in the State health plan, as so revised)", and (2) by adding at the end the following "The AIP shall include a statement of the personnel, facilities, and other resources which the agency determines are required to meet the objectives described pursuant to the first sentence. The AIP shall be established, annually reviewed, and amended in accordance with the procedures

set forth in the last two sentences of paragraph (2). If the health systems agency is a public regional planning body or unit of general local government, the planning body or unit of government shall be given a reasonable opportunity to comment on the proposed AIP and to propose additions to and other revisions in it. Any such proposed additions or other revisions not included in the AIP approved by the agency shall be appended to the AIP.".

(f) Section 1513(b)(2)(C) is amended by striking out "and is consistent with".

(g) Section 1524(c)(2) is amended by adding at the end the following:

"(C) The State health plan or any revised State health plan approved by the SHCC shall be the State health plan for the State for purposes of this title after it is approved by the Governor of the State. The State health plan for a State may be disapproved by the Governor of the State only if the Governor determines that the plan does not effectively meet the statewide health needs of the State as determined by the State Agency for the State. In disapproving a State health plan, a Governor shall make public a detailed statement of the basis for the determination that the plan does not meet such needs and shall specify the changes in the plan which the Governor determines are needed to meet such needs. Subparagraph (B) does not apply to the preparation of revisions of a State health plan disapproved by a Governor.

"(D) In carrying out its functions with respect to the goals and resource requirements for mental health services of the State health plan, the SHCC may establish a procedure under which persons (acting as or as part of an advisory group or subcommittee appointed by the SHCC) knowledgeable about mental health services (including services for alcohol and drug abuse) will have the opportunity to make recommendations to the SHCC respecting such services.

"(E) The State health authority, the State mental health authority, and other agencies of the State government, designated by the Governor, shall carry out those parts of the State health plan which relate to the government of the State.

"(F) If a State health plan as required by this subsection is not in effect for a State, the Secretary may not make any grant under section 1525 to the State Agency for such State.".

(h) Section 1513(c)(2) is amended (1) by striking out "may" and inserting in lieu thereof "shall", and (2) by inserting "in obtaining and filling out the necessary forms and may provide other technical assistance" after "technical assistance".

(i)(1)(A) The first sentence of section 1513(b)(2) is amended by striking out "annually" and inserting in lieu thereof "triennially".

(B) The second sentence of section 1513(b)(2) is amended by striking out "Before establishing an HSP" and inserting in lieu thereof "Before establishing or amending an HSP and in its review of an HSP".

(2) The first sentence of section 1523(a)(2) and the first sentence of section 1524(c)(2)(A) are each amended by striking out "and review and revise as necessary (but at least annually)" and inserting in lieu thereof ", review at least triennially, and revise as necessary".

(3) Section 1524(c)(1) (as amended by subsection (a)) is amended by striking out "review annually and coordinate the HSP and AIP" and inserting in lieu thereof "review and coordinate at least triennially the HSP and review at least annually the AIP".

(4) The third sentence of section 1524(c)(2)(A) is amended by striking out "for each year".

(j)(1) Section 303(a) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 is amended by adding after and below paragraph (16) the following: "Such plan shall be consistent with the State health plan in effect for such State under section 1524(c) of the Public Health Service Act.".

(2) Section 409(e) of the Drug Abuse Office and Treatment Act of 1972 is amended by adding after and below paragraph (13) the following: "Such plan shall be consistent with the State health plan in effect for such State under section 1524(c) of the Public Health Service Act.".

(k)(1) Section 237(a) of the Community Mental Health Centers Act is amended in the matter preceding paragraph (1) by inserting "shall be consistent with the State health plan in effect for such State under section 1524(c) of the Public Health Service Act and" before "shall be".

(2) Paragraph (2)(D)(iv) of section 314 of the Public Health Service Act (as so redesignated by section 128(b)) is amended by striking out "a plan" and inserting in lieu thereof "a plan which is consistent with the State health plan in effect for the State under section 1524(c) and".

CRITERIA AND PROCEDURES FOR REVIEWS

SEC. 116. (a)(1) The first sentence of section 1532(a) is amended (A) by striking out "; and in performing" and inserting in lieu thereof "; in performing", and (B) by inserting before the period a semicolon and the following: "and in performing its review functions a Statewide Health Coordinating Council shall (except to the extent approved by the Secretary) follow procedures and apply criteria developed and published by the Council in accordance with regulations of the Secretary".

(2) The second sentence of such section is amended by striking out "and State Agencies" and inserting in lieu thereof ", State Agencies, and Statewide Health Coordinating Councils"

(b)(1) Subsections (b) and (c) of section 1532 are each amended—

(A) by striking out "agency and State Agency" each place it occurs (other than in paragraph (11) of subsection (b)) and inserting in lieu thereof "agency, State agency, and Statewide Health Coordinating Council", and

(B) by striking out "agency or State Agency" each place it occurs and inserting in lieu thereof "agency, State Agency, or Statewide Health Coordinating Council".

(2) Subsection (b)(4) of such section is amended by striking out "agency or a State Agency" and inserting in lieu thereof "agency, State Agency, or Statewide Health Coordinating Council".

(3) Section 1532(c)(1) is amended by striking out "HSP and AIP" and inserting in lieu thereof "HSP, AIP, and State health plan".

(c) Section 1532(a) is amended by adding at the end the following: "Health systems agencies, the State Agency, and, if appropriate, the Statewide Health Coordinating Council within each State shall cooperate in the development of procedures and criteria under this subsection to the extent appropriate to the achievement of efficiency in their reviews and consistency in criteria for such reviews.".

(d)(1)(A) Section 1532(b)(1) is amended (i) by striking out "Written" and inserting in lieu thereof "Timely written", and (ii) by inserting before the period "and, if a person has asked the entity conducting the review to place the person's name on a mailing list maintained by the entity, such notification shall be sent to such person".

(B) Section 1532(b)(7) is amended by striking out "Notification" and inserting in lieu thereof "Timely notification".

(2) Section 1532(b)(2) is amended by adding at the end the following: "If, after a review has begun, a State Agency, health systems agency, or Statewide Health Coordinating Council requires, in accordance with paragraph (3), the person subject to the review to submit information respecting the subject of the review, such person shall be provided at least fifteen days to submit the information."

(3) Section 1532(b) is amended by adding after paragraph (11) the following new paragraph:

"(12) The following procedural requirements with respect to proceedings under a certificate of need program:

"(A) Hearings under a certificate of need program shall be held before a State Agency or a health systems agency to which the State Agency has delegated the authority to hold such a hearing. In a hearing under the program, any person shall have the right to be represented by counsel and to present oral or written arguments and evidence relevant to the matter which is the subject of the hearing, any person directly affected by the matter which is the subject of the hearing may conduct reasonable questioning of persons who make factual allegations relevant to such matter, and a record of the hearing shall be maintained. The requirements of this subparagraph do not apply to hearings held by a health systems agency in the performance of a review under section 1513(f).

"(B) Any decision of a State Agency to issue or to not issue a certificate of need or to withdraw a certificate of need shall be based solely (i) on the review of the State Agency conducted in accordance with procedures and criteria it has adopted in accordance with this section and regulations promulgated under this section, and (ii) on the record established in administrative proceedings held with respect to the application for such certificate or the Agency's proposal to withdraw the certificate, as the case may be. Any decision of a State Agency to approve or disapprove an application for an exemption under section 1527(b) shall be based solely on the record established in the administrative proceedings held with respect to the application.

"(C)(i) The State Agency shall establish the period within which approval or disapproval by the State Agency of applications for certificates of need and for exemptions under section 1527(b) shall be made. If, after a review has begun by the State Agency, the State Agency or health systems agency requires, in accordance with section 1532(b)(3), an applicant to submit information respecting the subject of the review, the period prescribed pursuant to the preceding sentence shall, at the request of the applicant, be extended fifteen days.

"(ii) If the State Agency fails to approve or disapprove an application within the applicable period under clause (i), the applicant may, within a reasonable period of time following the expiration of such period, bring an action in an appropriate State court to require the State Agency to approve or disapprove the application.

"(D) The program shall provide that each decision of the State Agency to issue, not to issue, or to withdraw a certificate of need or to approve or disapprove an application for an exemption under section 1527(b) shall, upon request of any person directly affected by such decision, be administratively reviewed under an appeals mechanism consistent with State law governing the practices and procedures of administrative agencies or, if there is no such State law, by an entity (other than the State Agency) designated by the Governor.

"(E) Any person adversely affected by a final decision of a State Agency with respect to a certificate of need or an application for an exemption under section 1527(b) and a health systems agency if the decision respecting the certificate of need is inconsistent with a recommendation made by the agency to the State Agency with re-

spect to the certificate of need may, within a reasonable period of time after such decision is made (and any administrative review of it completed), obtain judicial review of it in an appropriate State court. The decision of the State Agency shall be affirmed upon such judicial review unless it is found to be arbitrary or capricious or not made in compliance with applicable law.

"(F) There shall be no ex parte contacts—

"(i) in the case of an application for a certificate of need, between the applicant for the certificate of need, any person acting on behalf of the applicant, or any person opposed to the issuance of a certificate for the applicant and any person in the State Agency who exercises any responsibility respecting the application after the commencement of a hearing on the applicant's application and before a decision is made with respect for it; and

"(ii) in the case of a proposed withdrawal of a certificate of need, between the holder of the certificate of need, any person acting on behalf of the holder, or any person in favor of the withdrawal and any person in the State Agency who exercises responsibility respecting withdrawal of the certificate after commencement of a hearing on the Agency's proposal to withdraw the certificate of need and before a decision is made on withdrawal.

The requirements of this paragraph are in addition to the requirements of the other paragraphs of this subsection and may as appropriate, apply to other review programs.".

(e) Section 1532(b) is amended by adding after paragraph (12) (added by subsection (d)) the following new paragraph:

"(13)(A) In the case of reviews by health systems agencies under section 1513(f) and by State Agencies under paragraphs (4) and (5) of section 1523(a)—

"(i) provision for applications to be submitted in accordance with a timetable established by the reviewing agency,

"(ii) provision for such reviews to be undertaken in a timely fashion, and

"(iii) provision for all completed applications pertaining to similar types of services, facilities, or equipment affecting the same health service area to be considered in relation to each other (but no less often than twice a year).

"(B) In the case of reviews by health systems agencies under section 1513(g) and by State Agencies under paragraph (6) of section 1523(a), provision for reviews of similar types of institutional health services affecting the same health service area to be considered in relation to each other."

(f) Section 1532(c)(6) is amended to read as follows:

"(6) In the case of health services proposed to be provided—

"(A) the availability of resources (including health manpower, management personnel, and funds for capital and operating needs) for the provision of such services,

"(B) the effect of the means proposed for the delivery of such services on the clinical needs of health professional training programs in the area in which such services are to be provided,

"(C) if such services are to be available in a limited number of facilities, the extent to which the health professions schools in the area will have access to the services for training purposes,

"(D) the availability of alternative uses of such resources for the provision of other health services, and

"(E) the extent to which such proposed services will be accessible to all the residents of the area to be served by such services.".

(g)(1) Section 1532(c)(9)(B) is amended by inserting "and on the costs and charges to the public of providing health services by other persons" after "construction project".

(2) Section 1532(c) (as amended by section 103(c)) is amended by adding at the end the following:

"(13) In the case of health services or facilities proposed to be provided, the efficiency and appropriateness of the use of existing services and facilities similar to those proposed.".

"(14) In the case of existing services or facilities, the quality of care provided by such services or facilities in the past.".

(h) Section 1532(a) is amended by adding after the sentence added by subsection (c) the following: "The Secretary shall review at least annually regulations promulgated under this section and provide opportunity for the submission of comments by health systems agencies, State Agencies, and Statewide Health Coordinating Councils on the need for the revision of such regulations. At least forty-five days before the initial publication of a regulation proposing a revision in a regulation of the Secretary under this section, the Secretary shall, with respect to such proposed revision, consult with and solicit the recommendations from health systems agencies, State Agencies, and Statewide Health Coordinating Councils."

(i)(1) Section 1532(b)(3) is amended by adding at the end the following: "Each health systems agency, State Agency, and Statewide Health Coordinating Council shall develop procedures to asssure that requests for information in connection with a review under this title are limited to only that information which is necessary for the agency, State Agency, or Statewide Health Coordinating Council to perform the review.".

(2) Section 1532(b)(10) is amended by striking out "pertinent" and inserting in lieu thereof "essential".

CERTIFICATE OF NEED PROGRAMS

SEC. 117. (a) Part C of title XV is amended by adding at the end the following:

"CERTIFICATE OF NEED PROGRAM

"SEC. 1527. (a) The certificate of need program required by section 1523(a)(4)(B) shall, in accordance with this section, provide for the following:

"(1) Review and determination of need under such program for—

"(A) major medical equipment and institutional health services, and

"(B) capital expenditures, shall be made before the time such equipment is acquired, such services are offered, substantial expenditures are undertaken in preparation for such offering, or capital expenditures are obligated.

"(2) The acquisition and offering of only such equipment and services as may be found by the State Agency to be needed; and the obligation of only those capital expenditures found to be needed by the State Agency. Except as otherwise authorized by this section, review under the program of an application for a certificate of need may not be made subject to any criterion and the issuance of a certificate of need may not be made subject to any condition unless the criterion or condition directly relates to—

"(A) criteria prescribed by section 1532(c),

"(B) criteria prescribed by regulations of the Secretary promulgated under section 1532 (a) before the date of the enactment of the Health Planning and Resources Development Amendments of 1979, or

"(C) criteria prescribed by regulation by the State Agency in accordance with an authorization prescribed by State law.

The Secretary may not require a State to include in its program any criterion in addition to criteria described in subparagraphs (A) and (B).

"(3) An application for a certificate of need for an institutional health service, medical equipment, or a capital expenditure shall specify the time the applicant will require to make such service or equipment available or to obligate such expenditure and a timetable for making such service or equipment available or obligating such expenditure. After the issuance of a certificate of need, the State Agency shall periodically review the progress of the holder of the certificate in meeting the timetable specified in the approved application for the certificate. If on the basis of such a review the State Agency determines that the holder of a certificate is not meeting such timetable and is not making a good faith effort to meet it, the State Agency may, after considering any recommendation made by the health systems agency which received a report from the State Agency on such review, withdraw the certificate.

"(4) In issuing a certificate of need, the State shall specify in the certificate the maximum amount of capital expenditures which may be obligated under such certificate. The program shall, in accordance with regulations promulgated by the Secretary, prescribe the extent to which a project authorized by a certificate of need shall be subject to further review if the amount of capital expenditures obligated or expected to be obligated for the project exceed the maximum specified in the certificate of need.

"(5) The program shall provide that (A) the requirements of section 1532 shall apply to proceedings under the program, and (B) each decision to issue a certificate of need (i) may only be issued by the State Agency, and (ii) shall, except in emergency circumstances that pose a threat to public health, be consistent with the State health plan in effect for such State under section 1524(c).

"(b)(1) Under the program a State shall not require a certificate of need for the offering of an inpatient institutional health service or the acquisition of major medical equipment or the obligation of a capital expenditure for the provision of an inpatient institutional health service by—

"(A) a health maintenance organization or a combination of health maintenance organizations if (i) the organization or combination of organizations has, in the service area of the organization or the service areas of the organizations in the combination, an enrollment of at least 50,000 individuals, (ii) the facility in which the service will be provided is geographically located so that the service will be reasonably accessible to such enrolled individuals, and (iii) at least 75 percent of the patients who can reasonably be expected to receive the institutional health service will be individuals enrolled with such organization or organizations in the combination;

"(B) a health care facility which (i) primarily provides inpatient health services, (ii) is controlled, directly or indirectly, by a health maintenance organization or a combination of health maintenance organizations which has, in the service area of the organization or service areas of the organizations in the combination, an enrollment of at least 50,000 individuals, (iii) the facility is geographically located so that the service will be reasonably accessible to such enrolled individuals, and (iv) at least 75 percent of the patients who can reasonably be expected to receive the institutional health service will be individuals enrolled with such organization or organizations in the combination, or

"(C) a health care facility (or portion thereof) which (i) is leased by a health maintenance organization or combination of health maintenance organizations which has, in the service area of the organization or the service areas of the organizations in the combination, an enrollment of at least 50,000 individuals and on the date the application is submitted under paragraph (2) at least fifteen years remain in the term of the lease, (ii) the facility is geographically located so that the service will be reasonably accessible to such enrolled individuals, and (iii) at least 75 percent of the patients who can reasonably be expected to receive the institu-

tional health service will be individuals enrolled with such organization.

if, with respect to such offering, acquisition, or obligation, the State Agency has, upon application under paragraph (2), granted an exemption from such requirement to the organization, combination of organizations, or facility.

"(2) A health maintenance organization, combination of health maintenance organizations, or health care facility shall not be exempt under paragraph (1) from obtaining a certificate of need before offering an institutional health service, acquiring major medical equipment, or obligating capital expenditures unless—

"(A) it has submitted, at such time and in such form and manner as the State Agency shall prescribe, an application for such exemption,

"(B) the application contains such information respecting the organization, combination, or facility and the proposed offering, acquisition, or obligation as the State Agency may require to determine if the organization, combination, or facility meets the requirements of paragraph (1), and

"(C) the State Agency approves such application.

"(3) Notwithstanding subsection (d), a health care facility (or any part thereof) or medical equipment with respect to which an exemption was granted under paragraph (1) may not be sold or leased and a controlling interest in such facility or equipment or in a lease of such facility or equipment may not be acquired and a health care facility described in subparagraph (C) of paragraph (1) which was granted an exemption under paragraph (1) may not be used by any person other than the lessee described in such subparagraph unless—

"(A) the State Agency issues a certificate of need approving the sale, lease, acquisition, or use, or

"(B) the State Agency determines, upon application, that (i) the entity which the facility or equipment is proposed to be sold or leased or which intends to acquire the controlling interest is a health maintenance organization or a combination of health maintenance organizations which meets the requirements of clause (i) of subparagraph (A) of paragraph (1) and (ii) with respect to such facility or equipment, the entity meets the requirements of clauses (ii) and (iii) of such subparagraph (A).

"(4) Under the program a State may apply its certificate of need requirements to the institutional health services, major medical equipment, and capital expenditures of a health maintenance organization or of a health care facility which is controlled, directly or indirectly, by a health maintenance organization only to the extent that the organization or facility is not exempt under paragraph (1) and then only to the offering of inpatient institutional health services, the acquisition of major medical equipment, and the obligation of capital expenditures.

"(5) Notwithstanding section 1532(c), if a health maintenance organization or a health care facility which is controlled, directly or indirectly, by a health maintenance organization apply for a certificate of need, such application shall be approved by the State Agency if the State Agency finds (in accordance with criteria prescribed by the Secretary by regulation) that—

"(1) approval of such application is required to meet the needs of the members of the health maintenance organization and of the new members which such organization can reasonably be expected to enroll, and

"(2) the health maintenance organization is unable to provide, through services or facilities which can reasonably be expected to be available to the organization, its institutional health services in a reasonable and cost-effective manner which is consistent with the basic method of operation of the organization and which makes such services available on a long-term basis through physicians and other health professionals associated with it.

Except as provided in subsection (b) and notwithstanding subsection (d), a health care facility (or any part thereof) or medical equipment with respect to which a certificate of need was issued under this subsection may not be sold or leased and a controlling interest in such facility or equipment or in a lease of such facility or equipment may not be acquired unless the State Agency issues a certificate of need approving the sale or acquisition or lease.".

"(c) Notwithstanding section 1532(c), an application for a certificate of need for a capital expenditure which is required—

"(1) to eliminate or prevent imminent safety hazards as defined by Federal, State, or local fire, building, or life safety codes or regulations,

"(2) to comply with State licensure standards, or

"(3) to comply with accreditation standards compliance with which is required to receive reimbursements under title XVIII of the Social Security Act or payments under a State plan for medical assistance approved under title XIX of such Act,

shall be approved unless the State Agency finds that the facility or service with respect to which such capital expenditure is proposed to be made is not needed or that the obligation of such capital expenditure is not consistent with the State health plan in effect under section 1524. An application for a certificate of need approved under this subsection shall be approved only to the extent that the capital expenditure is required to eliminate or prevent the hazards described in paragraph (1) or to comply with the standards described in paragraph (2) or (3).

"(d)(1) Under the program a certificate of need shall, except as provided in subsection (b), be required for the obligation of a capital expenditure to acquire (either by purchase or under lease or comparable arrangement) an existing health care facility if—

"(A) the notice required by paragraph (2) is not filed in accordance with that paragraph with respect to such acquisition, or

"(B) the State Agency finds, within thirty days after the date it receives a notice in accordance with paragraph (2) with respect to such acquisition, that the services or bed capacity of the facility will be changed in being acquired.

"(2) Before any person enters into a contractual arrangement to acquire an existing health care facility which arrangement will require the obligation of a capital expenditure, such person shall notify the State Agency of the State in which such facility is located of such person's intent to acquire such facility and of the services to be offered in the facility and its bed capacity. Such notice shall be made in writing and shall be made at least thirty days before contractual arrangements are entered into to acquire the facility with respect to which the notice is given.

"(e)(1)(A) Except as provided in subsection (b) and subparagraph (B), under the program a certificate of need shall not be required for the acquisition of major medical equipment which will not be owned by or located in a health care facility unless—

"(i) the notice required by paragraph (2) is not filed in accordance with that paragraph with respect to such acquisition, or

"(ii) the State Agency finds, within thirty days after the date it receives a notice in accordance with paragraph (2) with respect to such acquisition, that the equipment will be used to provide services for inpatients of a hospital

"(B) The certificate of need program of a State may include a requirement for a certificate of need for an acquisition of major medical equipment which requirement is in addition to the requirement for a certificate of need established by subparagraph (A), except that after September 30, 1982, the certificate of need program of a State may not be changed to include any such additional requirement.

"(2) Before any person enters into a contractual arrangement to acquire major medical equipment which will not be owned by or located in a health care facility, such person shall notify the State Agency of the State in which such equipment will be located of such person's intent to acquire such equipment and of the use that will be made of the equipment. Such notice shall be made in writing and shall be made at least thirty days before contractual arrangements are entered into to acquire the equipment with respect to which the notice is given.

"(3) For purposes of this subsection, donations and leases of major medical equipment shall be considered acquisitions of such equipment, and an acquisition of medical equipment through a transfer of it for less than fair market value shall be considered an acquisition of major medical equipment if its fair market value is at least $150,000.

"(f) Notwithstanding section 1532(c), when an application is made by an osteopathic or allopathic facility for a certificate of need to construct, expand, modernize, acquire major medical equipment, or add services, the need for that construction, expansion, modernization, acquisition of equipment, or addition of services shall be considered on the basis of the need for and the availability in the community of services and facilities for osteopathic and allopathic physicians and their patients. The State Agency shall consider the application in terms of its impact on existing and proposed institutional training programs for doctors of osteopathy and medicine at the student, internship, and residency training levels.

"(g) In approving or disapproving applications for certificates of need or in withdrawing certificates of need under such a program, a State Agency shall take into account recommendations made by health systems agencies within the State under section 1513(f).".

(b)(1) Section 1523(a)(4)(B) is amended (A) by striking out "new institutional health services proposed to be offered or developed within the State" and inserting in lieu thereof "the obligation of capital expenditures within the State and the offering within the State of new institutional health services and the acquisition of major medical equipment", and (B) by striking out "which is satisfactory to the Secretary" and inserting in lieu thereof "which is consistent with standards established by the Secretary by regulation".

(2) The second sentence of section 1523(a)(4) is amended to read as follows: "A certificate of need program shall provide for procedures and penalties to enforce the requirements of the program."

(3) Section 1531 is amended (i) by striking out "For purposes of this title" and inserting in lieu thereof "Except as otherwise provided, for purposes of this title", and (ii) by adding after paragraph (5) the following new paragraphs:

"(6) For purposes of sections 1523 and 1527, the term 'capital expenditure' means an expenditure—

"(A) made by or on behalf of a health care facility (as such a facility is defined in regulations prescribed under paragraph (5)); and

"(B)(i) which (I) under generally accepted accounting principles is not properly chargeable as an expense of operation and maintenance, or (ii) is made to obtain by lease or comparable arrangement any facility or part thereof or any equipment for a facility or part; and

"(ii) which (I) exceeds the expenditure minimum (II) substantially changes the bed capacity of the facility with respect to which the expenditure is made, or (III) substantially changes the services of such facility. For purposes of subparagraph (B)(ii)(I), the cost of any studies, surveys, designs, plans, working drawings, specifications, and other activities essential to the acquisition, improvement, expansion, or replacement of any plant or equipment with respect to which an expenditure described in subparagraph (B)(i) is made shall be included in determining if such expenditure exceeds the expenditure minimum. Donations of equipment or facilities to a health care facility which if acquired directly by such facility would be subject to review under section 1527 shall be considered capital expenditures for purposes of sections 1523 and 1527, and a transfer of equipment or facilities for less than fair market value shall be considered a capital expenditure for purposes of such sections if a transfer of the equipment or facilities at fair market value would be subject to review under section 1527. For purposes of this paragraph, the term 'expenditure minimum' means $150,000 for the twelve-month period beginning with the month in which this paragraph is enacted and for each twelve-month period thereafter, $150,000 or, at the discretion of the State, the figure in effect for the preceding twelve-month period, adjusted to reflect the change in the preceding twelve-month period in an index maintained or developed by the Department of Commerce and designated by the Secretary by regulation for purposes of making such adjustment.

"(7) For purposes of sections 1523 and 1527, the term 'major medical equipment' means medical equipment which is used for the provision of medical and other health services and which costs in excess of $150,000, except that such term does not include medical equipment acquired by or on behalf of a clinical laboratory to provide clinical laboratory services if the clinical laboratory is independent of a physician's office and a hospital and it has been determined under title XVIII of the Social Security Act to meet the requirements of paragraphs (10) and (11) of section 1861(s) of such Act. In determining whether medical equipment has a value in excess of $150,000, the value of studies, surveys, designs, plans, working drawings, specifications, other activities essential to the acquisition of such equipment shall be included.

"(8) The term 'health maintenance organization' means a public or private organization, organized under the laws of any State, which—

"(A) is a qualified health maintenance organization under section 1310(d); or

"(B)(i) provides or otherwise makes available to enrolled participants health care services, including at least the following basic health care services: usual physician services, hospitalization, laboratory, X-ray, emergency and preventive services, and out of area coverage; (ii) is compensated (except for copayments) for the provision of the basic health care services listed in clause (i) to enrolled participants by a payment which is paid on a periodic basis without regard to the date the health care services are provided and which is fixed without regard to the frequency, extent, or kind of health service actually provided; and (iii) provides physicians' services primarily (I) directly through physicians who are either employees or partners of such organization, or (II) through arrangements with individual physicians or one or more groups of physicians (organized on a group practice or individual practice basis).".

(4)(A) Section 1522(b)(13) is amended (i) by striking out "(3),", (ii) by inserting "in a timely manner" after "reviewed" in subparagraph (A), and (iii) by inserting after "agencies," in subparagraph (A) the following: "or, if there is no such State law,".

(B) Section 1522(b)(13)(B) is amended by inserting "under subparagraph (A)" after "the reviewing agency".

(5) Section 1532(c)(8) is amended by striking out "for which assistance may be provided under title XIII".

(c) The Comptroller General shall conduct an evaluation of the exemption authority provided by section 1527(b) of the Public Health Service Act. In conducting the evaluation, the Comptroller General shall determine—

(1) the health maintenance organizations, combinations of health maintenance organizations, and health care facilities which have applied to receive an exemption under that section,

(2) the services, facilities, and equipment with respect to which applications have been submitted under that section,

(3) the impact of the exemption on existing contractual arrangements between health maintenance organizations and health care facilities and on plans of such organizations respecting such arrangements, and

(4) the impact of the exemption on health care delivery systems, including its impact on the cost, availability, accessibility, and quality of health care.

The Comptroller General shall report the results of the evaluation to the Committee on Labor and Human Resources of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives not later than February 1, 1982.

(d) Within one hundred and eighty days of the date of the enactment of this Act, the Secretary of Health, Education, and Welfare shall promulgate such regulations as may be necessary to enable the States to establish certificate of need programs which meet the requirements of section 1527 of the Public Health Service Act.

APPROPRIATENESS REVIEW

SEC. 118. (a)(1) Section 1513(g)(1) is amended by striking out "all institutional health services offered in the health service area of the agency" and inserting in lieu thereof "at least those institutional and home health services which are offered in the health service area of the agency and with respect to which goals have been established in the State health plan".

(2) Section 1523(a)(6) is amended by striking out "all institutional health services being offered in the State" and inserting in lieu thereof "all institutional and home health services which are offered in the State and with respect to which goals have been established in the State health plan".

(b)(1) Section 1513(g) is amended by adding at the end the following:

"(3) In making the appropriateness review required by paragraph (1) of a health service, each health systems agency shall at least consider the need for the service, its accessibility and availability, financial viability, cost effectiveness, and the quality of service provided.".

(2) Section 1523(a)(6) is amended by adding at the end the following: "In making the appropriateness review required by this paragraph of a health service, the State Agency shall at least consider the need for the service, its accessibility and availability, financial viability, cost effectiveness, and the quality of service provided.

REVIEW AND APPROVAL OF PROPOSED USES OF FEDERAL FUNDS

SEC. 119. (a) Section 1524(c)(6) is amended—

(1) by striking out "approve or disapprove" in the first sentence and inserting in lieu thereof "recommend approval or disapproval of (A)",

(2) by striking out "or the Comprehensive" in the first sentence and inserting in lieu thereof "section 409 of the Drug Abuse Office and Treatment Act of 1972, or the Comprehensive",

(3) by inserting before the period at the end of the first sentence a comma and the following: "and (B) any application (and any revision of an application) submitted to the Secretary by a State for a grant or contract under any provision of law referred to in clause (A) for projects in more than one health service area of the State",

(4) by amending the third sentence to read as follows: "If a SHCC recommends disapproval of such a plan or application, the Secretary, after making a finding that such plan or application is not in conformity with the State health plan, may not make Federal funds available under such State plan or application.",

(5) by inserting after the third sentence the following new sentence: "If the Secretary makes such a finding, he shall notify the Governor of his finding and the reasons therefor and advise him that he has thirty days in which to submit a revised State plan or application that conforms with the State health plan.", and

(6) by striking out "If after such review" in the last sentence and inserting in lieu thereof the following: "If after reviewing a recommendation of a SHCC to disapprove such State plan or application,".

(b)(1) Section 1513(e)(1)(A)(i) is amended—

(A) by inserting "of 1972" after "Treatment Act", and

(B) by inserting after "health resources" the following: "by any entity other than the government of a State unless such resources are solely within the health service area of such agency".

(2) Section 1513(e)(1)(A)(ii) is amended by striking out "an allotment" and inserting in lieu thereof "an allotment, contract, or grant".

(3) The first sentence of section 1513(e)(1)(B) is amended by striking out "under title IV, VII, or VIII of this Act" and all that follows in such sentence and inserting in lieu thereof the following: "for research or training unless the grants or contracts are to be made, entered into, or used for the development, expansion, or support of health resources which, in the case of grants or contracts for training, would make a significant change in the health services available in the health service area or which, in the case of grants or contracts for research, would significantly change the delivery of health services, or the distribution or extent of health resources, available to persons in the health service area other than those who are participants in such research.".

(4) Section 1513(e)(2) is amended—

(A) by striking out "such paragraph" in the first sentence and inserting in lieu thereof "paragraph (1)(A)(i)", and

(B) by striking out "If" in the second sentence and inserting in lieu thereof "If under paragraph (1)(A)(i)".

(5) Section 1513(e) is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

"(3) The Governor of a State shall allow health systems agencies sixty days to make the review required by paragraph (1)(A)(ii). If under such paragraph an agency disapproves a proposed use of Federal funds in its health service area, the Governor may not make such Federal funds available for such use until he has made, upon request of the entity making such proposal, a review of the agency decision. In making any such review of any agency decision, the Governor shall give the State health planning and development agency an opportunity to consider the decision of the health systems agency and to submit to the Governor its comments on the decision. The Governor, after taking into consideration such State Agency's comments (if any), may make such Federal funds available for

such use, notwithstanding the disapproval of the health systems agency. Each such decision by the Governor to make funds available shall be submitted to the appropriate health systems agency and State health planning and development agency and shall contain a detailed statement of the reasons for the decision.".

COORDINATION OF HEALTH PLANNING WITH RATE REVIEW

SEC. 120. (a) Section 1513(d) is amended (1) by redesignating paragraph (4) as paragraph (5); (2) by striking out "and" in paragraph (3); and (3) by adding after paragraph (3) the following new paragraph:

"(4) any entity of the State in which the agency is located which reviews the rates or budgets of health care facilities located in the agency's health service area, and".

(b) Section 1522(b)(7)(A) is amended by inserting before the comma at the end the following: "and for the coordination by the State Agency in the conduct of its activities with any entity of the State which reviews the rates or budgets of health care facilities in the State".

(c)(1) Section 1526 is amended—

(A) by striking out "(not later than six months after the date of the enactment of this title)" in the first sentence of subsection (a); and

(B) by striking out the last sentence of subsection (a).

(2) Such section is further amended—

(A) by inserting before the period in the first sentence of subsection (a) "or to any other entity of the government of a State which has so indicated an intent to regulate such rates";

(B) by striking out "A State Agency" in subsection (b)(1) and inserting in lieu thereof "An entity";

(C) by striking out "the State Agency" in subparagraphs (A) and (F) of such subsection and inserting in lieu thereof "the entity";

(D) by inserting "if it is a State Agency," after "(D)" and "(E)", respectively, in such subsection;

(E) by adding after and below subparagraph (G) of such subsection the following: "If an entity which is not a State Agency receives a grant under subsection (a), such entity shall coordinate its activities under the grant with the State Agency for the State in which such entity is located, share with the State Agency data obtained from such activities, and for purposes of such activities, develop with the State Agency criteria for the review of institutional health services, equipment, and facilities which guidelines are not in conflict with criteria adopted by the State Agency.";

(F) by striking out "a State Agency" in subsection (b)(2) and inserting in lieu thereof "an entity" and by striking out "the State Agency" in such subsection and inserting in lieu thereof "the entity"; and

(G) by striking out "State Agency" in subsection (d) and in the first sentence of subsection (c) and inserting in lieu thereof "entity".

COORDINATION WITHIN STANDARD METROPOLITAN STATISTICAL AREAS AND WITH OTHER ENTITIES

SEC. 121. (a) Section 1513(d) is amended (1) by inserting "(including area agencies on aging and local and regional alcohol abuse, drug abuse, and mental health planning agencies)" after "administrative agencies" in paragraph (3).

(b) Subsection (d) of section 1513 (as amended by section 120(a)) is amended (1) by inserting "(1)" after "(d)", (2) by redesignating paragraphs (1), (2), (3), (4), and (5) as subparagraphs (A), (B), (C), (D), and (E), respectively, and (3) by adding at the end the following:

"(2) Each health systems agency which has all or part of its health service area within a part of a standard metropolitan statistical area (as determined by the Office of Management and Budget) shall coordinate its activities with the activities of any other health systems agency which has any part of its health service area within such standard metropolitan statistical area. Such coordination shall at least provide that each health systems agency designated for a health service area within any part of a single standard metropolitan statistical area shall review (A) each HSP and AIP for each such health service area, (B) the criteria used in accordance with section 1532 for reviews affecting any such area, and (C) each decision under certificate of need programs which affect any such area.

"(3) The Secretary shall by regulation provide for the sharing by health systems agencies of health planning data with Indian tribes and Alaska Native Villages.

"(4) Health systems agencies that have an Indian tribe or intertribal Indian organization (referred to in subsection (e)(1)(B)) located within such agencies' health service areas shall carry out their functions under this section in a manner that recognizes tribal self-determination. Such agencies shall seek to enter into agreements with the Indian tribes and intertribal organizations located within their health service areas on matters of mutual concern as defined in regulations of the Secretary.".

(c) Section 1513(e) is amended by inserting "as defined in section 4(b) of the Indian Self-Determination and Education Assistance Act)" after "Indian tribe" in paragraph (1)(B).

COLLECTION AND PUBLICATION OF HOSPITAL CHARGES

SEC. 122. (a) Subsection (h) of section 1513 is amended to read as follows:

"(h)(1) Each health systems agency shall collect annually on a form developed in consultation with the State health planning and development agency (or agencies) the rates charged for each of the twenty-five most frequently used hospital services in the State (or States) including the average semiprivate and private room rates.

"(2) Each health systems agency shall make available to the public for inspection and copying (at a reasonable expense to the public) the information supplied to the health systems agency pursuant to this subsection in readily understandable language and in a manner designed to facilitate comparisons among the hospitals in the health systems agency's health service area.".

(b) Section 1522(b)(5) is amended by adding before the semicolon the following: "and contain provisions to assure compliance with requests for information made by health systems agencies in accordance with section 1513(h)".

STATE HEALTH PLANNING AND DEVELOPMENT AGENCIES

SEC. 123. (a) Section 1521(b)(4) is amended (1) by inserting "(A)" after "(4)"; (2) by inserting "upon a review under section 1535 of the State Agency's operation and performance of its function" before "he determines"; (3) by adding at the end of paragraph (4) the following: "Before renewing an agreement under this paragraph with a State Agency for a State, the Secretary shall provide each health systems agency designated for a health service area located (in whole or in part) in such State and the Statewide Health Coordinating Council of such State an opportunity to comment on the performance of the State Agency and to provide a recommendation on whether such agreement should be renewed."; and (4) adding at the end thereof the following new subparagraph:

"(B) If upon a review under section 1535 of the State Agency's operation and performance of its functions, the Secretary determines that it has not fulfilled, in a satisfactory manner, the responsibilities of a State Agency during the period of the agreement to be renewed or if the applicable State administrative program does not continue to meet the requirements of section 1522, he may terminate such agreement or return the State Agency to a conditionally designated status under paragraph (2) of subsection (b) for a period not to exceed twelve months. At the end of such period, the Secretary shall either terminate its agreement with such State Agency or enter into an agreement with such State Agency under paragraph (3) of subsection (b). The Secretary may not take the action authorized by the first sentence of this subparagraph unless the Secretary has—

"(i) provided the State Agency with notice of his intent to return it to a conditional status or terminate the agreement with it and included in that notice specification of any functions which the Secretary has determined the State Agency did not satisfactorily fulfill and of any requirements which the Secretary has determined it has not met;

"(ii) provided the State Agency with a reasonable opportunity for a hearing, before an officer or employee of the Department of Health, Education, and Welfare designated for such purpose, on the action proposed to be taken by the Secretary; and

"(iii) in the case of a proposed termination, consulted with the National Council on Health Planning and Development respecting the termination.".

(b)(1)(A) Paragraphs (3) and (4) of section 1521(b) are each amended by striking out "twelve months" and inserting in lieu thereof "thirty-six months".

(B) The amendments made by subparagraph (A) shall apply with respect to designation agreements entered into under section 1521(b)(3) of the Public Health Service Act after the date of the enactment of this Act.

(2) Section 1521(b)(3) is amended—

(A) by inserting "(A)" after "(3)",

(B) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively,

(C) by amending clause (ii) (as so redesignated) to read as follows:

"(ii) by the Secretary if the Secretary determines, in accordance with subparagraph (B), that the designated State Agency is not complying with the provisions of such agreement.", and

(D) by adding at the end the following:

"(B) Before the Secretary may terminate an agreement with a designated State Agency under subparagraph (A)(ii), the Secretary shall—

"(i) consult with the Statewide Health Coordinating Council of the State for which the State Agency is designated respecting the proposed termination,

"(ii) give the State Agency notice of the intention to terminate the agreement and in the notice specify with particularity (I) the basis for the determination of the Secretary that the State Agency is not in compliance with the agreement, and (II) the actions that the State Agency should take to come into compliance with the agreement, and

"(iii) provide the State Agency with a reasonable opportunity for a hearing, before an officer or employee of the Department of Health, Education, and Welfare designated for such purpose, on the matter specified in the notice.

The Secretary may not terminate such an agreement before consulting with the National Council on Health Planning and Development respecting the proposed termination. Before the Secretary may permit the term of an agreement to expire without renewing the agreement, the Secretary shall make the consultations prescribed by clause (i) and the preceding sentence, give the State Agency with which the agreement was made notice of the intention not to renew the agreement and the reasons for not renewing the agreement, and provide, as prescribed by clause (iii), the State Agency an

opportunity for a hearing on the matter specified in the notice.".

(c)(1)(A) Section 1522(b)(13) is amended by striking out ", (g), or (h)" and inserting in lieu thereof "or (g)".

(B) Section 1513(a) is amended by striking out "through (h)" and inserting in lieu thereof "through (g)".

(2) Paragraph (3) of section 1523(a) is amended by striking out "review of the State medical facilities plan required under section 1603, and in the".

(3) Section 1523(a) is amended by adding after paragraph (6) the following new paragraph:

"(7) Prepare an inventory of the health care facilities (other than Federal health care facilities) located in the State and evaluate on an ongoing basis the physical condition of such facilities. Such inventory and evaluations shall be reported to the health systems agencies designated for health service areas located (in whole or in part) in the State for purposes of the functions of the agency under section 1513(b).".

(d) Subsection (d) of section 1521 is amended to read as follows:

"(d)(1) If an agreement under subsection (b)(3) for the designation of a State Agency for a State is not in effect upon the expiration of—

"(A) the fourth fiscal year which begins after the calendar year in which the National Health Planning and Resources Development Act of 1974 is enacted; or

"(B)(i) if the legislature of the State is in a regular session on the date of the enactment of the Health Planning and Resources Development Amendments of 1979 and the legislature will be in session for at least twelve months from such date, twelve months from such date, or

"(ii) if the legislature of the State is in session on such date of enactment but twelve months do not remain in such session after such date or if the legislature of the State is not in session on such date, twelve months after the beginning of the first regular session of the legislature beginning after such date, whichever occurs later, the Secretary shall take the action prescribed by paragraph (2).

"(2) If upon the expiration of the period applicable under paragraph (1) an agreement is not in effect for the designation of a State Agency for a State, the Secretary shall until such an agreement is in effect take the following action:

"(A) During the first twelve months after the date of the expiration of the applicable period, the Secretary shall reduce by 25 percent the amount of each allotment, grant, loan, and loan guarantee made to and each contract entered into with an individual or entity in such State during such period under this Act, the Community Mental Health Centers Act, the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, and the Drug Abuse Office and Treatment Act of 1972.

"(B) During the second twelve months after such expiration date, the Secretary shall reduce by 50 percent the amount of each such allotment, grant, loan, loan guarantee, and contract.

"(C) During the third twelve months after such expiration date, the Secretary shall reduce by 75 percent the amount of each such allotment, grant, loan, loan guarantee and contract.

"(D) After the expiration of thirty-six months after such expiration date, the Secretary may not make or enter into any such allotment, grant, loan, loan guarantee, or contract.".

(e)(1) Section 1522(c) is amended by striking out "once each year" and inserting in lieu thereof "once every three years".

(2) Section 1523(a) (as amended by subsection (c)(3)) is amended by adding the following new paragraph at the end thereof:

"(8) Provide technical assistance to individuals and public and private entities in obtaining and filling out the necessary forms for the development of projects and programs.".

(f) The first sentence of section 1521(b)(2)(B) is amended by inserting before the period a comma and the following: "except that the Secretary may extend the period for such additional time as he finds appropriate if he finds that the designated State Agency is making a good faith effort to comply with the requirements of section 1523".

(g)(1) Paragraph (5) of section 1523(a) is amended by striking out "1413(f)" and inserting in lieu thereof "1513(f)".

(2) Section 1521(b)(1) is amended by striking out "this part" and inserting in lieu thereof "this title".

STATEWIDE HEALTH COORDINATING COUNCIL COMPOSITION

SEC. 124. (a)(1) Section 1524(b)(1)(A)(ii) is amended by inserting before the period a comma and the following: "except that the number of representatives on the SHCC to which a health systems agency designated for a health service area which is not entirely within the State shall be a number which is based on the relationship of the population of the portion of such health service area within the State to the population of the largest health service area located entirely within the State, except that each such agency shall be entitled to at least one representative on the SHCC".

(2) Section 1524(b)(1)(A)(iii) is amended to read as follows:

"(iii) Except as otherwise provided in clause (ii) and this clause, each such health systems agency shall be entitled to at least two representatives on the SHCC. If there are more than ten health systems agencies within a State, each health systems agency within such State shall be entitled to at least one representative on the SHCC. Of the representatives of health systems agencies on the SHCC, not less than one-half shall be individuals who are consumers of health care and who are not providers of health care.".

(3) Section 1524(b)(1)(A)(i) is amended (A) by inserting "(or if the number of representatives on the SHCC to which health systems agencies are entitled under the second sentence of clause (iii) is less than sixteen, no fewer than the number to which they are entitled)" after "sixteen representatives", (B) by striking out "at least five", and (C) by adding at the end the following: "Each agency shall submit a number of nominees to the Governor which is at least twice the number of representatives on the SHCC to which the agency is entitled.".

(4) Section 1524(b)(1) is amended by adding at the end thereof the following new paragraph:

"(E) Members of the SHCC who are consumers of health care and who are not providers of health care shall include individuals who represent rural and urban medically underserved populations if such populations exist in the State."

(b) Section 1524(b)(2) is amended to read as follows:

"(2) The Governor may select, by and with the advice and consent of the State senate, or, in the case of a State with a unicameral legislature, of the State legislature, the chairman of the SHCC from among the members of the SHCC. If the Governor does not select the chairman, the SHCC shall select the chairman from among its members.".

(c)(1) Section 1524(b)(1)(C) is amended by striking out "one-third" and inserting in lieu thereof "one-half".

(2) Section 1524(b)(1)(D) is amended by striking out "two" and inserting in lieu thereof "one".

(d) The first sentence of section 1524(c)(2)(B) is amended by striking out "State agency" and inserting in lieu thereof "State Agency".

CENTERS FOR HEALTH PLANNING

SEC. 125. (a) Section 1534(b)(1) is amended (1) by inserting "and it will be able to provide assistance and dissemination of information to health systems agencies and State Agencies as provided in subsections (a) and (c)," after "paragraph (2)", and (2) by inserting "and is able to provide such assistance and dissemination of information" after "such requirements".

(b) Clause (2) of section 1534(c) is amended to read as follows: "(2) shall develop and use methods (satisfactory to the Secretary) to disseminate to such agencies and State Agencies planning approaches, methodologies (including methodologies to provide for education of new board members and new staff and continuing education of board members and staff of such agencies and State Agencies), policies, and standards.".

DEFINITIONS

SEC. 126. (a)(1) Section 1531(5) is amended to read as follows:

"(5) The term 'institutional health services' means health services which (A) are provided through private and public hospitals, rehabilitation facilities, nursing homes, and other health care facilities, as defined by the Secretary by regulation, and (B) entail annual operating costs of at least $75,000. For purposes of this paragraph, the term 'expenditure minimum means $75,000 for the twelve-month period beginning with the month in which this paragraph is enacted and for each twelve-month period thereafter, $75,000 or, at the discretion of the State, the figure in effect for the preceding twelve-month period, adjusted to reflect the change in the preceding twelve-month period in an index maintained or developed by the Department of Commerce and designated by the Secretary by regulation for purposes of making such adjustment.".

(2) After the date of the enactment of this Act, the Secretary shall consult with the Committee on Labor and Human Resources of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives before promulgating regulations defining health care facilities for purposes of section 1531(5) of the Public Health Service Act as amended by paragraph (1).

(b) Section 1531 is amended by adding after paragraph (8) (added by section 117 of this Act) the following new paragraphs:

"(9) For purposes of sections 1523(a)(4)(B), 1527, and 1531(5), the term 'rehabilitation facility' means an inpatient facility which is operated for the primary purpose of assisting in the rehabilitation of disabled persons through an integrated program of medical and other services which are provided under competent professional supervision. For purposes of the remaining provisions of this title, the term 'rehabilitation facility' means an inpatient facility described in the preceding sentence and, in addition, an outpatient facility which is operated as described in such sentence.

"(10) The term 'medically underserved population' has the same meaning as such term has under section 330(b)(3).

"(11) Any reference to the term 'health' includes physical and mental health.

"(12) The term 'physician' means a doctor of medicine or osteopathy legally authorized to practice medicine and surgery by a State.".

AUTHORIZATIONS

SEC. 127. (a) Section 1516(d)(1) (as amended by section 106) is amended—

(1) by striking out "and" after "1976,", and

(2) by inserting before the period the following:", $150,000,000 for the fiscal year end-

ing September 30, 1980, $165,000,000 for the fiscal year ending September 30, 1981, and $185,000,000 for the fiscal year ending September 30, 1982".

(b) Section 1525(c) is amended—

(1) by striking out "and" after "1976,", and

(2) by inserting before the period the following: ", $35,000,000 for the fiscal year ending September 30, 1980, $40,000,000 for the fiscal year ending September 30, 1981, and $45,000,000 for the fiscal year ending September 30, 1982".

(c) Section 1526(e) is amended—

(1) by striking out "and" after "1976,", and

(2) by inserting before the period the following: ", $6,000,000 for the fiscal year ending September 30, 1980, $6,000,000 for the fiscal year ending September 30, 1981, and $6,000,000 for the fiscal year ending September 30, 1982".

(d) Section 1534(d) is amended—

(1) by striking out "and" after "1976,", and

(2) by inserting before the period the following: ", $6,000,000 for the fiscal year ending September 30, 1980, $8,000,000 for the fiscal year ending September 30, 1981, and $10,000,000 for the fiscal year ending September 30, 1982".

(e) Section 1640(d) is amended—

(1) by striking out "and" after "1976,", and

(2) by inserting before the period the following: ", $20,000,000 for the fiscal year ending September 30, 1981, and $30,000,000 for the fiscal year ending September 30, 1982".

TECHNICAL AMENDMENT

SEC. 128. Section 1903(m)(2)(C) of the Social Security Act is amended by striking out "the date the entity enters into a contract with the State under this title for the provision of health services on a prepaid risk basis" and inserting in lieu thereof "the date the entity qualifies as a health maintenance organization (as determined by the Secretary)".

EFFECTIVE DATE

SEC. 129. (a) The amendments made by this title (other than by sections 101, 102, 103, 104(c), 105(d), 106, 107, 117, 123(b), 127, and 128) shall take effect one year after the date of the enactment of this Act, except that on and after the date of the enactment of this Act—

(1) the changes in the membership of the health systems agencies and the Statewide Health Coordinating Councils required by amendments to sections 1512, 1524, and 1531 shall be implemented through selections of members to fill vacancies occurring after such date,

(2) a health systems agency, a State health planning and development agency, and a Statewide Health Coordinating Council may make the organizational and related changes required by the amendments to sections 1512, 1522, 1523, 1524, and 1531 of the Public Health Service Act, and

(3) health systems agencies, State health planning and development agencies, and Statewide Health Coordinating Councils may act in accordance with the changes in their functions made by the amendments to sections 1513, 1522, 1523, 1524, and 1532 of the Public Health Service Act.

(b)(1) Except as provided in section 1516(c)(1)(C)(i) of the Public Health Service Act as amended by section 106, the amendments made by section 106 shall apply with respect to grants made under section 1516 of the Public Health Service Act after the date of the enactment of this Act from appropriations under an appropriation Act enacted for the fiscal year ending September 30, 1980.

(2) The amendments made by section 117 shall take effect on the enactment of this Act, except that if the Secretary of Health, Education, and Welfare determines that any amendment made by such section will require a State to change its laws before the State health planning and development agency designated for such State may perform its functions under section 1523(a)(4)(B) of the Public Health Service Act, such amendment shall take effect in such State—

(A) if the legislature of the State is in a regular session on the date of the enactment of the Health Planning and Resources Development Amendments of 1979 and the legislature will be in session for at least twelve months from such date, twelve months from such date, or

(B) if the legislature of the State is in session on such date of enactment but twelve months do not remain in such session after such date or if the legislature of the State is not in session on such date, twelve months after the beginning of the first regular session of the legislature beginning after such date.

TITLE II—REVISION OF AUTHORITY FOR HEALTH RESOURCES DEVELOPMENT

REVISION AND EXTENSION OF ASSISTANCE

SEC. 201. (a) Part B of title XVI is repealed.

(b)(1) Subsections (a) and (b) of section 1620 are amended to read as follows:

"(a)(1) The Secretary, during the period ending September 30, 1982, may, in accordance with this part, make loans from the fund established under section 1622(d) to any public or nonprofit private entity for projects for—

"(A) the discontinuance of unneeded hospital services or facilities,

"(B) the conversion of unneeded hospital services and facilities to needed health services and medical facilities, including outpatient medical facilities and facilities for long-term care;

"(C) the renovation and modernization of medical facilities, particularly projects for the prevention or elimination of safety hazards, projects to avoid noncompliance with licensure or accreditation standards, or projects to replace obsolete facilities;

"(D) the construction of new outpatient medical facilities; and

"(E) the construction of new inpatient medical facilities in areas which have experienced (as determined by the Secretary) recent rapid population growth.

"(2)(A) The Secretary, during the period ending September 30, 1982, may, in accordance with this part, guarantee to—

"(i) non-Federal lenders for their loans to public and nonprofit private entities for medical facilities projects described in paragraph (1), and

"(ii) the Federal Financing Bank for its loans to public and nonprofit private entities for such projects, payment of principal and interest on such loans.

"(B) In the case of a guarantee of any loan to a public or nonprofit private entity under subparagraph (A)(i) which is located in an urban or rural poverty area, the Secretary may pay, to the holder of such loan and for and on behalf of the project for which the loan was made, amounts sufficient to reduce by not more than one half the net effective interest rate otherwise payable on such loan if the Secretary finds that without such assistance the project could not be undertaken.

"(b) The principal amount of a loan directly made or guaranteed under subsection (a) for a medical facilities project, when added to any other assistance provided such project under part B, may not exceed 90 per centum of the cost of such project unless the project is located in an area determined by the Secretary to be an urban or rural poverty area, in which case the principal amount, when added to other assistance under part B, may cover up to 100 per centum of such costs.".

(2) Section 1622(b)(2)(D) is amended by striking out "minus 3 per centum per annum" and inserting in lieu thereof the following: "minus any interest subsidy made in accordance with section 1620(b)(2) with respect to a loan made for a project located in an urban or rural poverty area".

(3) Section 1622(e)(2) is amended (A) by striking out "and" after "1977,", and (B) by inserting before the period a comma and the following: "September 30, 1979, September 30, 1980, September 30, 1981, and September 30, 1982".

(c) Section 1625 is amended to read as follows:

"PROJECT GRANTS

"SEC. 1625. (a)(1)(A) The Secretary may make grants for construction or modernization projects designed to—

"(i) eliminate or prevent in medical facilities imminent safety hazards as defined by Federal, State, or local fire, building, or life safety codes or regulations, or

"(ii) avoid noncompliance by medical facilities with State or voluntary licensure or accreditation standards.

"(B) A grant under subparagraph (A) may only be made to—

"(i) a State or political subdivision of a State, including any city, town, county, borough, hospital district authority, or public or quasi-public corporation, for any medical facility owned or operated by the State or political subdivision; and

"(ii) a nonprofit private entity for any medical facility owned or operated by the entity but only if the Secretary determines—

"(I) the level of community service provided by the facility and the proportion of its patients who are unable to pay for services rendered in the facility is similar to such level and proportion in a medical facility of a State or political subdivision, and

"(II) that without a grant under subparagraph (A) there would be a disruption of the provision of health care to low-income individuals.

"(2) The amount of any grant under paragraph (1) may not exceed 75 per centum of the cost of the project for which the grant is made unless the project is located in an area determined by the Secretary to be an urban or rural poverty area, in which case the grant may cover up to 100 per centum of such costs.

"(3) There are authorized to be appropriated for grants under paragraph (1) $40,000,000 for the fiscal year ending September 30, 1980, $50,000,000 for the fiscal year ending September 30, 1981, and $5,000,000 for the fiscal year ending September 3, 1982. Funds available for obligation under this subsection (as in effect before the date of the enactment of the Health Planning and Resources Development Amendments of 1979) in the fiscal year ending September 30, 1979, shall remain available for obligation under this subsection in the succeeding fiscal year.

"(b)(1) The Secretary may make grants to public and nonprofit private entities for projects for (A) construction or modernization of outpatient medical facilities which are located apart from hospitals and which will provide services for medically underserved populations, and (B) conversion of existing facilities into outpatient medical facilities or facilities for long-term to provide services for such populations.

"(2) The amount of any grant under paragraph (1) may not exceed 80 per centum of the cost of the project for which the grant is made unless the project is located in an area determined by the Secretary to be an urban or rural poverty area, in which case the grant may cover up to 100 per centum of such costs.

"(3) There are authorized to be appropriated for grants under paragraph (1) $15,000,000 for the fiscal year ending September 30, 1981, and $15,000,000 for the fiscal year ending September 30, 1982.".

CONFORMING AMENDMENTS

SEC. 202. (a) Part A of title XVI is repealed and parts C, D, E, and F of title XVI are re-

designated as parts A, B, C, and D, respectively.

(b) Part C (as so redesignated) of title XVI is amended by striking out section 1630, by redesignating section 1631 through 1635 as section 1622 through 1626, respectively, and by insering before section 1622 (as so redesignated) the following:

"GENERAL REGULATIONS

"SEC. 1620. The Secretary shall by regulation—

"(1) prescribe the manner in which he shall determine the priority among projects for which assistance is available under part A or B, based on the relative need of different areas for such projects and giving special consideration—

"(A) to projects for medical facilities serving areas with relatively small financial resources and for medical facilities serving rural communities.

"(B) in the case of projects for modernization of medical facilities, to projects for facilities serving densely populated areas,

"(C) in the case of projects for construction of outpatient medical facilities, to projects that will be located in, and provide services for residents of, areas determined by the Secretary to be rural or urban poverty areas.

"(D) to projects designed to (i) eliminate or prevent imminent safety hazards as defined by Federal, State, or local fire, building, or life safety codes or regulations, or (ii) avoid noncompliance with State or voluntary licensure or accreditation standards, and

"(E) to projects for medical facilities which, alone or in conjunction with other facilities, will provide comprehensive health care, including out-patient and preventive care as well as hospitalization;

"(2) prescribe for medical facilities projects assisted under part A or B general standards of construction, modernization, and equipment, which standards may vary on the basis of the class of facilities and their location; and

"(3) prescribe the general manner in which each entity which receives financial assistance under part A or B or has received financial assistance under part A or B or title VI shall be required to comply with the assurances required to be made at the time such assistance was received and the means by which such entity shall be required to demonstrate compliance with such asurances.

An entity subject to the requirements prescribed pursuant to paragraph (3) respecting compliance with assurances made in connection with receipt of financial assistance shall submit periodically to the Secretary data and information which reasonably supports the entity's compliance with such assurances. The Secretary may not waive the requirement of the preceding sentence.

"APPLICATIONS

"SEC. 1621. (a) No loan, loan guarantee, or grant may be made under part A or B for a medical facilities project unless an application for such project has been submitted to and approved by the Secretary. If two or more entities join in a project, an application for such project may be filed by any of such entities or by all of them.

"(b) (1) An application for a medical facilities project shall be submitted in such form and manner as the Secretary shall by regulation prescribe and shall, except as provided in paragraph (2), set forth—

"(A) in the case of a modernization project for a medical facility for continuation of existing health services, a finding by the State Agency of a continued need for such services, and, in the case of any other project for a medical facility, a finding by the State Agency of the need for the new health services to be provided through the medical facility upon completion of the project;

"(B) in the case of an application for a grant, assurances satisfactory to the Secretary that (i) the applicant making the application would not be able to complete the project for which the application is submitted without the grant applied for, and (ii) in the case of a project to construct a new medical facility, it would be inappropriate to convert an existing medical facility to provide the services to be provided through the new medical facility;

"(C) in the case of a project for the discontinuance of a service or facility or the conversion of a service or a facility, an evaluation of the impact of such discontinuance or conversion on the provision of health care in the health service area in which such service was provided or facility located;

"(D) a description of the site of such project;

"(E) plans and specifications therefor which meet the requirements of the regulations prescribed under section 1620(2);

"(F) reasonable assurance that title to such site is or will be vested in one or more of the entities filing the application or in a public or other nonprofit entity which is to operate the facility on completion of the project;

"(G) reasonable assurance that adequate financial support will be available for the completion of the project and for its maintenance and operation when completed, and, for the purpose of determining if the requirements of this subparagraph are met, Federal assistance provided directly to a medical facility which is located in an area determined by the Secretary to be an urban or rural poverty area or through benefits provided individuals served at such facility shall be considered as financial support;

"(H) the type of assistance being sought under part A or B for the project;

"(I) reasonable assurance that all laborers and mechanics employed by contractors or subcontractors in the performance of work on a project will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (40 U.S.C. 276a—276a-5, known as the Davis-Bacon Act), and the Secretary of Labor shall have with respect to such labor standards the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 FR 3176; 5 U.S.C. Appendix) and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c);

"(J) in the case of a project for the construction or modernization of an outpatient facility, reasonable assurance that the services of a general hospital will be available to patients at such facility who are in need of hospital care; and

"(K) reasonable assurance that at all times after such application is approved (i) the facility or portion thereof to be constructed, modernized, or converted will be made available to all persons residing or employed in the area served by the facility, and (ii) there will be made available in the facility or portion thereof to be constructed, modernized, or converted a reasonable volume of services to persons unable to pay therefor and the Secretary, in determining the reasonableness of the volume of services provided, shall take into consideration the extent to which compliance is feasible from a financial viewpoint.

"(2) (A) The Secretary may waive—

"(i) the requirements of subparagraph (D) of paragraph (1) for compliance with modernization and equipment standards prescribed pursuant to section 1620(2), and

"(ii) the requirement of subparagraph (E) of paragraph (1) respecting title to a project site,

in the case of an application for a project described in subparagraph (B) of this paragraph.

"(B) A project referred to in subparagraph (A) is a project—

"(i) for the modernization of an outpatient medical facility which will provide general purpose health services, which is not part of a hospital, and which will serve a medically underserved population as defined in section 1624 or as designated by a health systems agency, and

"(ii) for which the applicant seeks a loan under part A the principal amount of which does not exceed $20,000.".

(c) Part C (as so redesignated) of title XVI is amended by adding at the end thereof the following new section:

"ENFORCEMENT OF ASSURANCES

"SEC. 1627. The Secretary shall investigate and ascertain, on a periodic basis, with respect to each entity which is receiving financial assistance under this title or which has received financial assistance under title VI or this title, the extent of compliance by such entity with the assurance required to be made at the time such assistance was received. If the Secretary finds that such an entity has failed to comply with any such assurance, the Secretary shall report such noncompliance to the health systems agency for the health service area in which such entity is located and the State health planning and development agency of the State in which the entity is located and shall take any action authorized by law (including an action for specific performance brought by the Attorney General upon request of the Secretary) which will effect compliance by the entity with such assurances. An action to effectuate compliance with any such assurance may be brought by a person other than the Secretary only if a complaint has been filed by such person with the Secretary and the Secretary has dismissed such complaint or the Attorney General has not brought a civil action for compliance with such assurance within six months after the date on which the complaint was filed with the Secretary.".

TECHNICAL AMENDMENTS

SEC. 203. (a) Part A (as so redesignated) of title XVI is amended—

(1) by striking out section 1621 and by redesignating sections 1620 and 1622 as sections 1601 and 1602, respectively,

(2) by striking out "section 1622(d)" in subsection (a)(1) of section 1601 (as so redesignated) and inserting in lieu thereof "section 1602(d)", and

(3) by striking out "section 1620(b)(2)" each place it occurs in subsection (d) of section 1602 (as so redesignated) and inserting in lieu thereof "section 1601(a)(2)(B)".

(b) Section 1625 of part B (as so redesignated) is redesignated as section 1610.

(c) Subsection (a)(1) of section 1622 (as so redesignated) is amended by striking out "section 1604" and inserting in lieu thereof "section 1621".

(d) Section 1623 (as so redesignated) is amended by striking out "STATE" in the heading for such section.

(e) Section 1624 (as so redesignated) is amended by striking out paragraphs (1) and (2) and by redesignating paragraphs (3) through (16) as paragraphs (1) through (14), respectively.

(f) Section 1626 (as so redesignated) is amended by striking out "section 1604" and inserting in lieu thereof "section 1621".

(g)(1) Section 1602 (as so redesignated) is amended by adding at the end thereof the following:

"(f)(1) The Secretary may take such action as may be necessary to prevent a default on a loan made or guaranteed under this part or under title VI, including the waiver of regulatory conditions, deferral of loan payments, renegotiation of loans, and the expenditure of funds for technical and consultative assistance, for the temporary payment of the interest and principal on such a loan, and for other purposes. Any such expenditure made under the preceding sentence on behalf of a medical facility shall be made under such terms and conditions as the Secretary shall prescribe, including

the implementation of such organizational, operational, and financial reforms as the Secretary determines are appropriate and the disclosure of such financial or other information as the Secretary may require to determine the extent of the implementation of such reforms.

"(2) The Secretary may take such action, consistent with State law, respecting foreclosure procedures as he deems appropriate to protect the interest of the United States in the event of a default on a loan made or guaranteed under this part or under title VI, including for a reasonable period of time taking possession of, holding, and using real property pledged as security for such a loan or loan guarantee.".

(2) Paragraph (1) of subsection (d) is amended (A) by striking out "and" at the end of subparagraph (D), (B) by striking out the period at the end of subparagraph (E) and inserting in lieu thereof ", and", and (C) by adding after subparagraph (E) the following:

"(F) to enable the Secretary to take the action authorized by subsection (f).".

(3) Paragraph (2) of subsection (d) is amended (A) by striking out "and" at the end of subparagraph (D), (B) by inserting "and" at the end of subparagraph (E), and (C) by adding after subparagraph (E) the following:

"(F) to enable the Secretary to take the action authorized by subsection (f).".

EFFECTIVE DATE

SEC. 204. The amendments made by this title shall take effect October 1, 1979, except that the amendments made by section 201 (b) respecting the payment of an interest subsidy for a loan or loan guarantee made under part A of title XVI of the Public Health Service Act shall apply only with respect to loans and loan guarantees made after October 1, 1979, and with respect to loans and loan guarantees made under such part before such date the Secretary shall continue to pay the interest subsidy authorized for such loans and loan guarantees before such date.

TITLE III—PROGRAM TO ASSIST AND ENCOURAGE THE DISCONTINUANCE OF UNNEEDED HOSPITAL SERVICES

AUTHORIZATION OF PROGRAM

SEC. 301. (a) Title XVI, as amended by title II of this Act, is amended by adding at the end the following new part:

"PART E—PROGRAM TO ASSIST AND ENCOURAGE THE VOLUNTARY DISCONTINUANCE OF UNNEEDED HOSPITAL SERVICES AND THE CONVERSION OF UNNEEDED HOSPITAL SERVICES TO OTHER HEALTH SERVICES NEEDED BY THE COMMUNITY

"ESTABLISHMENT OF PROGRAM

"SEC. 1641. The Secretary shall, by April 1, 1980, establish a program under which—

"(1) grants and technical assistance may be provided to hospitals in operation on the date of the enactment of this part (A) for the discontinuance of unneeded hospital services, and (B) for the conversion of unneeded hospital services to other health services needed by the community; and

"(2) grants may be provided to State Agencies designated under section 1521(b)(3) for reducing excesses in resources and facilities of hospitals.

"GRANTS FOR DISCONTINUANCE AND CONVERSION

"SEC. 1642. (a)(1) A grant to a hospital under the program shall be subject to such terms and conditions as the Secretary may by regulation prescribe to assure that the grant is used for the purpose for which it was made.

"(2) The amount of any such grant shall be determined by the Secretary. The recipient of such a grant may use the grant—

"(A) in the case of a grantee which discontinues the provision of all inpatient hospital services or an identifiable part of a hospital facility which provides inpatient hospital services, for the liquidation of the outstanding debt on the facilities of the grantee used for the provision of the services or for the liquidation of the outstanding debt of the grantee on such identifiable part;

"(B) in the case of a grantee which in discontinuing the provision of an inpatient hospital service converts or proposes to convert an identifiable part of a hospital facility used in the provision of the discontinued service to the delivery of another health service, for the planning, development (including construction and acquisition of equipment), and delivery of the health service;

"(C) to provide reasonable termination pay for personnel of the grantee who will lose employment because of the discontinuance of hospital services made by the grantee, retraining of such personnel, assisting such personnel in securing employment, and other costs of implementing arrangements described in subsection (c); and

"(D) for such other costs which the Secretary determines may need to be incurred by the grantee in discontinuing hospital services.

"(b)(1) No grant may be made to a hospital unless an application therefor is submitted to and approved by the Secretary. Such an application shall be in such form and submitted in such manner as the Secretary may prescribe and shall include—

"(A) a description of each service to be discontinued and, if a part of a hospital is to be discontinued or converted to another use in connection with such discontinuance, a description of such part;

"(B) an evaluation of the impact of such discontinuance and conversion on the provision of health care in the health service area in which such service is provided;

"(C) an estimate of the change in the applicant's costs which will result from such discontinuance and conversion; and

"(D) reasonable assurance that all laborers and mechanics employed by contractors or subcontractors in the performance of work on a project will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (40 U.S.C. 276a—276a-5, known as the Davis-Bacon Act), and the Secretary of Labor shall have with respect to such labor standards the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 FR 3176; 5 U.S.C. Appendix) and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c);

"(E) such other information as the Secretary may require.

"(2)(A) The health systems agency for the health service area in which is located a hospital applying for a grant under the program shall (i) in making the review of the applicant's application under section 1513(e), determine the need for each service or part proposed to be discontinued by the applicant, (ii) in the case of an application for the conversion of a facility, determine the need for each service which will be provided as a result of the conversion, and (iii) make a recommendation to the State Agency for the State in which the applicant is located respecting approval by the Secretary of the applicant's application.

"(B) A State Agency which has received a recommendation from a health systems agency under subaragraph (A) respecting an application shall, after consideration of such recommendation, make a recommendation to the Secretary respecting the approval by the Secretary of the application. A State Agency's recommendation under this subparagraph respecting the approval of an application (i) shall be based upon (I) the need for each service or art proposed to be discontinued by the applicant, (II) in the case of an application for the conversion of a facility, the need for each service which will be provided as a result of the conversion, and (III) such other criteria as the Secretary may prescribe, and (ii) shall be accompanied by the health systems agency's recommendation made with respect to the approval of the application.

"(C) In determining, under subparagraphs (A) and (B), the need for the service (or services) or part proposed to be discontinued or converted by an applicant for a grant, a health system agency and State Agency shall give special consideration to the unmet needs and existing access patterns of urban or rural poverty populations.

"(3)(A) The Secretary may not approve an application of a hospital for a grant—

"(i) if a State Agency recommended that the application not be approved, or

"(ii) if the Secretary is unable to determine that the cost of providing inpatient health services in the health service area in which the applicant is located will be less than if the inpatient health services proposed to be discontinued were not discontinued.

"(B) In considering applications of hospitals for grants the Secretary shall consider the recommendations of health systems agencies and State Agencies and shall give special consideration to applications (i) which will assist health systems agencies and State Agencies to meet the goals in their health systems plans and State health plans, or (ii) which will result in the greatest reduction in hospital costs within a health service area.

"(c)(1) Except as provided in paragraph (3), the Secretary may not approve an application submitted under subsection (b) unless the Secretary of Labor has certified that fair and equitable arrangements have been made to protect the interests of employees affected by the discontinuance of services against a worsening of their positions with respect to their employment, including arrangements to preserve the rights of employees under collective-bargaining agreements, continuation of collective-bargaining rights consistent with the provisions of the National Labor Relations Act, reassignment of affected employees to other jobs, retraining programs, protecting pension, health benefits, and other fringe benefits of affected employees, and arranging adequate severance pay, if necessary.

"(2) The Secretary of Labor shall by regulation prescribe guidelines for arrangements for the protection of the interests of employees affected by the discontinuance of hospital services. The Secretary of Labor shall consult with the Secretary of Health, Education, and Welfare in the promulgation of such guidelines. Such guidelines shall first be promulgated not later than the promulgation of regulations by the Secretary for the administration of the grants authorized by section 1641.

"(3) The Secretary of Labor shall review each application submitted under subsection (b) to determine if the assurances described in paragraph (1) have been provided with the application and if they are satisfactory and shall notify the Secretary respecting his determination. Such review shall be completed within—

"(A) ninety days from the date of the receipt of the application from the Secretary of Health, Education, and Welfare, or

"(B) one hundered and twenty days from such date if the Secretary of Labor has by regulation prescribed the circumstances under which the review will require at least one hundred and twenty days.

If within the applicable period, the Secretary of Labor does not notify the Secretary of Health, Education, and Welfare respecting his determination, the Secretary of Health, Education, and Welfare shall review the application to determine if the applicant has provided the assurances described in

paragraph (1) and if such assurances are satisfactory. The Secretary may not approve the application unless he determines that such assurances have been provided and that they are satisfactory.

"(d) The records and audits requirements of section 705 shall apply with respect to grants made under subsection (a).

"(e) For purposes of this part, the term 'hospital' means, with respect to any fiscal year, an institution (including a distinct part of an institution participating in the programs established under title XVII of the Social Security Act)—

"(1) which satisfies paragraphs (1) and (7) of section 1861(e) of such Act,

"(2) imposes charges or accepts payments for services provided to patients, and

"(3) the average duration of a patient's stay in which was thirty days or less in the preceding fiscal year,

but such term does not include a Federal hospital or a psychiatric hospital (as described in section 1861(f)(1) of the Social Security Act).

"GRANTS TO STATES FOR REDUCTION OF EXCESS HOSPITAL CAPACITY

"SEC. 1643. (a) For the purpose of demonstrating the effectiveness of various means for reducing excesses in resources and facilities of hospital (referred to in this section as 'excess hospital capacity'), the Secretary may make grants to State Agencies designated under section 1521(b)(3) to assist such Agencies in—

"(1) identifying (by geographic region or by health service) excess hospital capacity,

"(2) developing programs to inform the public of the costs associated with excess hospital capacity,

"(3) developing programs to reduce excess hospital capacity in a manner which will produce the greatest savings in the cost of health care delivery,

"(4) developing means to overcome barriers to the reduction of excess hospital capacity,

"(5) in planning, evaluating, and carrying out programs to decertify health care facilities providing health services that are not appropriate, and

"(6) any other activity related to the reduction of excess hospital capacity.

"(b) Grants under subsection (a) shall be made on such terms and conditions as the Secretary may prescribe.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 1644. To make payments under grants under sections 1642 and 1643 there are authorized to be appropriated $30,000,000 for the fiscal year ending September 30, 1980, $50,000,000 for the fiscal year ending September 30, 1981, and $75,000,000 for the fiscal year ending September 30, 1982, except that in any fiscal year not more than 10 percent of the amount appropriated under this section may be obligated for grants under section 1643.".

(b) Section 1624 is amended by striking out "For purposes of this title" and inserting in lieu thereof "Except as provided in section 1642(f), for purposes of this title".

STUDY

SEC. 302. The Secretary of Health, Education, and Welfare shall conduct a study of the effect on the elimination of unneeded hospital services made during the two fiscal year period ending September 30, 1981, by the program authorized by part E of title XVI of the Public Health Service Act. The Secretary shall not later than January 1, 1982, report the results of the study to Congress together with his recommendations for any revisions in the program under such part E which he determines to be appropriate, including any revision in the authorizations of appropriations for grants under such program.

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the bill and agree to the same.

HARLEY O. STAGGERS,
HENRY A. WAXMAN,
DAVID SATTERFIELD,
RICHARDSON PREYER,
JAMES T. BROYHILL,
TIM LEE CARTER,
Managers on the Part of the House.

EDWARD KENNEDY,
HARRISON A. WILLIAMS, Jr.,
GAYLORD NELSON,
ALAN CRANSTON,
CLAIBORNE PELL,
RICHARD S. SCHWEIKER,
JACOB K. JAVITS,
ORRIN G. HATCH,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 544) to amend titles XV and XVI of the Public Health Service Act to revise and extend the authorities and requirements under those titles for health planning and health resources development, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate recedes from its disagreement to the amendment of the House to the title of the bill.

The House amendment to the text of the bill struck out all of the Senate bill after the enacting clause and inserted a substitute text.

The Senate recedes from its disagreement to the amendment of the House with an amendment which is a substitute for the Senate bill and the House amendment. The differences between the Senate bill, the House amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

TITLE I—REVISION OF HEALTH PLANNING AUTHORITY

REVISION AND REPORTING ON NATIONAL GUIDELINES FOR HEALTH PLANNING

Reporting on health planning

The House amendment contains a provision, not included in the Senate bill, which requires the Secretary of the Department of HEW to review on an annual basis the goals and standards established as part of the National Guidelines for Health Planning. In carrying out this review, the plans developed at the State and areawide level should be reviewed and used as a basis for revising existing or developing new goals or standards. The Secretary is also required to collect data to determine whether the health care delivery systems are changing to meet the standards and goals included in the Guidelines and the resources required to meet the goals. The Secretary shall rely on the health systems agencies, the State health planning and development agencies and other entities to assemble and report such data. The Secretary is also required periodically to make a public statement about the goals contained in the health systems plans and the State health plans and to summarize the resources required to meet them (section 101 (a) and (b)).

The conference substitute conforms to the House amendment except that the Secretary may collect data to determine whether the health care delivery systems meet or are changing to meet the goals contained in HSA and state health plans (section 101(a) and (b)).

The conferees encourage the Secretary to actively pursue the collection of data under this section so that the federal government may better benefit from the planning which takes place at the local and state levels.

CONSULTATION REQUIREMENTS

The House amendment contains a provision, not included in the Senate bill, which requires the Secretary to consult with various groups at least 45 days prior to initial publication or revision of the National Health Planning Guidelines (section 101(a)).

The conference substitute conforms to the House amendment (section 101(a)).

UNIQUE NEEDS OF MEDICALLY UNDERSERVED POPULATIONS

The Senate bill contains a provision, not included in the House amendment, which requires the standards promulgated as part of the National Health Planning Guidelines to reflect the unique circumstances and needs of medically underserved populations including isolated rural communities (section 101(c)).

The conference substitute conforms to the Senate bill (section 101(a)).

NATIONAL HEALTH PRIORITIES; NATIONAL COUNCIL ON HEALTH PLANNING AND DEVELOPMENT

Purpose of act

The Senate bill contains a provision, not included in the House amendment, which amends the Congressional findings established in P.L. 93-641. It states that lack of effective coordination between the mental health care system and physical health care system, their providers and planners, have promoted fragmentation, lack of continuity, and inappropriate utilization of the Nation's health care resources. It also finds that there has been a lack of attention to and emphasis on the behavioral aspects of physical health care and status (section 151).

The conference substitute conforms to the House amendment.

National health priorities

The Senate bill contains a provision which adds to the National health priorities the promotion of those health services which are provided in a manner cognizant of the emotional and psychological components of the prevention and treatment of illness and the maintenance of health (section 151).

The House amendment adds to the national health priorities the following: the discontinuance of duplicative or unneeded services and facilities, and the adoption of policies that will (a) contain rapidly rising costs of health care delivery, (b) insure more appropriate use of health care services and (c) promote greater efficiency in the health care delivery system. It also establishes priority for the development and use of cost saving technology.

The conference substitute, as a compromise, includes the priorities in the Senate bill and the House amendment (section 102(a)).

NATIONAL COUNCIL MEMBERSHIP SIZE AND REPRESENTATION

The Senate bill contains a provision, not included in the House amendment, which expands the size of the National Council on Health Planning and Development from 15 to 20 members; adds the Assistant Secretary for Rural Development of the Department of Agriculture as a non-voting ex-officio member; and provides that not less than 8 of the members shall be persons who are not providers of health services including individuals who are members of urban and rural medically underserved populations (section 101(a)).

The Conference substitute conforms to the Senate bill with a modification that the Council shall include individuals who repre-

sent urban and rural medically underserved populations (section 102(b)).

Hospital Representation on the National Council

The House amendment contains a provision, not included in the Senate bill, which requires that at least one member of the Council be an administrator of a private hospital (section 102(b)).

The Conference substitute conforms to the House amendment by requiring that at least one member of the Council be a representative of a hospital (section 102(b)).

THE ROLE OF COMPETITION IN THE ALLOCATION OF HEALTH SERVICES

Role of competition in health planning

The Senate bill amends the national priorities for health planning by adding consideration of the strengthening of competitive forces in the health services industry where competition and consumer choice can constructively serve to advance the purpose of quality assurance and cost effectiveness. It adds to the purpose of health systems agencies the preservation and improvement of competition in the health service area. Review criteria are modified by requiring consideration of less costly alternatives that are consistent with consumer preferences and that review criteria pertaining to the relationship of services reviewed to the existing health care system take into account the need to maintain and improve competitive conditions. The Senate bill also establishes additional criteria for HSA and State agency reviews pertaining to improvements or innovations in the financing and delivery of health services which foster competition and serve to promote quality assurance and cost effectiveness (section 154).

The House amendment makes congressional findings that extensive coverage by health insurance, particularly of inpatient health services, and the prevailing methods of paying for health services through health insurance have (1) resulted in decisions being made respecting the use of health services without regard to price, (2) diminished the effect of market forces on decisions respecting the supply of health services, and (3) consequently have encouraged duplication and excess supply of health resources. For health services such as institutional health services, for which market forces do not or will not appropriately allocate supply, the House bill would require HSA's and SHPDA's to take actions to allocate the supply of health services. For health services for which market forces appropriately allocate or will appropriately allocate supply, HSA's and SHPDA's would be required to give priority to actions which will strengthen the effect of market forces. The amendment adds to an HSA's purpose the strengthening of the effects of market forces in cases where they can appropriately allocate the supply of health services. It also amends review criteria by requiring that HSA's, SHPDA's and SHCC's consider the effect of market forces on supply and demand in their project review activities.

The conference substitute as a compromise includes findings which make it clear that for health services, such as inpatient health services and other institutional health services for which competition does not or will not appropriately allocate supply consistent with the plans of health planning agencies, the agencies should perform their functions to allocate the supply of those services where appropriate to advance the purposes of quality assurance, cost effectiveness, and access and the other purposes of title XV. For health services for which competition appropriately allocates supply consistent with the agency's plans, the HSA and State agency should in the performance of their functions give priority (where appropriate to advance the purposes of quality assurance, cost effectiveness, access and the other purposes of title XV) to actions which will strengthen the effect of competition on the supply of those services. The compromise adds to the HSA's purposes, preserving and improving, in accordance with new section 1502(b), competition in the health service area. Two new review criteria are also established in section 1532(c). First, in accordance with new section 1502(b), the agency should consider the factors which affect the effect of competition on the supply of the health services being reviewed. Second, the planning agency should consider improvements or innovations in the financing and delivery of health services which foster competition in accordance with new section 1502(b), and serve to promote quality assurance and cost effectiveness.

DESIGNATION OF HEALTH SERVICE AREAS

Area redesignation

Existing law provides that the Secretary shall review on a continuing basis and at the request of any Governor or designated health systems agency the appropriateness of the boundaries of established health service area, and if he determines that the boundary for a health service area no longer meets the requirements for area designation, he may revise the boundary.

The requirements provide that:

1. The area shall be a geographic region appropriate for effective planning and development of health services;

2. To the extent practical, the area shall include at least one center for the provision of highly specialized health services;

3. The area shall have a population of not less than 500,000 or more than 3,000,000 except in certain circumstances;

4. To the maximum extent feasible, the boundaries of thearea shall be appropriately coordinated with the boundaries of professional standards review organizations, existing regional planning areas and State planning and administrative areas;

5. The boundaries shall be established so that the economic or geographic barriers to receive those services in nonmetropolitan areas are taken into account;

6. Boundaries shall be established to recognize differences in health planning and health services development needs between metropolitan and nonmetropolitan areas; and

7. Each standard metropolitan statistical area shall be entirely within the boundaries of one health service area, except that if the Governor of each State in which the standard metropolitan statistical area is located determines, with the approval of the Secretary, that in order to meet the other requirements of the subsection, the health service area should contain only a part of the standard metropolitan statistical area.

The Senate bill directs the Secretary to review on his own initiative or at the request of any Governor or health system agency (HSA), the boundaries of a health service area and to redesignate those boundaries if he finds that they no longer meet the requirements of section 1511(a) or if the boundaries for the revised health service area meet the requirements of section 1511(a) in a significantly more appropriate manner in terms of the efficiency and effectiveness of health planning efforts. This bill also amends the various consultation requirements required prior to an area redesignation and requires the Secretary by January 1, 1980 to establish by regulation criteria for the revision of health service area boundaries (section 102).

The House amendment provides that the Secretary may redesignate areas if the Secretary determines the area no longer is the geographic region appropriate for effective planning and development of health services and that the proposed revision of the boundaries of the health services area would establish a region appropriate for effective planning and development and would meet at least one other of the area designation requirements (section 104(a)).

The conference substitute conforms to the Senate amendment, however, area redesignation criteria would have to be published within one year of enactment (section 104(a)).

The conferees wish to emphasize that a health service area boundary should be altered only when absolutely necessary and only after the Secretary balances the cost of redesignation (in terms of disruption to the health planning process, nonproductive changes in the governing body membership or erosion of local support for health planning) against any potential benefits from such redesignation. The conferees expect that area redesignation will occur only in those circumstances where there is no doubt that positive benefit will accrue for health planning in the area.

Entities eligible under section 1536

The House amendment contains a provision, not included in the Senate bill, which adds the Commonwealth of Puerto Rico to the States and territories that fall under the provisions of section 1536. That section that no health service area or health systems agency be established and permits the State agency to perform the functions of the HSA (section 104(c)).

The conference substitute conforms to the House amendment (section 104(c)).

Area designation for interstate standard metropolitan statistical areas

The Senate bill contains provision, not included in the House amendment, which would change existing law to permit the Governor of a State, which contains a health service area including part of an interstate standard metropolitan statistical area to recommend that the area be broken up in order to meet the other designation criteria (section 101(b)). Existing law requires that the Governor of each State in which a standard metropolitan statistical area is located determine that a split is necessary.

The conference substitute conforms to the House amendment. The conferees note that one of the most important criteria for the designation of health service areas is that a standard metropolitan statistical area not be divided. In any redesignation of health service areas the conferees expect the Secretary to give considerable weight to this criteria.

DESIGNATION OF HEALTH SYSTEM AGENCIES

Governor and SHCC involvement in agency designations

The Senate bill provides that in considering applications for HSA designations, the Secretary shall give priority to any application which has been recommended by a Governor or a SHCC for approval (section 127 (d) and (e)).

The House amendment provides that the Secretary shall give priority to any application which has been recommended for the approval by the Governor (section 105).

The conference substitute conforms to the Senate bill (section 105 (a) and (b)).

Consultation with National Council on Agency Termination

The House amendment contains a provision, not included in the Senate bill, which requires the Secretary to consult with the National Council on Health Planning and Development prior to terminating or failing to renew an HSA or State agency designation (section 105(d) and section 122(g)).

The conference substitute conforms to the House amendment (section 105(d), section 123(b)).

Assistance to entities desiring to become HSA's

The Senate bill contains a provision, not included in the House amendment, which

requires the Secretary to provide technical assistance to entities desiring to become HSA's (section 125).

The conference substitute conforms to the Senate bill (section 105(f)).

Limits on designated agencies

The Senate bill would allow the Secretary to return an HSA to conditional designation status for one year if the agency's operation and performance of its functions has not been fulfilled in a satisfactory manner (section 127).

The House amendment provides that if the Secretary determines that an HSA does not continue to meet requirements of the Act, the Secretary may renew a designation agreement for such agencies under such conditions as the Secretary determines appropriate (section 105).

The conference substitute conforms to the Senate bill (section 105(h)).

Periodic review of performance

The Senate bill contains a provision, not included in the House amendment, which provides that the Secretary shall consider the comments submitted by any interested person when making reviews of the performance of health systems agencies and State agencies (section 150).

The conference substitute conforms to the House amendment.

PLANNING GRANTS

Minimum grants

The Senate bill increases the minimum grant which an HSA must receive to a level of $250,000 for fiscal year 1980; $270,000 for fiscal year 1981; and $290,000 in any succeeding fiscal year (section 129).

The House amendment provides that an HSA may not receive less than $200,000 for fiscal year 1980; $215,000 for fiscal year 1981; and $230,000 in any succeeding year (section 106).

The conference substitute as a compromise specifies that an HSA may not receive less than $225,000 in fiscal year 1980; $245,000 in fiscal year 1981; and $265,000 in each succeeding year (section 106).

Funding formula

The House amendment contains a provision, not included in the Senate bill, which modifies the existing HSA formula to provide that an HSA receive $.70 per capita for its first million population, $.50 per capita for its section million population or part thereof, and $.30 per capita for any population over two million. However, if the Secretary determines that the amount provided by the formula is not needed by the agency, the amount of the grant may be reduced (section 106(a)).

The conference substitute as a compromise specifies that an HSA should receive an amount equal to $.60 per capita.

If the formula yields an amount which is not needed by the Agency to adequately perform its functions, the amount of the grant may be reduced by the Secretary following a hearing (section 106).

Extraordinary expenses

The Senate bill allows the Secretary to increase the funding levels of health systems agencies to recognize any extraordinary expenses including, but not limited to, expenses resulting from the agency's health service area being located in more than one State, from the agency serving a large urban and rural medically underserved population or a large health service area and expenses due to the development of innovative planning techniques. Up to 5% of the total amount appropriated could be used for this purpose (section 129).

The House amendment provides that the Secretary may use up to 5 percent of the amount appropriated to assist an agency in meeting extraordinary expenses including extraordinary expenses resulting from the agency's service area being located in more than one State or from the agency's serving a large health service area (section 106(b)).

The conference substitute conforms to the Senate bill. (section 106(b)).

In authorizing this discretionary funding of HSA's to meet certain extraordinary expenses, conferees are cognizant that immediate or full implementation of this authority could result in some HSA's initially receiving less funds in fiscal year 1980 than they had in fiscal year 1979. Full implementation of this authority should be dependent on the availability of additional HSA funding in fiscal year 1980 which would not necessitate reductions in the per capita funding of HSA's.

MEMBERSHIP REQUIREMENTS

Labor organizations

The Senate bill clarifies provisions of existing law that major purchasers of health care include, but are not limited to, unions and corporations (section 110).

The House amendment clarifies that the requirement to include major purchasers of health care on an HSA governing body includes labor organizations (section 108(d)).

The conference substitute conforms to the Senate bill (section 108(d)).

Representation of medical schools

The House amendment contains a provision, not included in the Senate bill, which adds to the categories of providers in section 1512(b)(c)(ii) (1) the dean of at least one school of medicine in the area (section 108(a)(2)).

The conference substitute conforms to the Senate bill (section 108(a)(2)).

Mental health representation

The Senate bill strikes out health care in each place that it occurs and inserts in lieu thereof health or mental health care in both sections 1512(b)(3)(c) and 1531(3) (section 113(b)).

The House amendment modifies the HSA governing board membership to include (through consumer and provider members) individuals who are knowledgeable about mental health services (including services for substance abuse) (section 108).

The conference substitute as a compromise includes the House provision and establishes a reference to health which includes physical and mental health (section 126).

In changing the law with respect to mental health representation, the conferees expect each health systems agency to solicit the active involvement on their governing board and committees of persons knowledgeable about mental health services, including services for alcohol and drug abuse. This is particularly important given other changes in the bill which emphasize that mental health goals are to be included within the health systems plan. Because of the importance of mental health, drug abuse, and alcoholism issues, the conferees feel that it is important that at least one provider and one consumer member of the HSA board be knowledgeable about these services.

Medicine and osteopathy

The Senate bill contains a provision, not included in the House amendment, which clarifies that the term physician includes both doctors of medicine and osteopathy (section 112).

The conference substitute conforms to the House amendment although a definition of physician is added to the law (section 126).

Non-professional health worker

The Senate bill contains a provision, not included in the House amendment, which broadens requirements pertaining to an HSA governing body by adding non-professional health workers to the provider categories (section 113).

The conference substitute conforms to the House amendment.

Alcohol and drug abuse

The Senate bill contains a provision, not included in the House amendment, which strikes the word "substance" and inserts in lieu thereof "alcohol and drug" in section 1512(b)(3) and section 1531 (section 113).

The conference substitute conforms to the Senate bill (section 108).

Direct providers

The House amendment contains a provision, not included in the Senate bill, which requires that at least one half of the providers shall be direct providers and at least one of them shall be engaged in the administration of hospitals (108(a)(3)).

The conference substitute conforms to the House amendment (section 108).

Broadly represented HSA board

The House amendment contains a provision, not included in the Senate bill, that modifies existing law by requiring that the consumer members of an HSA governing body be broadly representative of the health service area and include individuals representing the principal social, economic, linguistic, handicapped, and racial populations in geographic areas of the health service area and major purchasers of health care (section 108(a)).

The conference substitute conforms to the House amendment (section 108(a)). The conferees emphasize that, the consumer member are to be "broadly representative" of the health service area. Several different approaches in insuring meaningful involvement in HSA decisions by all segments of society are permissible. However, it was not the intent of the Congress in enacting this provision to mandate a quota system requiring the selection of representatives of a particular category strictly proportionate to its representation in the population of the area or to require that representatives of a category be members of the class they represent. Instead, the Congress intended, in implementation of this requirement, that health systems agencies have the flexibility to adopt selection processes most appropriate to local needs.

The conferees note that there has been some confusion about the qualifications necessary to be a representative of a specific population. Such qualification would include membership in the population group, or selection by members of the group.

The Congress received considerable evidence, which indicated that the broadly representative requirement for the consumer members of HSA governing bodies is not being met particularly with regard to low and moderate income persons. The conferees expect that HEW will now move rapidly to issue regulations concerning this and other governing body requirements in this legislation.

Local elected official participation

The Senate bill requires that HSA's must include public elected officials and other representatives of units of general purpose local government on their governing bodies. In the latter case individuals would have to be appointed by a unit of general purpose government or a combination thereof. In a case of a single State health service area, the State government of the State would be deemed a unit of general purpose local government for the purposes of this provision (section 107(b)).

The House amendment clarifies the requirement that public elected officials and other representatives of general purpose local government are required to be included in the membership of the health systems agency governing body (section 108(b)).

The conference substitute conforms to the Senate bill (section 108(b)).

Definition of provider of health care

The Senate bill modifies the definition of provider of health care by providing that

an individual shall not be considered an indirect provider of health care solely because he is a member of a governing body of an entity engaged in the provision of health care or in research or in instruction or engaged in producing drugs or other articles. The Senate bill also strikes the word "substance" and inserts in lieu thereof "alcohol and drug" (section 141).

The House amendment revises the definition of provider of health care by deleting the notion of indirect provider. Deleted from the existing definition of provider are the following: (1) board members of voluntary health organizations who do not have as their primary purpose the delivery of health care, the conduct of research or the conduct of health professional instruction; and (2) the immediate family of a provider with the exception of the providers spouse. The income test for a provider is changed from one-tenth to one-third (section 108).

The substitute as a compromise includes the Senate and House provisions with the exception of the deletion of the immediate family of a provider from the definition of a provider, and a change in the income test for a provider from one-tenth to one-fifth (section 108(d)).

Waiting period for providers

The Senate bill contains a provision to remove the stipulation that consumers on HSA boards cannot have been providers of health care within the 12 months preceding the appointment (section 110).

The House amendment includes a similar provision although it applies only to indirect providers (section 108(d)).

The conference substitute conforms to the Senate bill (section 108(d)).

Veterans' Administration participation

The Senate bill clarifies that "ex officio" means non-voting when referring to the ex-officio members of a health systems agency governing body (section 114(b)).

The House amendment provides that the representative of the Veterans' Administration shall not be included in determining the numerical limits of an HSA, i.e., an HSA required to have a VA representative can have a 31 member governing body (section 108(b)(3)).

The conference substitute as a compromise contains both the provisions of the Senate bill and the House amendment (section 108(b)(3)).

CONSUMER MAJORITY ON COMMITTEES

The Senate bill provides that a majority of the members of any HSA subcommittee or group, must be consumers of health or mental health care (Section 115). It also deletes the requirement that all committees meet the other representational requirements and deletes the phrase "of its members".

The House amendment provides that appointments will be made to HSA subcommittees and groups in such a matter that a majority of their members shall be consumers of health care (section 108(e)).

The conference substitute as a compromise conforms to the House amendment and includes the Senate provision which makes it clear that other than governing body members can serve on the HSA's committees (section 108(e)).

GOVERNING BODY SELECTION

The Senate bill sets forth guidelines for the process to be used by the HSA in selecting members of its governing body and subarea councils. That selection process should assure that members are selected in accordance with the compositional requirements of the Act, that there is opportunity for broad participation by the residents of the health service area, that such participation will be encouraged and facilitated, and that HSA governing body members do not select other members of the governing body. The selection process is to be made public and reported to the Secretary (section 106).

The House amendment contains a similar provision except that any required change in the selection process would have to be made only to the extent permitted by the State law applicable to the incorporation of the agency and the existing members would not be prohibited from selecting new members of the governing body (section 109).

The conference substitute requires that one-half of the members of the governing body be selected by other than the existing members of the governing body. It also provides that if the subarea council is authorized to select or selects one or more members of the governing body of the health systems agency, then one-half of the members of the subarea council must be selected by other than the existing members of the subarea council (section 109).

The conferees express particular concern about testimony concerning the process through which consumer and provider representatives are selected to HSA governing bodies. The present law allows an HSA governing body to be self-selected. The conferees are concerned as a result these agencies, which are supposed to be open and accessible can become closed with a self-perpetuating board providing policy direction unsupported by the general public. The conferees view such a prospect with concern and have thus adopted this provision which will prohibit self-perpetuation.

RESPONSIBILITIES OF GOVERNING BODIES

Public HSA responsibilities

The Senate bill provides that an HSA that is a public regional planning body or a unit of local government shall not be required to delegate to the separate governing body for health planning the exclusive authority to appoint and with cause remove members of the governing body for health planning, establish personnel rules and practices for staff or approve the agency's budget or any combination of these activities (section 107(a)).

The House amendment provides that when a health systems agency is a public regional planning body or a unit of local government, the public board shall be responsible for the establishment of personnel rules and practices for the staff of the agency and for the agency's budget unless the governing body for health planning is specifically authorized to perform these functions. It also provides for the public board to appoint the members of the separate governing body for health planning. The House amendment in addition specifies that when an HSA elects to have a governing body of more than 30 members and establishes an executive committee that has authority to take action for the board, then the executive committee shall be composed of not less than 10 members, or more than 30 members. Existing law limits the committee to 25 members (section 110(a) and (b)).

The conference substitute conforms to the House amendment (section 110(a) and (b)).

Liability

The Senate bill amends existing law to revise and broaden the scope of protection against personal liability for money damages and to provide protection for consultants and agents of the HSA, as well as members and employees. The bill provides that no such individual will be considered liable if the individual believed he or she was acting within the scope of official duties and acted without gross negligence or malice toward any person affected by it. The Senate bill also extends the same protection against personal liability suits to SHCC members, employees, consultants, and agents (section 116).

The House amendment clarifies the immunity from liability for money damages for HSA board members and employees and extends the immunity to the HSA. An exception to this immunity is established for civil actions for bodily injury to individuals or physical damage to property (section 110(d)).

The conference substitute includes both the Senate bill and the House amendment although the Senate provision extending immunity to consultant or agents of HSAs or SHCCs is not included (section 110(d)).

Plan development in a public HSA

The House amendment contains a provision, not included in the Senate bill that provides that in the case of a health systems agency such as a public regional planning body or a unit of general local government, the planning body or unit of government shall only be given a reasonable opportunity to comment on the health systems plan and annual implementation plan proposed by the governing body and to propose additions to and other revisions in it. It further provides that any such proposed additions or revisions not included in the plan by the agency shall be appended to the plan. This provision would not affect the authority over the plan of the four existing HSA's which are units of local government (section 115(g)).

The conference substitute conforms to the House amendment which would allow four existing HSA's which are units of local government (those serving Montgomery County, the City of Chicago, Santa Clara County, and the Navajo Nation) to review and approve the health systems plan and the annual implementation plan. All other public HSA's would be given a reasonable opportunity to comment on the health systems plan and annual implementation plan proposed by the separate governing body for health planning and to propose additions to and other revisions in it. The separate governing body for health planning of all public health systems agencies including the four HSA's (designated above) which are units of local government, shall have exclusive authority to perform all the other functions described in section 1513 (section 110(e)).

The conferees note that the purpose of this substitute is to permit the effect of the decision in *Montgomery County, Md. v. Califano*, 449 F.Supp. 1230 (1978) to continue only with regard to review and approval of the health systems plan and annual implementation plan by the four existing HSA's (designated above) which are units of local government.

Prohibition against lobbying

The House amendment contains a provision which provides that none of the funds authorized under Titles XV and XVI shall be directly or indirectly used to pay for the personal services of individuals intended to influence executive orders or legislation (section 110).

The conference substitute as a compromise provides that no funds may be used by health systems agencies directly to pay any individual to influence executive orders or regulations or legislation. The prohibition, however, does not apply with respect to compensation paid by a health systems agency to an employee of the agency unless the primary responsibility of the employee is to influence such governmental action (section 110(f)).

This provision was adopted to prohibit an HSA from hiring or contracting with an individual to lobby. The conferees, however, recognize that HSA staff and board members have a right to represent their agency's view before both executive and legislative branches. This amendment is not intended to, in any way, to alter that right.

The conferees also wish to make it clear that the substitute does not prohibit an HSA from joining a tax-exempt organization,

such as the American Health Planning Association, which might lobby consistent with its tax-exempt status.

MEETINGS AND RECORDS

The Senate bill would amend existing law to exclude from the open meeting requirement meetings or portions of meetings called to discuss the performance or remuneration of an HSA employee which, if public, would constitute a clearly unwarranted invasion of personal privacy of such individual. The bill extends similar scope of protection to HSA and State personnel records and data including restrictions on the Secretary's access to such records and data (section 109).

The House bill amends existing law to provide that the health systems agency is not required to conduct in public those portions of business meetings that deal with information of a personal nature the disclosure of which would constitute a clearly unwarranted invasion of personal privacy or, information relating to the agency's participation in a judicial proceeding. Similar provisions would apply to the agency's data and records. The House amendment provides that the State agency is to conduct its business meetings in public and make records and data available in accordance with State law. Similar provisions to insure openness in the health planning process are added in regard to an agency's executive committee (section 111).

The conference substitute as a compromise provides that HSAs and State agencies are to hold their meetings in public, except that any part of a meeting may be closed if the governing body or State agency determines that information respecting the performance or remuneration of an employee of the agency will be disclosed and such disclosure would constitute a clearly unwarranted invasion of personal privacy of that employee, or that information relating to an agency's participation in a judicial proceeding would be disclosed. Similarly, HSAs and State agencies would be required to make available, upon request, to the public all their records and data except for personnel and medical files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy, and records or data relating to their participation in a judicial proceeding (section 111).

SUPPORT AND REIMBURSEMENT FOR MEMBERS OF GOVERNING BODIES

Support for governing body members

The House amendment contains a provision, not included in the Senate bill, which requires that each health systems agency have an identifiable program to provide assistance to the members of its governing body and committees including a means to define the support needs of the members and to provide the members with the support, training, and continuing education which is needed (section 112(a)).

The conference substitute conforms to the House amendment (section 112(a)).

Reimbursement for members of governing bodies

The Senate bill modifies existing law to allow HSA's when appropriate to make advances to HSA members for their reasonable costs incurred in attending meetings and performing other needed functions of the health systems agency (section 108).

The House amendment provides that the HSA, where appropriate, can make advances to the Board members for the reasonable costs incurred in attending meetings in the governing bodies (section 112(b)).

The conference substitute conforms to the Senate bill (section 112(b)).

Governing body staff support

The Senate bill provides that at least one member of the staff should be designated as having the responsibility to provide the consumer members of the governing body with such assistance as they may require to effectively perform their functions (section 105(c)).

The House amendment has a similar provision although the designated staff member would be responsible for providing assistance to both consumer and provider members of the governing body (section 112(c)).

The conference substitute conforms to the House amendment except that it provides that the staff assistance is particularly for the consumer members (section 112(c)).

The conferees have adopted this addition to the House amendment because consumers generally have less familiarity with health care issues and medical practices than provider members of the board and thus in many instances may require special staff assistance.

CONFLICTS OF INTEREST

The Senate bill provides that each health systems agency and Statewide health coordinating council (SHCC) shall adopt procedures to insure that no member, employee, consultant or agent participates in any matter regarding any person, institution, organization or other entity with which he or she has had in the past three years substantial direct or indirect employment, fiduciary, competitive, medical staff, or ownership or financial interest (section 104 (a) and (b)).

The House amendment provides that no member of the governing body or its subunits may vote on project reviews regarding an individual or entity with which such member has any substantial ownership, employment, fiduciary, contractual, creditor, or consultative relationship. It also requires adequate disclosure of any such conflict of interest in relationship to any matter before the HSA. Similar requirements are added for members of the Statewide health coordinating council (section 113 (a) and (b)).

The conference substitute as a compromise conforms to the House amendment with the addition of medical staff relationships and a one year period during which a member may not have had a conflict of interest (section 113).

STAFF EXPERTISE

The Senate bill requires HSA staff to have expertise in financial and economic analysis, public health and disease prevention, mental health planning and development, and the use of mental health resources. It further provides that to the extent practical HSA's must have staff meeting these and other requirements. It also clarifies that the functions of planning and of development of health resources include mental health resources (section 105(a) and (b)).

The House amendment adds expertise in both financial and economic analysis and the prevention of disease and other public health matters to the list of expertise which should be present, to the extent feasible, in a health systems agency staff (section 114).

The conference substitute as a compromise adds expertise in both financial and economic analysis, the prevention of disease and other public health matters to the list of expertise that must be present on the health systems agency staff. It also clarifies that expertise in health planning includes mental health planning just as references to health resources include mental health resources (section 114).

HEALTH PLAN REQUIREMENTS

Health plan format

The Senate bill provides that the SHCC shall establish (in consultation with the HSA's within the State and the State Agency) a uniform format for health systems plan and annual implementation plans. It also requires the HSA to develop its plan in accordance with the format prescribed (section 138).

The House amendment provides that the SHCC shall establish a uniform format for health systems plans and require that the HSA develop its plan in accordance with that format (section 115 (a) and (b)).

The conference substitute conforms to the Senate bill (section 115(a)).

Planning agencies involvement in environmental health issues

Both the Senate bill and the House amendment contain a provision which provides that a health systems plan's goals relating to the description of a healthful environment are to be concerned "primarily with regard to health care equipment, and health services provided by health care institutions, health care facilities, and other providers of health care and health resources" (section 115(b)).

It is the intent in adding this provision to encourage health systems agencies to focus their energies on issues directly relating to health planning and resources development.

The conferees intend, however, that this provision not prevent an HSA from involving itself in improving the environment which impacts on health. In fact, the conferees expect that this bill will expand and enhance the role of disease prevention activities (particularly involvement in environmental, occupational, nutritional health programs) in the health planning and implementation process. It is expected that HSA's and State health planning agencies will focus greater attention, personnel, and resources on identifying and correcting preventable diseases and conditions. Too little effort has been directed at disease prevention under health planning legislation in the past.

At the same time, the conferees recognize that in many areas environmental, occupational, nutritional health programs are presently in existence. In such cases, it is not the conferees intent to require duplication of effort by health planning agencies. Health planning agencies should be actively involved in identifying problems and unmet needs in existing disease prevention programs. The planning agency should identify the consequences to the health of its areas citizens and the impact on rising costs of the failure to address adequately environmental health problems. It should serve as a catalyst for action to improve public health in such circumstances.

Mental health and the HSP

The Senate bill requires the health systems plan to include an identifiable alcohol abuse, drug abuse and mental health component and to address specifically the needs of all medically underserved populations in the health service area (section 119(c)).

The House amendment requires that the HSP include goals for the delivery of mental health services in its health service area which goals shall be developed under a procedure through which persons knowledgeable about such services will be consulted (section 115(b)).

The conference substitute conforms to the House amendment (section 115(b)).

The conferees expect that the goals and related resources requirements for mental health and drug abuse and alcoholism services will be integrated into the health systems plan by an HSA. While an HSA may desire to have separate sections of the plan dealing with these issues, it is not required to do so. The conferees realize that the manner in which the health goals are included in the plan will vary from agency to agency and will depend in large part on the taxonomy with which an HSA is viewing the health system and in turn developing its plan.

Statewide health needs

The House amendment contains a provision not included in the Senate bill, which requires the State health planning and development agency to determine the health needs of the State which are statewide and requires the health systems plan to be developed in a way which is responsive to those statewide health needs. In determining statewide health needs, recommendations are to

be sought from the State health authority, State mental health authority and other agencies in State government and the Statewide Health Coordinating Council (section 115(c)).

The conference substitute conforms to the House amendment (section 115(c)).

Coordination of health and mental health planning

The Senate bill requires that the preliminary State health plan include an indentifiable alcohol abuse, drug abuse and mental health component to be prepared by the respective alcoholism, drug abuse and mental health authorities designated by the Governor.

The alcohol abuse, drug abuse and mental health components of the HSP's submitted by the HSA's for inclusion in the State Health Plan may, if found necessary by the respective State authorities, contain revisions of such components to achieve their appropriate coordination or to deal more effectively with Statewide alcohol abuse, drug abuse, and mental health needs. The remainder of such preliminary State plan, may, if found necessary by the State Agency, also contain revisions of such HSP's to achieve their appropriate coordination or to deal more effectively with Statewide health needs. The preliminary State plan is submitted to the SHCC for approval or disapproval and for use in developing the final State health plan (section 135(b)).

The House amendment requires the State Agency to refer the HSP's to the State health authority, the State mental health authority and other agencies of State government designated by the Governor to review the goals and related resource requirements of the HSP's and to make written recommendations to the State Agency respecting such goals and requirements. If the State Agency does not take one of the actions proposed in a recommendation submitted under this procedure, the State Agency will make available to the public a written statement of its reasons for taking such action. In reviewing these portions of the State health plan, the SHCC may establish a procedure under which persons knowledgeable about mental health services will have an opportunity to make recommendations to the SHCC. The State health authority, the State mental health authority and other agencies of State government are required to carry out those parts of the State health plan which relate to State government (section 115(c)).

The conference substitute conforms to the House amendment (section 115(c)).

The Senate bill requires the coordination of the State health plan with the State mental health plan, the State alcohol abuse plan and the State drug abuse plan (section 118 (d)).

The House amendment requires the plan required by section 303(a) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 and the plan required by section 409(e) of the Drug Abuse Office and Treatment Act of 1972 to be consistent with the State health plan in effect for such State. It also makes changes in the Community Mental Health Centers Act to assure consistency between the two planning processes (section 115(j) and (k)).

The conference substitute as a compromise requires that the mental health, drug abuse and alcoholism plans be consistent with the State health plan (section 115(j)).

The conferees have adopted provisions contained in both bills which seek to integrate mental health, alcohol and drug abuse planning into the general areawide and state health planning process. The act requires that State programs must provide for consultation and coordination with the appropriate responsible State agency for these health services. Moreover, the laws governing mental health, alcohol and drug abuse activities have been amended to require that each respective State plan be consistent with the State health plan under this act.

The conferees were unable to avoid the development of dual State health plans required by existing law. However, it is expected that every effort will be made by the Secretary to eliminate overlap and duplication between the State plans and to reduce the requirements imposed by regulations on those organizations seeking Federal support in these areas. The conferees expect that efforts will be undertaken to allow the mental health, alcohol and drug abuse plans to be completely incorporated into the SHP.

In the meantime it is expected that the State health plan be the policy plan for all health services in the State and that each of the categorical plans set forth programs for State health plan implementation for their respective areas of responsibility.

HEALTH SYSTEMS PLAN AND STATE HEALTH PLAN REQUIREMENTS

The Senate bill sets forth specific material to be included in health plans. In addition to the other requirements, the HSP and the State health plan must include a description of the institutional health services needed for the well being of persons receiving care within the health service area, including at a minimum, the number of type and medical facilities, rehabilitation facilities, nursing homes, beds and equipment needed to provide acute inpatient, psychiatric inpatient, obstetrical inpatient, neonatal inpatient, long-term care, and treatment for alcohol and drug abuse; the extent to which existing medical facilities, rehabilitation facilities, nursing homes, beds and equipment are in need of modernization or conversion to new uses; and, the extent to which new medical facilities, rehabilitation facilities, nursing homes, beds and equipment need to be constructed or acquired. Similar information would have to be provided on other non-institutional health services including the number and type of health maintenance organizations, outpatient facilities, rehabilitation facilities, facilities for treatment of alcohol and drug abuse and other medical facilities, and home health agencies and equipment needed to provide public health services and outpatient care (section 118 (a) and (d)).

The House amendment requires that the health systems plan include a statement of the resources—personnel, facilities, and other resources—which the agency determines are needed to meet the goals set forth in the health systems plan. The HSA may identify in such statement any health care facility which provides inpatient health services which should undertake such changes in (section 115(b)).

The conference substitute as a compromise provides that both the health systems plan and the State health plan shall describe the institutional health services needed in the area including at a minimum, acute inpatient, rehabilitation and long-term care services and other health services needed to provide for the well being of persons receiving care within the health service area including at a minimum preventive, ambulatory, and home health services. The health systems plan shall also describe the number and type of resources, including facilities, personnel, major medical equipment, and other resources required to meet the goals of the health systems plan and shall state the extent to which existing health care facilities need modernization, conversion to other uses, or closure and the extent to which new health care facilities need to be constructed or acquired (section 115(d)).

The conferees note that in adopting this provision it is their desire that plans developed at the areawide and State level become more specific in order to improve their usefulness as a regional or statewide guide for the development of new, or modification of existing, health care services. In doing so the planning agency is expected as appropriate to identify the health care facilities, organizations, or individuals, which should undertake the proposed changes set forth in the plan.

Health plan procedures

The Senate bill adds a public hearing requirement for the establishment, review, and amendment of the annual implementation plan as well as the HSP (section 119(b)).

The House amendment requires the annual implementation plan to include a statement of the resources needed to meet the objectives of the AIP. It also requires that the HSA assure that the public has adequate input into the development and revision of the AIP. It also provides that if an HSA is a public regional planning body or unit of general local government, the public board shall have an opportunity to review and comment on the AIP (section 115(e)).

The conference substitute combines the Senate and House approaches (section 115 (e)).

The conferees note that the requirement for notification and a public hearing by an HSA regarding revisions in its AIP or HSP is intended to give interested persons an opportunity to present their views on the proposed plan or proposed changes in existing plans which are substantive in nature. It is not intended that public hearings be held for every conforming, editorial, or other minor change in an existing plan.

Plan and the national guidelines

The Senate bill deletes the requirements of existing law that the goals in the health systems plan are to be consistent with the national guidelines for health planning. The HSA shall submit to the SHPDA, SHCC and the Secretary a detailed statement of the reasons for any inconsistencies between the HSP and the AIP and the national guidelines and priorities (section 119(d) and (e)).

The House amendment deletes the requirement in section 1513(b)(2) that the goals of the SHP are to be consistent with the national guidelines for health planning. This makes it clear that the HSA can establish goals that are different from the national guidelines in order to be responsive to the unique needs and resources in its area. It also requires that if the goals contained in the HSP are not consistent with the national guidelines, the HSA shall provide the SHPDA and the SHCC with a detailed statement for the reasons for the inconsistency (section 115(g)).

The conference substitute conforms to the House amendment with the Senate bill's reporting requirement (section 115(f)).

Governors' involvement in the State health plan

The Senate bill requires that the State health plan prepared by the SHCC have the concurrence of the Governor (section 118 (c)).

The House amendment provides that the State health plan approved by the SHCC shall be the State health plan for the State unless within 60 days after its approval, the Governor disapproves the plan because it does not effectively meet the established statewide health needs. In doing so, the Governor shall make a detailed statement on the basis for his determination that the plan does not meet statewide health needs and shall specify the changes in the plan which are needed (section 115(h)).

The conference substitute as a compromise specifies that the State health plan, as approved by the SHCC, shall be the State health plan only with the approval of the Governor. The State health plan may be disapproved by the Governor only if the Governor determines that the plan does not effectively meet statewide health needs. In disapproving the plan, the Governor shall make

public a detailed statement of the basis for his determination that the plan does not meet statewide health needs and shall specify the changes in the plan which are needed (section 115(g)).

Plan as a condition of a grant

The Senate bill contains a provision, not included in the House amendment, which stipulates that until a State health plan is in effect, the Secretary may not make any grants to the State health planning and development agency pursuant to section 1525 (section 118(e)).

The conference substitute conforms to the Senate bill (section 115(g)).

Technical assistance by HSA's

The Senate bill contains a provision, not included in the House amendment, which requires the HSA to provide technical assistance in obtaining and filling out necessary forms to applicants applying for projects to achieve the HSP (section 120).

The conference substitute conforms to the Senate bill (section 115(h)). The conferees note that this requirement is added so that the health systems agency will include in the technical assistance it provides guidance to applicants and others in completing the agency's forms and in meeting the necessary application requirements for a certificate of need. It should be clear that the HSA is not expected to complete the forms and applications but merely to assist the applicant in meeting the application requirements.

Planning cycle

The Senate bill requires that plans be reviewed at least every three years (sections 119(a), 120(b), 136(c)).

The House amendment provides that plans be reviewed on a biennial basis (section 115(i)).

The conference substitute conforms to the Senate bill (section 115(i)).

The conferees in accepting the Senate provision that HSA's and SHCC's be required to review the complete health systems plans every third year believe that this will reduce or eliminate paperwork and duplication of effort currently caused by annual reviews and allow more time to be spent on plan implementation. Nevertheless, it is expected that those agencies which have not fully developed their plans or those agencies whose plans do not address the full scope of covered services or institutions in their areas will continue to review and revise their plans on a more frequent basis until such time as the plans are complete. All HSA's are encouraged to update or modify their plans as necessary.

HSA's and Indian tribes and organizations

The Senate bill adds a new requirement for HSA's having an Indian tribe or intertribal Indian organization located within its health service area. The HSA is directed to carry out its functions in a manner that recognizes tribal self-determination and is to seek to enter into agreements with the tribes or organizations on matters of mutual concern as defined in the regulations of the Secretary (section 153).

The House amendment adds a new provision to clarify that the development of a health systems plan or annual implementation plan in an area that includes an area under the jurisdiction of an Indian tribe or an Alaskan Native Village does not affect the authority of the tribe or village to establish and carry out the health plan for the Indian health programs under its jurisdiction. If a health plan for Indian health programs is developed, the HSA shall include such plan in the HSP. The House amendment also provides for the sharing of data between the HSA and Indian tribes and Alaskan Native Villages (section 115(f) and section 121).

The conference substitute conforms to the Senate bill and adds a provision related to the sharing of HSA data with Indian tribes and Alaskan Native Villages (section 121(b)).

CRITERIA AND PROCEDURES FOR REVIEWS

Review of criteria and procedures

The House amendment contains a provision, not included in the Senate bill, which requires that in the conduct of reviews of plans or applications for Federal funds, the SHCC shall, to the extent appropriate, use the procedures and criteria that apply to other reviews under Title XV listed in section 1532. It also provides that in the conduct of reviews the agencies shall consider the relationship of the health services being reviewed to the applicable State health plan in addition to the relationship to the relevant HSP and AIP (section 116).

The conference substitute conforms to the House amendment (section 116(a)).

Failure to complete review

The Senate bill contains a provision which provides that the failure of a health systems agency or a State agency to complete a review within the period prescribed for the review may not be deemed by the agency to constitute a negative finding, recommendation, or decision.

The House bill provides that certificate of need review shall be completed within 90 days or such additional time on which the applicant and the agency can agree; or such additional time as prescribed in State law in cases in which a request is made to the State agency for a hearing under section 1532(b)(8) or the State batches applications; or when the applicant has been cited by the Secretary of HEW for a violation of the Civil Rights Act of 1964 (section 116(b)).

The conference substitute as a compromise requires the State agency to establish a period within which approval or disapproval of the application for a certificate of need shall be made. If a State agency fails to approve or disapprove an application within the applicable time period the applicant may bring an action in an appropriate State court to require the State agency to approve or disapprove the application (section 116(d)).

The conferees wish to point out that this provision requires each State to set a time certain for the completion of a certificate of need review. The conferees emphasize, that, while the period of review may vary according to the type of application or the relevant review procedures, it is important that the applicant know at the beginning of a review the length of such review period and have a right of action against the State agency if a decision is not made within that period of time. The conferees are particularly concerned with the practice of some States in the past in which their failure to make a decision has meant automatic disapproval of the application. The conference substitute is designed to prohibit this practice. The conferees expect each State agency to make decisions within the time period which is set forth and would expect the Secretary of HEW to carefully monitor a State's performance with regard to this requirement and take whatever actions are necessary to assure that it is met.

Judicial review

The Senate bill contains a provision, not included in the House amendment, to provide for judicial review of any final decisions rendered by a State agency in regards to a certificate of need review or appropriateness review. Any person adversely affected by such decision may within a reasonable period of time after such a decision is made and any further administrative remedies are exhausted obtain judicial review of such a decision in an appropriate State court. Upon such judicial review, the decision of the State agency shall be affirmed unless it is arbitrary or capricious or was not made in conformity with the applicable law (section 133).

The conference substitute conforms to the Senate bill except that it requires judicial review to be limited to certificate of need decisions made by a State agency, and to other reviews, where appropriate (section 116(d)).

Judicial review has not been required for appropriateness review because the Act does not authorize the use of appropriateness review to require a health care institution to terminate services or to close it's facility. However, the conferees intend that, any review of the appropriateness of services which could result in a health care institution being unable to provide a service or having to close in total or in part it's facility or the imposition of any other sanctions as a result of the review, shall be subject to the judicial review requirements agreed to by the conferees.

Administrative review

The House amendment contains a provision, not included in the Senate bill, that requires that each decision of the State agency not to issue a certificate of need shall upon request of the person who applied for the certificate be reviewed under an appeals mechanism which is consistent with the State law governing the practices and procedures of administrative agencies or, if there is no such law, by an entity designated by the Governor (section 117(a)).

The conference substitute conforms to the House amendment and provides that any person directly affected by such decision may request a review (section 116(d)).

Notification

The Senate bill contains a provision, not included in the House amendment, which requires timely written notification to all affected parties at the beginning of a review and requires that all persons who have asked to be placed on a mailing list maintained by the HSA or State Agency be notified of certain reviews by such agencies. It also provides for timely notification of providers of health services and other persons of certain information. It requires that public hearings be held prior to any decision made in the course of HSA or State Agency review as requested by persons directly affected by the review (section 145, 146, and 147).

The conference substitute conforms to the Senate bill (section 116(d)).

Procedures for review

The Senate bill contains a provision, not included in the House amendment, which establishes requirements for HSA and State Agency reviews of certificate of need applications and reviews of the appropriateness of existing institutional health services, and where appropriate, for other reviews. The requirements are that each participant may present evidence and arguments orally or by written submission, each participant may cross examine any other participant who makes a factual allegation relative to such review. A hearing record must be maintained. HSA and State Agency decisions must be based solely on the hearing record and there is a prohibition on ex parte contacts with individuals voting in the review process (section 144(c)).

The conference substitute requires a formal hearing before the State agency if requested, requires the decision to be made on the record, sets forth an administrative review mechanism, provides that any person adversely affected by a final decision of a State agency may obtain judicial review and that there shall be no ex parte contact between the applicant and any person in the State agency with responsibility respecting the application after the commencement of a hearing on the application (section 116 (d)).

The conferees intend that a formal hearing be held if the State agency is requested to do so. If an HSA has been delegated this hearing responsibility by the State only one

formal hearing is required. If an HSA has not been delegated this hearing responsibility then, if requested, the HSA may also hold a hearing which may be either formal or informal at the HSA's discretion (section 116 (d)).

Criteria for review

The Senate bill provides that in reviewing construction projects the HSA and the State Agency shall consider effect of the application on the costs and charges to the public of providing health services by other persons; that in the case of existing services the quality of care provided by such facility in the past must be considered, and that in both cases consideration must be given to the extent to which such proposed services will be accessible to all residents of the area to be served by such services (section 148).

The House amendment requires that in adopting criteria the planning agency shall consider, in the case of health services proposed to be provided, the effect of their proposed services on the clinical need of health professional training programs, the extent to which such programs will have access to those services if they are to be available in a limited number of facilities and the extent to which such services will be accessible to all residents of the area to be served by the services. It also requires that in the case of health services or facilities proposed to be provided, the efficiency and appropriateness of the use of existing services and facilities similar to those provided be considered in the review process (section 116(d)).

The conference substitute as a compromise contains provisions of both the Senate bill and the House amendment (section 116 (f) and (g)).

Additional procedures

The Senate bill amends section 1532(a) to stipulate that procedures and criteria for review by HSA's and State Agencies must provide that applications be submitted in accordance with established timetables, reviews be undertaken in a timely fashion, applications of similar types of services and facilities be considered in relation to each other no less often than twice a year, and reviews of similar types of institutional health services affecting the same service area must be considered in relationship to each other. It also provides that HSA's and State Agencies must cooperate in the development of procedures and criteria to the extent appropriate to the achievement of efficiency in their review and consistency in criteria for such reviews (section 143).

The House amendment provides that reviews may be conducted in a manner that batching of applications can occur with comparisons being made among applications. It also requires the HSA, the SHPDA and the SHCC to work together in developing criteria and procedures for review (sections 116(c) and 117(a)).

The conference substitute conforms to the Senate bill (section 116(e)).

Requests for information

The House amendment contains a provision, not contained in the Senate bill, which requires health planning agencies to develop procedures that assure that requests for information are limited to only that information which is necessary to perform reviews. It also allows an applicant to designate data which he believes should not be released to the public and to submit such data separately. If the agency proposes to release such data, it shall notify the applicant at least 30 days before the release. The House amendment would also provide that the agency's procedures assure that the general public have access to all written materials "essential" rather than "pertinent" to a review (section 116(g)).

The conference substitute requires the agencies to give the applicant 15 days to provide any data requested after a review has begun.

Review of procedures

The House amendment contains a provision, not included in the Senate bill, which requires the Secretary to annually review the regulations promulgated pursuant to section 1532 relating to procedures and criteria and to allow the health planning agencies opportunity to comment on the need for the revision of the regulations. These agencies shall be consulted at least 45 days before initial publication (section 116(f)).

The conference substitute conforms to the House amendment (section 116(h)).

CERTIFICATE OF NEED PROGRAMS

State health plan and certificate of need

The Senate bill requires that certificate of need decisions be consistent with the State health plan except in emergency circumstances that pose a threat to public health (section 118(b)).

The House amendment provides that a decision to issue a certificate of need shall not be inconsistent with the State health plan (section 117(a)).

The conference substitute conforms to the Senate bill (section 117(a)).

Sanctions and withdrawal

The Senate bill contains provisions, not included in the House amendment, which require a certificate of need program to be consistent with standards established by the Secretary. It also provides that such a program shall provide for procedures and penalties to enforce the provisions of the program and that after a certificate of need is issued a periodic review (at least every 24 months) shall be conducted of the progress being made in making the service or facility for which the certificate was issued available for use. The program shall provide for withdrawal of the certificate if there has not been substantial progress (section 136).

The House amendment provides that after a certificate of need is issued an annual review shall be conducted of the progress being made and if adequate progress is not being made, the certificate shall be withdrawn (section 117(a)).

The conference substitute combines the two provisions. (Section 117 (a) and (b)).

General provisions

The House amendment contains an amendment not included in the Senate bill, which clarifies and expands required certificate of need coverage with respect to major medical equipment, institutional health services and capital expenditures. It requires that States shall specify in the certificate the maximum amount of capital expenditures which may be obligated. It requires the Secretary to prescribe the extent to which a project authorized by a certificate of need shall be subject to further review if the amount of capital expenditure exceeds the maximum specified (section 117 (a) and (b)).

The conference substitute conforms to the House amendment (section 117(a)).

Required approval of certain applications

The House amendment contains a provision not included in the Senate bill that requires the approval of an application for a certificate of need for a capital expenditure which is required to eliminate or prevent eminent hazards, to comply with State licensure standards, or to comply with accreditation standards, but only to the extent that the capital expenditure is required to eliminate or prevent such hazards or to comply with such standards (section 117(a)).

The conference substitute, as a compromise, includes the House amendment with the added requirement that approval is not required if the State agency finds that that the facility or service with respect to which such capital expenditure is proposed to be made is not needed or that the obligation of the capital expenditure is not consistent with the State health plan in effect under section 1524 (section 117(a)).

Congress recognizes that some health facilities whose continued operation is absolutely necessary and is consistent with the SHP may be required, because of licensing problems, to apply for a certificate of need for the limited purposes of coming into compliance with life safety code requirements or accreditation standards.

Congress hopes to limit the necessity for planning agencies to go through a highly formalized and time-consuming review over those projects which are clearly needed. Yet Congress is also fully aware of the burdensome costs created by excess capacity and does not intend that this provision be used to fund capital projects in facilities which are unneeded or determined, by the State agency to have excess capacity.

Limitations on criteria or conditions under a certificate of need program

The House amendment contains a provision, not included in the Senate bill, which requires that the issuance of a certificate of need may not be made subject to any criterion or condition unless the criterion or condition directly relates to (a) the ability of the applicant to provide the service for which the certificate is to be issued (b) the quality of the service and (c) the availability and accessibility of the service to patients in need of it or is otherwise directly related to a determination of the need for such service (section 117(a)).

The conference substitute as a compromise provides that the review of an application for a certificate of need shall not be made subject to any criterion and the issuance of a certificate of need may not be made subject to any condition unless the criterion or condition is directly related to the criteria prescribed by section 1532(c), the criteria prescribed by regulation promulgated under section 1532(a) before the date of enactment of this Act (See 42 C.F.R. § 123. 409–11), or criteria prescribed by regulation by the State agency in accordance with an authorization prescribed by State law. This compromise reflects the agreement of the conferees that certificate of need approval should not be subject to conditions or criteria which are not based upon Federal or State law. Furthermore, the certificate of need program may not be required to include any criterion in addition to criteria described or set forth pursuant to section 1532 (section 117(a)). This provision prohibits the Secretary from withholding approval of a State certificate of need program under section 1523(a)(4)(B) until or unless the State adopts criteria or authorizes the imposition of conditions other than those referenced by this provision.

In order to avoid semantic arguments, the conferees wish to make clear that in this section, the term criteria means a standard or rule which may be applied to certificate of need applicants during the review process; the term condition means a required action applied to a specific applicant and established as part of a certificate of need decision following review. These general definitions would apply regardless of what term is used in State Law or regulation which describes these concepts.

Coverage of major medical equipment outside a health care facility

The Senate bill requires a State certificate of need program to provide for review and determination of need prior to the acquisition of diagnostic and therapeutic equipment which will not be owned by or located in a health care facility if notice is not filed as required or the State agency finds that the equipment will be used to provide services on a regular basis for inpatients of a

hospital. Before any person enters into a contractual agreement to acquire diagnostic or therapeutic equipment that will not be owned by or located in a health care facility such person must notify the State agency of the State in which such equipment will be located of such persons intent to acquire such equipment. Such notice must be made in writing at least 30 days before the contractual arrangements are entered into to acquire the equipment with respect to which notice is given. Diagnostic or therapeutic equipment is added to the definition of institutional health service (section 136 and section 142).

The House amendment excludes from required certificate of need coverage the acquisition of major medical equipment that is not owned or located in the health care facility unless the equipment will be used to provide services for inpatients of a hospital. Any person who plans to acquire major medical equipment shall notify the SHPDA of such intent so that the agency can determine if the acquisition requires review. Major medical equipment is defined as any equipment in excess of the capital expenditure minimum, except that the term does not include medical equipment acquired by or on behalf of independent clinical laboratories to provide clinical laboratory services.

The conference substitute conforms to the House amendment by providing that all States must require a certificate of need under their certificate of need programs for the acquisition of major medical equipment that is not owned by or located in a health care facility if that equipment is to be used to provide services for inpatients of a hospital. However, as a compromise, the conference substitute allows the States to require a certificate of need for any other uses of major medical equipment not owned by or located in a health care facility if they currently provide for the additional requirements or if they provide for such additional requirements prior to September 30, 1982. After that date, a state would be prohibited from changing its certificate of need program to include requirements that are in addition to the minimum requirements set forth in title XV (section 117(a)).

The conferees note that in order for a certificate of need program to be acceptable under title XV, it must provide for the review and approval of the acquisition of major medical equipment that will be used to provide services to patients who are inpatients of a hospital at the time the service was provided. Equipment acquired by or on behalf of a clinical laboratory to provide clinical laboratory services is not required to be reviewed. The conferees want to make clear that this provision is a minimum requirement of an acceptable certificate of need program, and that a State is permitted to cover medical equipment acquired for use in other than inpatient settings, which costs less than $150,000 or which is acquired by a clinical laboratory. Although States would be prohibited from changing their law to go beyond the minimum requirement after September 30, 1982, no State which had imposed additional requirements before that date would be required to alter those requirements.

The conferees also wish to make clear that the term "contractual arrangement" is not intended to prohibit normal marketing negotiations for purchase of equipment such as a notice of intent to purchase. However, such a notice of intent to purchase would have to contain a condition to the effect that the notice of intent would only become a contractual arrangement thirty days after the filing of the purchaser's required notice to the State Agency of intent to acquire such equipment.

Coverage of health maintenance organizations

The Senate bill establishes special criteria under which certificate of need applications of health maintenance organizations will be reviewed and approved. Applications of Federally qualified HMO's for new institutional health services must be approved by the State agency if it finds that (1) approval is required to meet the needs of present HMO members and new members who can reasonably be expected to enroll, and (2) that the HMO is unable to provide, through services or facilities which can reasonably be expected to be available to the organization, its institutional health services in a reasonable and cost effective manner consistent with the basic method of operation of the HMO and which makes such services available on a long term basis through physicians and other health professionals associated with the HMO. It further provides that no certificate of need program shall have provisions for the review and determination of need of the services, facilities, equipment and organization of health maintenance organizations and the entities through which their services are provided except for new institutional health services of hospitals controlled directly or indirectly by health maintenance organizations and diagnostic and therapeutic equipment of health maintenance organizations (section 148 and section 136).

The House amendment requires a State to exempt from its certificate of need program the development of new institutional health services, the acquisition of major medical equipment and the obligation of capital expenditures of (1) a health maintenance organization, (2) any other provider of health care which provides ambulatory and inpatient health services on a prepaid basis if at least 75 percent of the patients who use the service or equipment which is exempt are enrollees of the organization or provider and (3) any other provider who has entered into agreements to serve enrollees of an HMO or other providers (described in 2 above) if at least 75 percent of the annual revenues from the service, equipment, or expenditures are derived from such agreements.

If in any year an exempt HMO or provider fails to meet the 75 percent patient or revenue requirement, the State shall prohibit the HMO or provider from using the service, equipment or expenditure to provide services to individuals other than those enrolled on a prepaid basis with the HMO or provider. Notice shall be provided to the Secretary and the State Medicaid agency that the provider is prohibited from using the service, equipment or expenditure to provide services to individuals who are entitled to benefits under Titles XVIII and XIX of the Social Security Act unless the individuals are enrolled on a prepaid basis with an HMO or other exempt provider. The House amendment also provides that the certificate of need program may apply to an HMO only to the extent that it is not exempt and then only to the acquisition of major medical equipment, the offering of new institutional health services, and the obligation of capital expenditures as required in Title XV (section 117(a)).

The conference substitute, as a compromise, provides that a certificate of need program may not require a certificate of need for the offering of an inpatient institutional health service, the acquisition of major medical equipment, or the obligation of a capital expenditure for the provision of an inpatient institutional health service by: (1) a health maintenance organization or combination of health maintenance organizations; (2) a health care facility which primarily provides inpatient services and is controlled directly or indirectly by a health maintenance organization or a combination of health maintenance organizations; or (3) a health care facility or portion thereof which an HMO or combination of HMO's has leased for a period of at least 15 years at the time of approval of the application. To be eligible for an exemption under this provision, health maintenance organizations must meet the definition of a health maintenance organization set forth in this bill and must have an enrollment of at least 50,000 individuals singly or in combination, the facility in which the service will be provided must be geographically located so that the service will be reasonably accessible to such enrolled individuals and at least 75 percent of the patients who can reasonably be expected to receive the institutional health services to be exempted will be individuals enrolled with such organization or organizations in combination. The applicant must submit to the State agency an application which allows the State agency to determine if the organization, combination, or facility meets the necessary requirements. A health care facility (or any portion thereof) or medical equipment owned or controlled by an HMO or combination of HMO's with respect to which an exemption was granted under this provision may not be sold or leased or a controlling interest in such facility or equipment may not be acquired; and a health care facility (or any portion thereof) or medical equipment leased by an HMO or combination of HMO's with respect to which an exemption was granted under this provision may not be used by anyone other than the lessee HMO or combination of HMOs, unless the State agency issues a certificate of need approving the sale, lease, acquisition, or use or the State agency determines (upon application) that the entity to which the facility is proposed to be sold or leased or which intends to acquire controlling interest is a health maintenance organization or combination of organizations which meet the requirements of the section. The substitute also requires the Comptroller General to conduct an evaluation of the exemption authority established under this Act.

The substitute also provides that a State may apply its certificate of need requirements to the institutional health services, major medical equipment, and capital expenditures of a health maintenance organization or of a health care facility which is controlled, directly or indirectly, by an HMO only to the extent that the organization or facility is not exempt under this provision, and then only to the offering of inpatient institutional health services, the acquisition of major medical equipment, and the obligation of capital expenditures as required under title XV. The substitute also contains a special provision for review of applications for certificates of need for non-exempt HMO's or for facilities controlled, directly or indirectly, by an HMO. Such applications shall be approved by the State agency if the State agency finds that an approval of the application is required to meet the needs of the members of the HMO and that the HMO is unable to provide its services through services and facilities which can reasonably be expected to be available to the organization in the community.

For purposes of this section indirect control of a health care facility could include such situations in which a majority of the members of the board of the hospital corporation are employees, officers or directors of an HMO or in which members of the board of an HMO are the same as the members of the board of the hospital corporation.

The conferees have allowed a "combination of health maintenance organizations" to meet the 50,000-enrollee minimum in order to permit two or more HMOs to join together to own, or control a corporation or other entity which owns, or lease a health care facility.

In permitting an exemption for an institutional health service which is owned, controlled, or leased by a combination of HMOs, the conferees intend that each of the HMOs in the combination will use the institutional health service.

Definition of capital expenditure

The House amendment contains a provision, not included in the Senate bill,

which defines the term capital expenditure for purposes of a certificate of need program. A capital expenditure is defined as an expenditure made by or on behalf of a health care facility and which under generally accepted accounting principles is not chargeable as an expense of operations and maintenance or is made by a lease or comparable arrangement and which (1) exceeds the expenditure minimum, (2) substantially changes the bed capacity of the facility with respect to which the expenditures made, or (3) substantially changes the services of the facility (section 117(a)).

The conference substitute conforms to the House amendment with the exception of the provision relating to the exclusion from the definition of capital expenditure the acquisition of existing health care facilities (section 117(b)). The substitute provides that a certificate of need shall be required for the obligation of a capital expenditure to acquire (by purchase or under lease or comparable arrangement) an existing health care facility if (1) notice is not provided to the State agency before a contractual arrangement is entered into, or (2) if the State agency finds within 30 days after the date it receives such notice that the services or bed capacity of the facility will be changed in being acquired (section 117(a)). The conferees note that while this provision sets forth conditions under which a certificate of need will be required, it does not preclude a State from adopting broader coverage requirements or requiring that all acquisitions be reviewed under normal certificate of need procedures.

Definition of expenditure minimum

The House amendment contains a provision, not included in the Senate bill, which establishes a definition for the term expenditure minimum to mean $150,000 for the first 12 month period after enactment and for each 12 month period thereafter $150,000 adjusted to reflect changes in the composite construction cost index maintained by the Department of Commerce (section 117(b)).

The conference substitute would allow a State to increase the capital expenditure and annual operating cost threshold of their certificate of need programs to reflect the change in the preceding twelve-month period of an index maintained or developed by the Department of Commerce and designated by the Secretary of HEW for purpose of making such adjustment (section 117(f)).

Osteopathic considerations

The Senate bill contains a provision that adds to the criteria required for HSA and State agency consideration the special needs and circumstances of osteopathic facilities accredited for post graduate training (section 148).

The House amendment provides that in reviewing an application for a certificate of need the HSA and State agency shall consider the application on the basis of the need for and the availability in the community of services and facilities for osteopathic and allopathic physicians and their patients. State agencies shall also consider the impact of the approval of application on training programs for doctors of osteopathy and medicine.

The conference substitute conforms to the House amendment (section 117(a)).

APPROPRIATENESS REVIEW

Minimum issues for appropriateness review

The Senate bill contains a provision, not included in the House amendment, which requires that in carrying out appropriateness reviews, HSA's shall at a minimum address issues of need, accessibility, financial viability, cost effectiveness, costs and charges to the public and quality of service provided (section 123(a)).

The conference substitute as a compromise specifies that both HSA's and SHIPDA's, in carrying out appropriateness reviews, shall at a minimum address issues of need, accessibility, financial viability, cost effectiveness, and quality of services provided (section 118 (b)).

The conferees note that appropriateness review findings can be made on either an areawide basis or institution-specific basis. The decision on how specific to make an appropriateness review recommendation or finding by the health systems agency or the State agency should be based upon the nature and the seriousness of the problem which makes the service inappropriate, its susceptibility to change, the amount of information the agency has about the problem, and judgments about how best to achieve needed changes within the agency's area. It is the conferees' intent that agencies within each State make the decision on how best to handle this issue. It is the conferees' expectation that over time agencies will be able to make detailed appropriateness review findings. Such findings should provide the consumer with better information about the health services which are available so that informed choices can be made about the institutions from which services are received. Such specific findings should also provide institutions with recommendations of the changes which should take place to make the services of the area appropriate. When an agency makes its recommendation or finding on an institution-specific basis, the committee expects that it will establish hearing procedures to ensure that each institution under review will have an adequate opportunity to present all relevant information regarding its services and facilities.

REVIEW AND APPROVAL OF PROPOSED USES OF FEDERAL FUNDS

Review of project and allotment grants

The House amendment contains a provision, not included in the Senate bill, that requires the SHCC to review any application submitted to the Secretary by a State for a grant or contract awarded under the Public Health Service Act, the Comprehensive Alcohol Abuse and Alcohol Prevention, Treatment and Rehabilitation Act, or section 409, of the Drug Abuse Office and Treatment Act for projects in more than one health service area. If the SHCC recommends disapproval, the Secretary may not make Federal funds available if he finds that the application is not is conformity with the State health plan. The amendment also provides that when a State is making grants or contracts in a health service area from funds received under the covered acts, the Governor of the State shall allow the health systems agency 60 days to review the proposed use of those funds in its area and approve or disapprove such use. The Governor, after taking into consideration the HSA's decision and any comments which the SHPDA has developed, may make such Federal funds available for use notwithstanding the disapproval of the HSA only if the decision of the Governor is made available to the appropriate HSA and SHPDA and contains a detailed statement of the reasons for the decision (section 119).

The conference substitute conforms to the House amendment (section 119(a)).

Review of research and training proposals

The Senate bill provides that grants or contracts under Titles IV, VII or VIII of the Public Health Service Act should not be reviewed by the HSA unless they are made, entered into, or used to support the development of health resources, or the delivery of health services that would make a significant change in the health services offered within the health service area (section 123(b)).

The House amendment provides that research and training under the Public Health Service Act should not be reviewed unless the grants are to be made, entered into, or used for the development, expansion or support of health resources which, in the case of grants or contracts for training, would make a significant change in the health services available in the health service area, or which, in the case of grants or contracts for research, would change the delivery of health services, or the distribution or extent of health resources available to persons in the health service area other than those who are participants in such research (section 119 (b)).

The substitute conforms to the House amendment (section 119(b)). The conferees note that research includes clinical trials. Such trials include demonstration projects designed to answer questions about the general applicability of procedures, drugs, or devices with potential usefulness that have not been tested in nonlaboratory settings. The conferees intend that such projects shall not be reviewed unless the projects are initiated with a community or institutional commitment to continue them beyond their research stage or unless the projects involve a change in the health services of the area as detailed above.

Review of Federal facilities

The Senate bill provides that when a health systems agency is requested by or on behalf of a Federal department or agency to review a proposed use of Federal funds to support the development of institutional health services intended for use in the health service area, the health systems agency shall, within 60 of receiving a request, submit its views on such a proposed use to the Federal department or agency involved and to the appropriate committees of the Congress (section 152).

The Conference substitute conforms to the House amendment. Although the conference substitute does not require, as did the Senate bill, a health systems agency, when requested, to review and comment on a proposed use of federal funds to support the development of institutional health services intended for use in a health service area, the conferees believe that when a Federal agency requests a health systems agency's views on a use of funds proposed by the agency, the HSA should respond to such request even though its response is purely advisory and in no way binding on Federal decision making.

COORDINATION OF HEALTH PLANNING WITH RATE REVIEW

Rate regulation grants

The House amendment contains a provision, not included in the Senate bill, which amends section 1526 by providing that rate regulation grants can be made to any unit in the State which regulates rates although provisions are added to assure adequate coordination with the State planning agency (section 120(a) and (b)).

The conference substitute conforms to the House amendment (section 120(c)).

COORDINATION WITHIN STANDARD METROPOLITAN STATISTICAL AREAS AND WITH OTHER ENTITIES

Coordination within standard metropolitan statistical areas

The House amendment contains a provision, not included in the Senate bill, which requires that HSA's which are part of a standard metropolitan statistical area shall develop a mechanism to coordinate their plan development and project review functions (section 121).

The conference substitute conforms to the House amendment (section 121(b)).

The conferees intend the required coordination to include the joint review of each health systems plan and annual implementation plan developed for each health service area included within the SMSP, the joint review of criteria used in making reviews affecting the region, and the joint review of each decision under certificate of need

which affects the region. Moreover, the conferees would encourage the development of a number of joint activities between or among such HSA's, including joint task forces on the establishment of planning goals for the SMSA, coordination and an integrated use of data for the SMSA, and joint planning and review task forces.

Coordination with other entities

The Senate bill contains a provision which provides that an HSA will also coordinate its activities with entities which review rates and budgets of health care facilities and with appropriate area agencies on aging, local and regional alcohol abuse, drug abuse, and mental health planning agencies. The State agency is also to coordinate its activities with any entity which reviews rates and budgets of health care facilities (section 122).

The House amendment provides that each HSA and SHCC shall coordinate its activities with any agency which reviews rates and budgets of health care facilities (section 120 (a) and (b)).

The conference substitute conforms to the Senate bill (sections 120 and 121).

COLLECTION AND PUBLICATION OF HOSPITAL CHARGES

Collection and publication

The Senate bill amends section 1513 by adding a new section requiring the States to collect annually on a form developed in consultation with the State agency, the rates charged for each of the 25 most frequently used hospital services in the State including the average semiprivate and private room rates. The HSA must make such information available to the public for inspection and copying in readily understandable language and in a manner designed to facilitate comparisons among the hospitals in the health service area.

The conference substitute conforms to the Senate bill (section 122(a)).

The conferees note that if a State has an agency which reviews hospital rates then the HSA should work closely with that agency in carrying out this function.

Penalty for not providing information on charges

The Senate bill provides that a State certificate of need program shall provide that no hospital shall be an applicant for a certificate of need unless such hospital has complied with all reasonable requests from an HSA for information needed to comply with the HSA's mandate to collect and publish hospital charges (section 136).

The conference substitute requires that the State administrative program contain provisions to assure compliance with requests for information made by an HSA in carrying out this function (section 122(b)).

STATE HEALTH PLANNING AND DEVELOPMENT AGENCIES

Redesignation or termination of State agency agreement

The Senate bill contains a provision, not included in the House amendment, which provides for the redesignation of State health planning and development agency for up to a three year period, and permits the Secretary the option of either terminating or returning a fully designated State agency to conditional status for a one year period for nonperformance of its functions. After the one year period, the Secretary must either fully designate the State agency or terminate its agreement. Before renewing the agreement, the Secretary shall provide such HSA and the SHCC an opportunity to comment on the performance of the agency. It also provides that the Secretary shall review a State administrative program for health planning not less often than once every three years (sections 131 and 134).

The conference substitute conforms to the Senate bill (sections 123 (a) and (b)). The conference substitute also provides for the Secretary to enter into agreement with the fully designated State agency for a period of up to 36 months rather than annually as currently provided. The conferees believe it is unproductive for every State agency to be subject to an annual detailed review and that necessary monitoring of the State agency's performance can be accomplished through regular reporting requirements. However, for those fully designated State agencies which are still expanding or developing their programs, the conferees expect the Secretary to use the designation period of one to two years so that HEW can effectively monitor performance; but, as these State agencies mature and reach an appropriate level of performance, the conferees expect that their designation agreement will be for three years.

Medical facility planning

The House amendment contains a provision, not included in the Senate bill, which repeals the functions required pursuant to section 1513(h) respecting the need for the HSA to make separate recommendations to the State on medical facility projects for modernization and construction. It also adds to the functions required to be performed by the State agency preparation of an inventory of medical facilities located in the State and an evaluation of the physical condition of such facilities. Such determination shall be reported to the HSA's to be used in the preparation of their HSP's (section 122).

The conference substitute conforms to the House amendment (section 123(c)). With this change in law and the requirement that the State health plan be more specific and include resource requirements, the conferees intend that the State health plan serve as the document for medical facilities planning for the State. The requirement for a separate State medical facilities plan as required by Title XVI is no longer needed and is deleted from existing law.

Failure to qualify for full designation

The Senate bill contains a provision, not included in the House amendment, that provides that a State without a designated SHPDA in effect by September 30, 1980 would be subject to a 25 percent reduction in the amount of any allotment of a grant, loan, loan guarantee, or any contract under the Public Health Service Act, Community Mental Health Centers Act, or the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, Rehabilitation Act of 1980. Such amounts would be reduced by 50 percent if an agreement weren't in effect by September 30, 1981, by 75 percent after September 30, 1982, and by 100 percent after September 30, 1983 (section 132).

The House amendment provides that if a State does not have a fully designated agency upon the expiration of (1) fiscal year 1980; (2) the first regular session of the legislature of the State which begins after the promulgation of regulations under section 117(e) of these amendments; or (3) the sixth month after the month in which such regulations are promulgated whichever occurs later, no grant may be made to or contract entered into with the State with funds authorized the Public Health Service Act or related Acts (section 122(d)).

The conference substitute as a compromise provides for percentage reductions in the penalty as set forth in the Senate bill which would take effect upon the expiration of (1) fiscal year 1980, or (2) if a legislature of a State is in a regular session on the date of enactment of these amendments, and the legislature will be in session for at least 12 months from such date, or (3) if the legislature of a State is in session on the date of enactment but there is not 12 months remaining in such session after such date or if the legislature of the State is not in session on such date, 12 months after the beginning of the first regular session of the legislature beginning after such date, which ever occurs later (section 123(d)).

State agency technical assistance

The Senate bill contains a provision, not included in the House amendment, which requires the State Agency to provide technical assistance in obtaining and filling out the necessary forms to individuals and public and private entities for the development of projects and programs (section 135).

The conference substitute conforms to the Senate bill. Conferees emphasize that the intent in adding this section is not to require the State Agency to prepare an application for an individual desiring a certificate of need or other agency forms, but merely to assist him in understanding the application requirements (section 123(e)).

Extension of State agency conditional designation

The Senate bill contains a provision which would allow a State health planning and development agency to be designated for up to 48 months (section 131).

The House amendment provides that the Secretary may extend the period of conditional designation (now limited to 36 months) for such additional time as he finds appropriate if he finds that the designated State agency is making a good faith effort to comply with the requirements of section 1523 (section 122(g)).

The conference substitute conforms to the House amendment (section 123(f)).

STATEWIDE HEALTH COORDINATING COUNCIL COMPOSITION

Membership

The Senate bill contains a provision, not included in the House amendment, to clarify that consumers and providers of health care include consumers and providers of mental health care for purposes of SHCC composition. It further provides for ex-officio representation of the Veterans' Administration on the SHCC when the State has at least one VA facility (section 138(c)).

The conference substitute as a compromise specifies that the VA shall have ex-officio non-voting representation on the SHCC when the State has at least one VA facility (section 124(c)).

Review of drug abuse

The Senate bill expands the mandate of SHCC review of State plans to include section 409 and 410 of the Drug Abuse Office Treatment Act (section 138(d)).

The House amendment expands SHCC review of State plans to include section 409 of the Drug Abuse Office and Treatment Amendments of 1972 (section 119(a)).

The conference substitute conforms to the House amendment (section 119(a)).

Representation of medically underserved

The Senate bill provides that members of the SHCC who are consumers of health and mental health care and who are not providers of health or mental health care must include individuals who are members of rural and urban medically underserved populations if such populations exist in the State (section 138(e)).

The conference substitute require representatives of medically underserved population on the SHCC (section 124(a)).

Representation of interstate HSA's

The House amendment contains a provision, not included in the Senate bill, which provides that while HSA's, other than interstate HSA's, are to have equal representation on the SHCC, interstate HSA's are to have proportional representational (but at least one representative). It also provides that in States with more than 10 HSA's

each may be entitled to one representative (section 123(a)).

The conference substitute conforms to the House amendment (section 124(a)).

The conferees note that this provision was adopted so that the size of the SHCC can be kept manageable in States which have a large number of HSA's. The conferees wish to point out that while HSA's in States with more than 10 HSA's would be entitled to only one representative, this would not preclude the Governor from allowing each HSA to have more than one representative and thereby establishing a larger Statewide Health Coordinating Council.

Selection of State Health Coordinating Council Chairman

The House amendment contains a provision, not included in the Senate bill, which provides that the Governor may select the Chairman of the State Health Coordinating Council with the advice and consent of the State Senate (section 123(b)).

The conference substitute conforms to the House bill (section 124(b)).

Provider representation

The House amendment contains a provision, not included in the Senate bill, which provides that (1) half of the providers represented on the SHCC shall be direct providers, (2) members of the SHCC shall represent the provider classifications listed in section 1512(b)(3)(c)(ii), and (3) of such members at least one shall be engaged in the administration of a hospital (section 123(c)).

The conference substitute as a compromise specifies that at least one half of the providers on the SHCC shall be direct providers (section 124(c)).

CENTERS FOR HEALTH PLANNING

The Senate bill contains a provision, not included in the House amendment, that requires the Secretary to enter into grants with Centers for Health Planning. In addition, it adds the requirement that centers develop and disseminate methodologies to educate new board members and staff and provide continuing education for present HSA members of the staff and State Agency staff (section 149).

The conference substitute conforms to the Senate bill although both grants or contracts can be used (section 125).

Definitions of HMO

The Senate bill contains provisions, not included in the House amendment, which add definitions of a health maintenance organization to the Act (section 153).

The conference substitute conforms to the Senate bill (section 117).

Definition of medically underserved population

The Senate bill contains a provision not included in the House amendment, which provides that the term "medically underserved population" has the same meaning as such term as under Section 330(b)(3) of the Public Health Service Act (section 153).

The conference substitute conforms to the Senate bill (section 126).

Definition of rehabilitation facilities

The Senate bill defines rehabilitation facilities as any facility which is operated for the primary purpose of providing rehabilitation services to handicapped individuals and which provides singly or in combination one or more of a list of services for handicapped individuals (section 153).

The House amendment defines rehabilitation facilities as an inpatient facility which is operated for the primary purpose of assisting in the rehabilitation of disabled persons who are in an integrated program of medical and other services which are provided under competent professional supervision (section 117(c)).

The conference substitute as a compromise adopts the definition in the House amendment for certificate of need purposes and defines rehabilitation facilities as an inpatient or outpatient facility for the other purposes of this legislation (section 126).

The compromise provides that a broad definition shall apply to HSA governing board representation, definition of "provider of health care," and inclusion of rehabilitation services in health system agency plans and State health plans. The report adopts the House definition of rehabilitation facility for purposes of certificate of need coverage. The conference committee adopts this compromise with the understanding that any proposed conversion of acute care beds or services to inpatient rehabilitation beds or services by any hospital would require review under a state certificate of need program.

The objective of this compromise is to include both inpatient and outpatient rehabilitation facilities in all phases of the health planning system other than certificate of need which shall be limited to inpatient facilities, including conversion of existing service capacity to rehabilitation usage.

AUTHORIZATIONS

Health systems agencies authorization

The Senate bill provides authorization of appropriations for HSA's at a level of $150,000,000 for fiscal year ending September 30, 1980, $175,000,000 for fiscal year ending September 30, 1981, and $200,000,000 for fiscal year ending September 30, 1982 (section 129(c)).

The House bill provides authorizations for appropriations for HSA's at a level of $150,000,000 for fiscal year ending September 30, 1980, $160,000,000 for fiscal year ending September 30, 1981, and $170,000,000 for fiscal year ending September 30, 1982 (section 124(a)).

The conference substitute as a compromise provides for $150,000,000 for fiscal year 1980, $165,000,000 for fiscal year 1981, and $185,000,000 for fiscal year 1982 (section 127(a)).

State health planning authorization

The Senate bill provides for authorizations of appropriations for State agencies at a level of $40,000,000 for fiscal year 1980, $45,000,000 for fiscal year 1981, and $50,000,000 for fiscal year 1982 (section 139).

The House amendment provides for authorizations of appropriations for State agencies at a level of $35,000,000 for fiscal year 1980, $37,000,000 for fiscal year 1981, and $39,000,000 for fiscal year 1982 (section 124(b)).

The conference substitute as a compromise specifies authorizations of appropriations of $35,000,000 for fiscal year 1980, $40,000,000 for fiscal year 1981, and $45,000,000 for fiscal year 1982 (section 127(b)).

Rate review authorizations

The Senate bill provides authorizations of appropriations for rate setting under section 1626(e) of $6,000,000 for fiscal year 1980, $6,000,000 for fiscal year 1981 and $6,000,000 for fiscal year 1982 (section 140).

The House bill provides authorization of appropriations for rate review of $6,000,000 for fiscal year 1980, $7,000,000 for fiscal year 1981, and $8,000,000 for fiscal year 1982 (section 126(e)).

The conference substitute conforms to the Senate bill (section 127(c)).

Centers for health planning

The Senate bill provides authorizations of appropriations for centers for health planning and technical assistance of $6,000,000 for fiscal year 1980, $8,000,000 for fiscal year 1981 and $10,000,000 for fiscal year 1982 (section 149).

The House amendment provides authorizations of appropriations for carrying out section 1534 of $10,000,000 for fiscal year 1980, $11,000,000 for fiscal year 1981, and $12,000,000 for fiscal year 1982 (section 125(d)).

The conference substitute as a compromise specifies authorizations of appropriations for the support of activities under section 1534 $6,000,000 for fiscal year 1980, $8,000,000 for fiscal year 1981, and $10,000,000 for fiscal year 1982 (section 127(d)).

Area health services development fund

The Senate bill contains no authorizations of appropriations for the area health services development funds.

The House amendment contains authorizations of appropriations for the same purpose at a level of $25,000,000 for fiscal year 1980, $40,000,000 for fiscal year 1981, and $50,000,000 for fiscal year 1982 (section 125).

The conference substitute as a compromise provides $20,000,000 for fiscal year 1981 and $30,000,000 in fiscal year 1982 (section 127(e)).

TECHNICAL AMENDMENT

Percentage of HMO enrollees

The House amendment contains a provision amending section 1903(m)(2)(c) of the Social Security Act to allow a health maintenance organization three years from the time it is qualified to meet the requirement that at least 50 percent of an HMO's enrolled population be made up of other than Medicare and Medicaid recipients (section 126).

The conference substitute conforms to the House amendment (section 128).

Miscellaneous amendments

The Senate bill contains a provision, not included in the House amendment, which repeals section 314(a)(b) and (c) and Title 9 in its entirety.

The conference substitute conforms to the Senate bill.

Report on effectiveness of planning law

The House amendment contains a provision, not included in the Senate bill, which specifies that the Secretary shall report to the Congress on the results of the review conducted pursuant to Section 1535 respecting improvements in health and health care and restraints on increases in health care costs (section 125).

The conference substitute conforms to the Senate bill.

EFFECTIVE DATES

The Senate bill provides that amendments to Title XV shall take effect on the date of enactment of this Act, except that certain amendments shall take effect one year from the date of enactment and other amendments shall take effect six months from the date of enactment except that on or after the date of enactment, the HSA's, the State Agencies, and the SHCC's, may make the organizational and related changes required and may act in accordance with the changes in their functions made by such amendments (section 157).

The House amendment provides that certain amendments shall take effect one year after the date of enactment except that on or after the date of enactment, the changes in membership of the HSA's, and the SHPDA's shall be implemented through selection of members to fill vacancies occurring after such date, except that the HSA, the State Agency and the SHCC may make the organizational and related changes required and act in accordance with the changes in their functions at any time. Changes in certificate of need requirements become effective 180 days after enactment except when a change in law is required in which case a longer period is allowed (section 127).

The conference substitute conforms to the House amendment (section 129).

The conferees note that the changes in the HSA funding provisions are not effective

until the Congress has adopted an appropriation for fiscal year 1980.

TITLE II—REVISION OF AUTHORITY FOR HEALTH RESOURCES DEVELOPMENT

REVISION AND EXTENSION OF ASSISTANCE

Approval of medical facilities plan

The Senate bill contains a provision, not included in the House amendment, which requires the Governor as well as the SHCC to approve the State Medical Facilities Plan (section 201).

The conference substitute conforms to the House amendment.

Repeal of allotment grants

The House amendment contains a provision, not included in the Senate bill, which repeals Part B of Title XVI, the Part which provides allotment grants to States for facility construction and sets forth requirements for the State medical facilities plan (section 201).

The conference substitute conforms to the House amendment (section 201(a)).

Loan fund capitalization

The Senate bill contains a provision, not included in the House amendment, which authorizes additional capitalization of the loan fund in any fiscal year through 1981 (section 203).

The conference substitute conforms to the Senate bill (section 201(b)).

Purposes of loan and loan guarantee authorization

The House amendment contains a provision, not included in the Senate bill, which restructures the loan and loan guarantee provisions of section 1620 to provide assistance for projects in the following priority areas:

1. Modernization of medical facilities;
2. Construction of new outpatient medical facilities;
3. Construction of new hospitals in (a) areas of rapid population growth or (b) areas where mergers or closure of medical facilities results in a reduction of new beds; and
4. Conversion of existing medical facilities, outpatient medical facilities, or facilities for long term care (section 201(b)).

The Senate Bill contained similar provisions.

The conference substitute as a compromise provides that the loan fund may be used to support projects for (1) the discontinuance of unneeded hospital services or facilities, (2) the conversion of unneeded hospital services and facilities to needed health services and medical facilities, including outpatient medical facilities and facilities for long term care; (3) the renovation and moderization of medical facilities, particularly projects for the prevention or elimination of safety hazards or the avoidance of noncompliance with the licensure or accreditation standards, or projects to replace obsolete facilities; (4) the construction of new outpatient medical facilities in areas which have experienced recent rapid population growth (section 201(b)).

Interest subsidies

The Senate bill provides that the Secretary may pay to the holder of a loan amounts sufficient to reduce up to one-half of the net effective interest rate otherwise payable on the loan if the Secretary finds that without such assistance the project could not be undertaken (section 207(d)).

The House amendment provides that the Secretary shall pay the holder of any loan amounts sufficient to reduce by 3 percent per annum the net effective interest rate otherwise payable on the loan if the project is located in an urban or rural poverty area (section 201(b)).

The conference substitute as a compromise provides that the Secretary may pay the holder of a loan an amount sufficient to reduce by not more than one-half the net effective interest rate if the loan is located in an urban or rural poverty area (section 201(b)).

Loan guarantee support for public entities

The Senate bill contains a provision, not included in the House amendment, which would allow the Secretary to guarantee the loans of non-federal lenders to public entities in addition to non-profit private entities (section 207(b)).

The conference substitute conforms to the Senate bill (section 201(b)).

Grant support to nonprofit private entities

The House amendment contains a provision, not included to the Senate bill, which would allow grants to be made under section 1625 to nonprofit private hospitals. This section authorizes grants for construction or modernization projects to eliminate imminent safety hazards and avoid noncompliance with licensure and accreditation standards. Existing law limits grants to public medical facilities (section 201(c)).

The conference substitute as a compromise restricts the eligibility of private non-profit medical facilities for such grants. The conferees intend to permit only those private non-profit medical facilities to be eligible for grants which can demonstrate that they serve their community in a capacity similar to that of a public hospital. The conferees adopted three criteria for this determination: the demonstrated level of community service; the proportion of patients served who are unable to pay for such services themselves or through third party reimbursement; and the impact on services to low-income individuals if the grant was denied. These eligibility criteria are to be used in addition to the other criteria currently used to determine the award of grants under section 1625.

The conferees intend that "level of community service" refer to the well-established definition of that phrase under the Hill-Burton program, and not be interpreted as simply a measure of the relative poverty level of the local population.

The conferees also intend that the lack of access to a public hospital be considered by the Secretary as part of the impact on services to low-income individuals criteria in determining eligibility for grants under this section.

Authorization for grants for modernization

The Senate bill provides authorizations of appropriations under section 1625(d) modernization of public hospitals of $40,000,000 in fiscal year 1980, $50,000,000 in fiscal year 1981, and $50,000,000 in fiscal year 1982 (section 204).

The House amendment contains authorizations of appropriations of $50,000,000 for each of those three fiscal years (section 201(c)).

The conference substitute conforms to the Senate bill (section 201(c)).

Outpatient medical facilities

The House amendment contains a provision, not included in the Senate bill, which establishes a project grant program for the construction of outpatient medical facilities in medically underserved areas and the conversion of existing facilities into outpatient medical facilities or facilities for long term care. A grant could be awarded for up to 80 percent of the cost of such projects and 100 percent of the costs of such projects located in urban or rural public areas. Fifteen million is authorized for each fiscal year from 1980, 1981 and 1982 for this purpose (section 201(c)).

The conference substitute conforms to the House amendment except that no funds are authorized for fiscal year 1980 (section 201(c)).

Continued availability of funds under section 1625

The Senate bill contains a provision, not included in the House amendment, which provides that funds appropriated in fiscal year 1976 for medical facility construction under section 1613 but not yet expanded may be available through fiscal year 1980 to carry out the purposes of 1625(d) which provide grants to public hospitals for the modernization and construction to meet life and safety code violations (section 202).

The conference substitute conforms to the Senate bill (section 201(c)).

TECHNICAL AND CONFORMING AMENDMENTS

The House amendment contains a provision, not included in the Senate bill, which adds conforming and technical amendments to Title XVI (sections 202 and 203).

The conference substitute conforms to the House amendments (sections 202 and 203).

TITLE III—PROGRAM TO ASSIST AND ENCOURAGE DISCONTINUANCE OF UNNEEDED HOSPITAL SERVICES

ESTABLISHMENT OF PROGRAM

The Senate bill would establish a program under which financial assistance would be provided to hospitals for the discontinuance of unneeded hospital services and the conversion of unneeded hospital services to services needed by the community. Under the program debt payments, incentive payments, and conversion payments would be provided for the discontinuance of all inpatient health services or an identifiable unit of a hospital or an identifiable part of a hospital which provides inpatient health services. Funds appropriated for this program could also be used by the Secretary of HEW to make grants to State health planning and development agencies for planning, evaluating, or carrying out programs to decertify health care facilities providing health services which are not appropriate.

The House amendment would establish a program under which grants and technical assistance would be provided to hospitals to assist and encourage them to discontinue all hospital services or of an inpatient hospital service by converting an identifiable part of a hospital facility to the provision of other health services. The House amendment would also make separate authorizations of appropriations for the Secretary to make grants to State health planning and development agencies to assist such agencies in addressing the problems of excess capacity reduction.

The conference agreement conforms to the House amendment with the following changes.

1. Grants and technical assistance may also be provided for the discontinuance of an identifiable part of a hospital facility.

2. The hospital's application to the Secretary shall include reasonable assurance that all laborers and mechanics employed by contractors or subcontractors in the performance of work on a project will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Act of March 3, 1931, and the Secretary of Labor shall have with respect to such labor standards the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 and section 2 of the Act of June 13, 1934.

3. In determining the need for any service or services proposed to be discontinued or converted by an applicant, a health systems agency and State agency shall give special consideration to the unmet needs

and existing access patterns of urban or rural poverty populations.

The conferees note that there have been numerous suggestions that the health planning program deal with the problem of excess capacity by adding a mandatory decertification authority to the existing mandate for certification of the need for proposed new institutional health services. The approach envisioned in this bill however, is purely voluntary in nature and depends for its success on the cooperation of both providers and planning agencies. The conferees also note their concern that the voluntary incentives could create the situation in which some communities might be tempted to close where politically or financially vulnerable services such as those provided by a public general hospital. Similarly, during the past several years, private hospitals located in low income inter-city neighborhoods have either transferred their facilities to outlying suburban areas or established satellite facilities in suburban areas which then drain needed resources away from inter-city communities. Such closures or phase outs deny access to needed services by the poor and minorities and can be particularly devastating if the clinics or departments involved are the source of scarce emergency or outpatient services. The conferees intend that the guidelines and priorities of this program are such that they assure that the facilities and clinics needed by the poor and minorities for inpatient and outpatient care are not discontinued unless adequate provision for alternative facilities and clinics are made available. The conferees have agreed to permit grants to be used to discontinue the provision of an identifiable part of a hospital facility so that, for instance, an entire wing of a hospital may be taken out of service. This authority is not to be used to discontinue an identifiable service unit, such as one of four operating rooms.

The conferees recognize that the closing of unneeded facilities and services will affect many employees. In requiring the hospital discontinuing services to make fair and equitable arrangements to protect the interests of employees, the conferees intend for the hospital to protect employees against a worsening of their positions respecting employment. This means that the hospitals should make a reasonable effort to obtain comparable employment for affected employees and should substantially preserve the rights achieved by the employees. The Secretary of Labor should describe the issues which hospitals must address in making fair and equitable arrangements, and is expected to actively encourage and foster adequate protections for all employees affected by grants under this section.

Grants to States for reduction of excess hospital capacity

The Senate bill authorizes the Secretary to make grants to SHPDA's for planning, evaluating or carrying out programs to decertify health care facilities (section 205).

The House amendment contains a provision which authorizes grants to States for the purpose of demonstrating the effectiveness of various means of reducing excess hospital capacity. Such grants would assist SHPDA's in identifying excess capacity, informing the public of its costs, and developing a program to reduce excess capacity in a way that provides the greatest savings in the cost of health care delivery. Four million dollars is authorized for each of the next three years (section 118(b)).

The conference substitute combines the two approaches in new section 1643. Support for SHPDA's under this section would be limited to 10 percent of the amount appropriated under new section 1644 (section 301).

HARLEY O. STAGGERS,
HENRY A. WAXMAN,
DAVID SATTERFIELD,
RICHARDSON PREYER,
JAMES T. BROYHILL,
TIM LEE CARTER,
Managers on the Part of the House.

EDWARD KENNEDY,
HARRISON A. WILLIAMS, Jr.,
GAYLORD NELSON,
ALAN CRANSTON,
CLAIBORNE PELL,
RICHARD S. SCHWEIKER,
JACOB K. JAVITS,
ORRIN G. HATCH,
Managers on the Part of the Senate.

SEVENTY-EIGHT-YEAR-OLD VIRGINIA MAN TOO YOUNG TO RETIRE

(Mr. DAN DANIEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DAN DANIEL. Mr. Speaker, considerable debate is taking place now regarding the desirability of retirement at a given age.

One man who could no doubt contribute greatly to the debate simply does not have time for it.

Mr. Downey Murphy of Swansonville, Va., is that man. Mr. Murphy will be 78 come October and he continues to farm and operate a service station.

Mr. Murphy's life is a challenge to us young pups and I should like to, at this point, insert in the RECORD an interview with this gentleman which appeared in the July 26 issue of the Chatham, Va., Star-Tribune:

STAYING BUSY KEEPS DOCTOR AWAY SAYS 77-YEAR-OLD SWANSONVILLE MAN

Most men look forward to retirement when they reach 65.

After working hard all their young years they expect to take it easy in their old age. In fact, most men are not physically able to do any hard work after they pass 65 . . . and certainly not after going over 70.

Downey Murphy of Swansonville is an exception.

On his coming birthday, October 20, Murphy will be 78 years old . . . or to put it more correctly—78 years young.

At this ripe old age most men who are still living spend much of their waking time nodding in a rocking chair at a nursing home. Murphy, however, is busy on his farm working in his mammoth garden, tending to his hay crop and tobacco, and operating a little service station.

"I thank the Lord that every morning I can get up and have some work to do," Murphy exclaimed. His 77 years haven't been a big handicap.

He philosophizes that for anyone, young or old—having a job to work at, will breed in you temperance and self-control, diligence and strength of will, cheerfulness and contentment—and many virtues which the idle never know.

Murphy's work is growing vegetables to sell. He has four acres of garden peas, 9 acres of Silver Queen corn, an acre of butterbeans, an acre of watermelons—and in the fall an acre of turnip greens. He doesn't have any help, but does all plantings, working and picking the vegetables by himself. He operates his tractors to do the plowing and cultivating.

Murphy also has 35 acres of hay which he has baled for ready sale.

This year he felt that he didn't have enough work to keep him busy, so the 77-year-old man planted an acre of dark tobacco—"To give me a little extra job," he noted.

In the winter months, he keeps little jobs on hand—like sawing slab wood for sale.

"I've worked hard all my life. It ain't nothing new to me," Murphy explained; although he says "I get tired a little quicker than I used to, and have to pace myself now."

Why does he continue this hard, tiresome work, he was asked.

"My children and friends often tell me to slow down—don't work so hard! I've seen too many men quit working when they get up in age. But I would just waste away if I didn't have something to do—to occupy my mind. I'd not be satisfied unless I'm working, doing something," he explained.

"One of the ills of this country," Murphy says, "is too many people are trying to get out of work. Parents are not teaching their children the blessings of busy hands and the health-giving advantage of work.

"The government is promoting idleness by giving food stamps and welfare checks to people who don't work," Murphy stated.

"Food stamps are all right for the needy," he observed, "but some folks are getting them that should be working."

He pointed to the difficulty farmers are having in hiring labor. "Farmers are having to bring in migrant help. There are people living around here who don't work because they can get on government welfare programs."

Murphy emphasized he doesn't have to continue working. He pointed out at his age he receives Social Security and has income from leasing out his tobacco allotment from his 70 acre farm located on Rt. 41, near Swansonville.

Of course his good health is a contributing factor to continuing to work. His only visit to a hospital was in 1945 while plowing in a field, he struck a hornet's nest . . . and within seconds he was literally covered with an angry swarm of stinging hornets. He almost died of the stings before a doctor administered an antedote against the hornets' sting poison.

Murphy is married to the former Viola Shelton and they celebrated their 58th wedding anniversary last November—"She has been my main blessing . . . there is nothing in this world like a good wife," he exclaimed.

They are the parents of two daughters, Mrs. Virginia Owen of the Rondo community and Mrs. Arline Giles of the Weal neighborhood. There are two granddaughters, Mrs. Andrea O. Coleman of Danville and Mrs. Dixie Lee Giles of Rondo.

Mr. and Mrs. Murphy are members of the Primitive Baptist Church at Malmason, and still pack their picnic baskets for those dinners on the grounds for which the Old Baptists are famous in the Summer months.

Murphy says he isn't thinking about slowing down . . . even though his 78th birthday is coming up in October.

"I'm going to do some fencing and I'm adding some cows this fall. . . ." he says.

He operates a little service station in his spare time—"It's a place to loaf when I don't have anything else to do," he laughed.

For keeping healthy and active, Murphy offers this advice: —"hard work, and staying busy every day in the field."

CANADA PROVOKES AMERICAN RETALIATION

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

Mr. BONKER. Mr. Speaker, Canada's seizure of 19 American tuna vessels is deplorable and could lead to actions that would jeopardize the friendly relations enjoyed by our two nations.

It would seem that reasonable men could discuss the situation and arrive at an agreement that could meet the needs of each nation. The alternative to such an approach is an escalation that will damage the fishing industry, if not the entire economy, of each nation.

It would be interesting to speculate about the course that retaliatory actions might take as the situation escalates into an increasingly hostile one that leaves no winner.

Certainly the seizures could have an effect on the Senate's consideration of six fishing agreements with Canada that were negotiated by our State Department ambassadors, and could have an equally devastating impact when the House considers implementing legislation.

Congress could urge the administration to order a secondary embargo of all fish products in addition to the embargo of tuna products that was invoked automatically under provisions of the Fishery Conservation and Management Act. Congress could also move to amend the FCMA to provide for automatic extensive embargo in cases such as the tuna embargo where the effect is rather minimal.

Americans could mount extensive fisheries, targeting specifically species such as herring that feed in domestic waters before returning to Canadian waters to spawn. By harvesting herring in our waters we could disrupt the multimillion dollar herring roe fishery that Canada has developed. The same type of intensive fisheries could be mounted on Fraser River sockeye and pink salmon that pass through domestic waters en route to spawning beds in Canada. Or we could end Canadian access to our waters for halibut, cod, and scallops.

In short, America could take intemperate, hasty actions that would match the illogical, irrational tuna boat seizures that Canada has undertaken.

But no one wants these things to happen, nor should they. Yet, I am afraid that, absent any timely constructive progress in easing the current crisis, these types of initiatives could be pursued to everyone's detriment.

The quickness with which the administration imposed the embargo on the importation of tuna products is laudable, but may not be sufficient to warn Canada that her actions are intolerable and could provoke America to respond in kind.

I met with Ambassador Negroponte this morning to urge his consideration of some of the alternative actions that America could take if the situation continues to deteriorate. While I am confident that reason will prevail, I am prepared, if necessary, to introduce an amendment to the Fishery Conservation and Management Act to mandate the administration to impose a substantial embargo instead of a limited one of little effect. It may also be necessary to terminate all fishing agreements with Canada so we may concentrate on a comprehensive salmon agreement. In addition, I may recommend hearings in Seattle to determine why a comprehensive agreement cannot be concluded expeditiously as required by Federal law.

My optimism about our future relationship with Canada has been clouded somewhat by her disruption of American fishing for tuna. I hope the situation stabilizes before our Government is forced to act on the range of options available. If it does not, the situation will undoubtedly deteriorate to the detriment of the fishermen in both countries.

HOSPITALS VOLUNTARY EFFORTS ARE WORKING

(Mr. COLLINS of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. COLLINS of Texas. Mr. Speaker, as hospital cost control proposals are submitted by the administration and Congress, we are hearing a lot about how Government health planning will save Americans millions of dollars. Yet, the Federal planners rarely mention the private cost-cutting systems which hospitals are implementing to utilize their facilities more efficiently.

One excellent example of this voluntary initiative is St. Luke's Episcopal Hospital, in Houston, Tex. St. Lukes, which includes a children's hospital and a heart institute, has installed a computer system to control heat and air conditioning which has saved them $590,000 (adjusted for inflation) in the first year. According to Bob Nast, administrator of the hospital, the "JC 80 Feedback Analysis" will continue to increase savings for the hospital even as time and energy costs continue to go up.

During the first 12 months of operation, JC 80 not only saved thousands of dollars in expenditures for chilled water and steam, but the system will pay for itself in savings within 1.22 years. The following is a summary of the cost savings at St. Luke's Hospital:

ST. LUKE'S EPISCOPAL HOSPITAL, TEXAS CHILDREN'S HOSPITAL, TEXAS HEART INSTITUTE

PROJECTED PAYBACK OF JC-80

	Estimated savings [1] February 1978 to January 1979	Estimated payback [2] (years)	Actual savings [3] February 1978 to January 1979	Estimated payback [2] (years)
I. Savings based on 20 percent reduction of chilled water meter reading:				
Chilled water	$330,769		$324,484	
Steam [4]	(2,688)		624	
Subtotal	328,081		325,108	
Maintenance contract	(30,000)		(30,000)	
Subtotal	298,081	2.43	295,108	2.46
Cost adjustments	204,324		299,007	
Total	502,405	1.44	594,115	1.22

	Estimated savings [1] February 1978 to January 1979	Estimated payback [2] (years)	Actual savings [3] February 1978 to January 1979	Estimated payback [2] (years)
II. Savings based on 25 percent reduction of chilled water consumption:				
Chilled water	$398,215		$324,484	
Steam [4]	(2,688)		624	
Subtotal	395,527		325,108	
Maintenance contract	(30,000)		(30,000)	
Subtotal	365,527	1.98	295,108	2.46
Cost adjustment	271,770		299,007	
Total	637,297	1.14	594,115	1.22

[1] Based on 1st 3 mo (February, March, and April 1978) actuals.
[2] The cost of the JC-80 used in calculating the payback period was $724,619.
[3] Actual savings during 1st twelve mo of JC-80 operation (February 1978 through January 1979).
[4] Assumed a 5 percent reduction.

Mr. Speaker, private hospitals such as St. Luke's do not need government plans to tell them how to save money. The free enterprise system is built on individual know-how and drive. The hospital industry's voluntary effort is proving that private plans can succeed without bureaucratic interference.

In calling for a reduction in health care costs, it is also necessary to remember that medical care today is expensive due to the factors that have contributed to inflation in a–1 areas of the economy: Unstable world-wide economic conditions; energy shortages; balance of payments ups and downs; high labor costs; government deficit spending; devaluation of the dollar. In addition, the American public perceives their health care system somewhat differently than those calling for more government cost control. A 1978 Gallup Poll revealed that: 90 percent of Americans express satisfaction with their most recent visit to a physician; 69 percent feel they can pay for ordinary health care costs; 51 percent feel confident they can pay costs incurred during a major illness.

Furthermore, almost all services relating to everyday living have risen higher than medical care. For example, the 1979 Consumer Price Index (1967=100) revealed that medical care was at

237.7. The cost of housing maintenance and repairs is at 255.5. Automobile repairs have reached 242.0 and postal charges have gone up to 257.3.

It is easy for Congress and Federal officials to criticize, yet our own house is not in order. Politicians and bureaucrats point fingers at health care spending, yet the Federal budget for fiscal year 1980 has been estimated to reach $690 billion compared to a mere $10 billion in 1940. Less than 20 years ago the Federal budget was still below $100 billion; it had taken the Nation 186 years to reach that spending level. In the next 9 years, Federal spending went up another $100 billion; in 4 more years, another $100 billion; 5 years later spending exceeds half a trillion.

Since 1940, when Federal Government was collecting $77 per person, our taxes have increased 26 times over to an average of $2,013 per capita in 1979. Taxes rose by $225 or almost 13 percent from 1978. This year's increase follows tax hikes of 12 percent in 1978 and 19 percent in 1977.

In comparison to the horrendous growth of government, the increase in hospital expenditures does not seem so overwhelming. Congress should concentrate on curbing its own spending habits before passing more regulation for an industry which is actually proving it can cut costs through voluntary planning efforts. I have yet to see this trend in Congressional or Federal spending.

WHAT WE DID ON HIS VACATION

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

Mr. BADHAM. Mr. Speaker, as we return from the August recess, I think that many of us might feel somewhat the same as young people returning to school from summer vacation. Certainly many parallels can be drawn. Among the similarities, of course, is the desire of Members to "show and tell" their vacation experiences. Since so much has happened to all of us, I take the opportunity this morning to invite the attention of the Members to Art Buchwald's column of Sunday, September 2, in the Los Angeles Times entitled, "What We Did on His Vacation," and I insert this column at this point in the RECORD.

WHAT WE DID ON HIS VACATION

WASHINGTON.—Some people read the newspaper this summer and some people didn't. Hammacher, who was in Maine, didn't, so I had to help him catch up on what went on.

"What did I miss?" he wanted to know as he unpacked his rubber raft and outdoor cooking utensils from the trunk of his car.

"It was a very quiet summer," I assured him. "President Carter came back from Vienna and Japan and announced he had a major speech on energy. Then he went to Camp David and decided to go fishing instead."

"Did he catch anything?"

"No, but a lot of people came up to Camp David to tell him he was a lousy President."

"I'll bet he didn't like that," Hammacher said.

"On the contrary, he seemed to enjoy it. When he finally came down from the mountain he went on television and told us what everyone said he was doing wrong. Then he revealed the energy crisis was real and he was going to take strong measures to do something about it."

"What did he do?"

"He fired Califano, the Secretary of Health, Education and Welfare."

"It sounds like he meant business."

"He did. The President said he was very worried about the malaise in the country so he planned to go out every week and meet with the real American people instead of those who work for him in Washington. It was a real shot in the arm for the people in Kansas City."

"What about his energy program?" Hammacher wanted to know.

"Well, Congress had to go home on vacation, so the President said there was no hurry and he'd deal with the urgent energy crisis when they came back."

"That was good of him. What did he do next?"

"He booked himself and Rosalynn and Amy on the Delta Queen, a paddle wheeler, and took a 10-day ride down the Mississippi."

"That was a good idea, especially since there wasn't anything going on in Washington."

"Right. But while he was jogging around the deck of the Delta Queen, U.N. Ambassador Andy Young met secretly with the PLO in the Kuwaiti ambassador's apartment. When the State Department found out about it, Andy didn't tell them what had happened, so State got miffed and called the President and said Young had to go. Andy resigned and all the black leaders in the United States got mad at Israel."

"You're making all this up."

"There's more. The Southern Christian Leadership Conference decided to take over the negotiations in the Middle East. The President was very upset about this because he had sent Bob Strauss to the Middle East to see if he could get Egypt and Israel to agree on a U.N. resolution.

"Strauss thought he was in charge of the Middle East, but the President passed word from the Delta Queen that Vice President Mondale was in charge. Secretary of State Vance got mad at this, so Jody Powell, the President's press secretary, said there was a mistake and Vance was in charge. Strauss then said he wanted to be an unpaid ambassador to the Middle East so he could practice law on the side. Mondale decided he wanted to visit China, and the Rev. Jesse Jackson has offered to meet with Yasser Arafat of the PLO when he comes to New York."

"Isn't there any good news that happened this summer?" Hammacher wanted to know.

"Yes, Carter told his Bible class a few weeks ago that when he went to South Korea in late June he tried to make President Park a Christian."

"Now I know you're pulling my leg," Hammacher said.

I looked at him sadly. "Believe me, I wish I were."

TOO SWEET NOW

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

Mr. LEDERER. Mr. Speaker, the House will probably consider the controversial sugar bill, H.R. 2172, sometime in the near future. I am pleased to report that newspapers from throughout the Nation have exposed the bill for what it is—an inflationary outrage.

Hundreds of editorials have been written in opposition to the bill. They have appeared in small and large newspapers in all parts of the Nation—even in "sugar country."

Another excellent editorial appeared in the New York Journal of Commerce last Friday. I include the editorial in the RECORD for the edification of my colleagues.

TOO SWEET NOW

What shared interest brings together such seemingly diverse groups as Common Cause, the National Restaurant Group, the Consumer Federation of America, the Independent Bakers Association, and the American Association of Retired Persons? These groups, plus such other strange bedfellows as the Community Nutrition Institute, the National Council of Senior Citizens, Public Citizen/Congress Watch, the Soft Drink Association, and the U.S. Cane Sugar Refiners Association, are united in opposition to the sugar price support bill reported out by the House Ways and Means Committee before Congress left for its August vacation.

The bill, approved earlier after weeks of agonizing by the House Agriculture Committee, would use import fees and quotas to increase the price of foreign sugar, which sells at lower prices than American, to 15.8 cents a pound for the 1979 crop year. In addition, to help small U.S. producers, it would provide direct payments of up to a half-cent a pound with a limit of $50,000 a producer. The bill would allow the sugar price objective to increase by up to 7 percent in 1980 and 1981.

The measure also would bring into force the International Sugar Agreement, under which sugar stocks would be accumulated or released in an effort to keep the world price between 11 and 21 cents a pound.

The wonder is not that sugar price support legislation should be in trouble—consumer groups and sugar users were successful in obtaining the last-minute defeat, 194–177, of a 1978 compromise House bill raising sugar subsidies—but that it should stand any chance at all. There are after all, no more than 12,000 beet sugar producers and 2,000 cane sugar producers in the United States, fewer than 1 percent of all American farmers. "More acreage in our country is devoted to sunflower seeds than to sugar," says Nicholas Kominus of the U.S. Cane Sugar Refiners Association.

Arguments against increasing sugar subsidies center in their heavy cost to consumers at a time of sharply rising prices for almost everything else. Alfred E. Kahn, the president's chief inflation fighter, has said that every 1-cent increase in the price of domestic sugar means $250 million to $300 million directly out of consumer pockets and as much as $150 million to $200 million indirectly.

By way of contrast, imported sugar which now accounts for half the American market, commands far lower prices than the U.S. product. Sugar can be produced abroad in many areas for 8 cents a pound and landed in this country for 10.5 cents. This is two-thirds the 13 to 14 cents domestic growers say it costs them to produce sugar and the 14.73 cents they have been receiving as price support, which they claim is too little.

The mystery of how such a tiny fraction of U.S. farmers could command such political clout is easily answered. Although few in number, they come from nearly half the states. Moreover, they enjoy the active support of such important figures as Sen. Frank Church, D-Idaho, who heads the Senate Foreign Relations Committee; Sen. Russell B. Long, D-La., who heads the Senate Finance Committee; and Rep. Al Ullman, D-Oreg., who heads the House Ways and Means Committee.

In addition, the sugar growers have struck an alliance with corn growers and refiners whose liquid sweeteners, particularly high fructose corn syrup, are growing in use and

benefit from rising sugar prices. This adds another block of states to the legislative lineup.

For two years President Carter used opposition to a rise in the price of sugar as a symbol of his administration's determination to wage war against higher farm and food prices. But early this year he caved in, agreeing to give the growers much, if not all, they had asked. He apparently had become convinced that he could no longer oppose the big guns of Congress who had the seniority and commitee posts affecting much of the administration's legislative program.

Complicating the situation is the growth of the government-held sugar surplus acquired under grower loan programs. Some 200,000 short tons, which the Department of Agriculture is trying desperately to get rid of, were acquired by the Commodity Credit Corp. under the 1977 loan program. The figure is expected to grow to more than 1 million tons when additional sugar is surrendered under the 1978 program. With some of the stored sugar approaching the age at which it starts to deteriorate, the government is hard pressed not only to find buyers but satisfactory storage facilities.

By law, the CCC is prohibited from selling the stored sugar at less than 105 percent of the current loan level plus transportation and handling charges. That puts the floor right now at just under 14 cents a pound. The CCC is also obligated to make its sales so as not to disrupt the market. That means, in the minds of government officials, wide geographical dispersion of the sales.

The CCC could sell its sugar at less than 15 cents—if the stored product had begun to deteriorate or if it were used for a non-food or non-traditional use. That has prompted Publicker Industries Inc., a Philadelphia maker of industrial alcohol as well as whisky and other distilled spirits, to propose a deal. It would take the government's surplus sugar at 8 cents a pound convert it to fuel-grade alcohol, mix it with gasoline, and sell it as gasohol.

Sugar growers know they can't sell the $140 million cost to the Treasury as a grower subsidy. But, at a time of dwindling gasoline supplies and long lines at service stations, such an expenditure might be justified as a necessary cost of developing a substitute fuel. That, at least, appears to be the motivation of Sen. Church, who has urged speedy consideration of the offer.

But the alliance between consumer groups and sugar users seems determined to resist. When consumers already are paying $1.3 billion a year to protect U.S. sugar growers, they say, there is no justification for even more expensive protection. We agree.

PERSONAL EXPLANATION

(Mr. GILMAN asked and was given permission to revise and extend his remarks.)

Mr. GILMAN. Mr. Chairman, I was unavoidably detained off the floor during rollcall No. 440, the vote on the amendment offered by the gentleman from Florida (Mr. YOUNG) to prohibit indirect aid to the Central African Empire, Cambodia, Laos, and Vietnam. Had I been present, I would have voted "yes."

□ 1910

THE 40TH ANNIVERSARY COMMEMORATION OF THE INVASION OF POLAND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, the month of September marks the 40th anniversary of the invasion of Poland and the beginning of the most tragic and destructive war in the history of the world—World War II. On September 1, 1939, the forces of Nazism invaded Poland from the West and on September 17, the forces of communism invaded Poland from the East.

Throughout history, Poland has served as a bulwark of Christian civilization in Europe, restraining the Tartars and the Turks as they plundered and pillaged across the continent.

In the fall of 1939, there was no one to protect Poland or to preserve her civilization, and this long-suffering land became a nation without a state, a tyrannized and persecuted country, deprived of half its territory and millions of its people. Alone and unaided, the 830,000 soldiers and officers of the Polish Army fought heroically against the overwhelming odds and inhuman terror unleashed by the invaders.

Thousands of Polish infantry, Navy, and Air Force troops, forced to flee the military might of the invaders, joined the allies and took up arms once more in France, Norway, North Africa, Italy, and Sicily. As the regular army slowly disintegrated with the country, an underground movement developed, directed by the Polish Government-in-exile. Stray divisions of the Polish Army together with civilian men, women, and children, intrepidly destroyed enemy planes, ammunition dumps, bridges, and other military installations.

Often forced to survive for months, or even years, in forests and mountains, members of the resistance and the Polish populace at large reacted consistently with spirit and conviction. Refusing to betray their national honor and collaborate with the enemy, 6 million Poles preferred self-respect and death to capitulation and cringing life. The nation lost close to one-quarter of her population, and the romantically beautiful city of Warsaw, the Polish Capital, was leveled to the ground.

Millions of Poles suffered deportation and imprisonment in labor camps in Siberia and Asiatic Russia, as the Communists systematically attempted to destroy Polish cultural and religious life. Even in 1945 there was no peace for Poland. Absorbed by Soviet imperialism, the Poles have continued to fight for personal liberty and national integrity.

Those who have emigrated to the United States have brought with them their love of liberty and their respect for law and order. They have contributed much socially, economically, politically, and culturally, to the advancement of our Nation, and have helped make the United States one of the greatest countries in the world.

I take this opportunity, Mr. Speaker, to give recognition to the great number of Polish Americans who reside in the 11th District of Illinois whom I am proud to represent in the Congress. They form a substantial part of the group of solid hard-working American citizens who are the backbone of our country. As we again observe this anniversary in the House of Representatives, I am honored to join Americans of Polish descent in Chicago and all over the Nation in their hopes and prayers for the reentry of Poland into the community of free nations. The long-suffering Polish people still look to a strong America for moral support in their continuing struggle to achieve their just aspirations to national liberty.

Mr. Speaker, free peoples all over the world must never weaken their vigilance against the encroachments of Communist totalitarians, and George F. Will recently wrote a thought-provoking article on this subject in the August 30, 1979, edition of the Washington Post. His article on the spiritual weakness of the Western nations on September 1, 1939 follows:

WESTERN WEAKNESS AND WAR

It is regrettable, if understandable, that Sept. 1 will pass with much less notice in the United States than in Europe. At dawn, Sept. 1, 40 years ago, German troops crashed into Poland. Seventeen million combatants and many millions of civilians would die in the next six years. But John Lukacs, the historian, writes: "The outbreak of no other great war in the modern history of Europe caused so little surprise." And unlike in 1914, Europeans went to war with resignation rather than enthusiasm.

It is arguable (and A. J. P. Taylor does argue) that the Second World War actually began in April 1932, when Mao Tse-tung declared war on Japan in the name of the Kiangsi soviet. Americans think the war began Dec. 7, 1941.

What did begin 40 years ago was (in the words of the title of Lukacs' superb history) "The Last European War: September 1939/December 1941." This war, as Lukacs says, was the decisive phase of the larger war. If Hitler had beaten Britain or Russia then, he would have won the war.

He came close in Russia. On Oct. 15, 1941, there was the first traffic jam in the history of the Soviet Union as government officials and others privileged enough to have cars fled east. Others scrambled to buy German-Russian dictionaries. Lukacs believes, "A single German parachute regiment could have taken Moscow." After 1941, with the United States in the war, Hitler could not win, and since 1941 the destiny of Europe has depended on two extra-European powers, the United States and the U.S.S.R.

In 1917, Germany sent Lenin into Russia. In 1939, Germany, with the Nazi-Soviet pact, brought Stalin into Europe. These two deeds help explain why, as Lukacs says, the rising importance of the eastern, relative to the western, half of the continent is a major theme of European history in this century.

The war in the West began slowly. Six years before Hiroshima, the British pulled 300-year-old howitzers from museums, the French sent to Finalnd some guns used in the Crimean war, and the Norwegian navy included a warship commissioned in 1858. King George VI practiced pistol shooting in the garden at Buckingham Palace.

British and German troops did not meet until April 20, 1940, in Norway. In the first 15 months of the war, there was only one small Allied victory on land, at Narvik, Norway. But Hitler's victory in Norway brought Churchill to power, and his invasion of Nor-

way and Denmark helped dissipate isolationist feelings in the American Middle West, home of many people of Scandinavian extraction.

Hitler understood better than his enemies the revolution in warfare wrought by the internal combustion engine. Some of his troops even used Michelin guides in their invasion of France. But Germany's use of mechanized forces does not fully explain its devastating successes early in the war.

In 1938, Britain was, for the last time, the principal factor in world politics. In 1938, France had five allies, at least in theory, and Germany had none. But it is widely and wrongly assumed that the German army swept to early victories in the West because it had overwhelming material advantages.

It had some. But in 1939 German aircraft production was about the same as British production. German tank production was less than British production. The British and French navies were larger than the German navy, and Germany did not launch a ship larger than a destroyer during the war.

The crucial point is that in the last European war, as Lukacs says, equipment told: but never apart from the martial qualities. As Lukacs says, Hitler "was one of the most terrifying creators of national confidence."

The Second World War began because of the moral more than the material weaknesses of the democracies. The two kinds of weaknesses often go together. Forty years later there is rising anxiety about the provocative weakness of the West. Consider, for example, the swift transformation of the SALT II debate. During three weeks of hearings in July, it became a debate about how to rectify the U.S. military weaknesses that SALT II reflects and ratifies.

It is another sign of the uneasy times that on the 40th anniversary of the beginning of war in Europe, the fiction best-seller list includes a novel written as a warning by some British NATO officers and advisers. Its title is "The Third World War: August 1985." ●

THE GULF OF MEXICO DISASTER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 15 minutes.

Mr. GONZALEZ. Mr. Speaker, the attention of the world has been focused on the immense disaster caused by the passage of Hurricane David through the Caribbean. No one yet knows the extent of the physical damage, nor even the number of lives lost. The great storm is, beyond any doubt, as great as any natural disaster of its type, and it must call forth from us not only our sympathy but our technical, material, and financial help.

At the same time, before, during, and after the great storm, the Gulf of Mexico has been subjected to a manmade disaster, the greatest oilspill of all time. Up until June 3, the worst ocean oilspill had been the wreck of a tanker, *Amoco Cadiz*, last year. That shipwreck loosed a million and a half barrels of oil. But the oil flowing in the Gulf of Mexico today makes that disaster laughable by comparison. Since June 3, the Ixtoc I oil well in the Bay of Campeche has been blowing out something like 30,000 barrels of oil a day. No one knows when the well can be brought under control. No one knows what the final damage will be, but it is certain that this is an environmental disaster for which no one is prepared, to which no one has responded adequately, and that requires an extraordinary response from Congress.

This particular disaster has revealed the frozen indifference of the Governor of Texas, his own conflicts of interest, his attempts to deny that there is even a problem and finally his arrogant disregard for the people of Texas. Beyond that the blowout has revealed the same kind of indifference by the Government of Mexico, whose own officials have deep financial involvements in oil exploration and in this particular well, whose pride prevents them from accepting sound advice, admitting the scale of this catastrophe, or even from doing what they can do limit the damage. In their arrogance, they will not provide necessary technical information, not permit foreign experts a free hand in dealing with the situation, nor even permit their own workers the freedom of action to put forth a maximum effort.

On our side, the U.S. Government has a pitiful $4 million allocated to deal with this disaster. Because of the limited resources, no effort at all is being made to keep oil off the beaches of Texas, with the result that 150 miles of beach area have so far been fouled. The only real defense is being put up in coastal inlets, where booms and skimmers are used to try to hold the oil out of estuaries and ecologically fragile areas—the marshes and wetlands, the cradles of the rich sea life of the gulf.

This disaster originated on June 3 at a drilling platform in the Bay of Campeche. The well was being drilled for PEMEX, the Government oil monopoly of Mexico.

As it happened, the drilling platform was owned by SEDCO, a company founded by Governor Clements, and which is operated by his son. The platform was leased to Permargo, a company owned by the director general of PEMEX. Perhaps it was these financial interests of the PEMEX official, Jorge Diaz Serrano, and those of Governor Clements, impelled them both to claim that the blowout of IXTOC I was no great thing, though they both knew that in fact the well was uncontrollable and would spew into the sea the greatest amount of oil ever spilled. Even today, 3 months after the blowout, no one is certain when or how the well can be controlled. Yet PEMEX engineers complacently claim that there has been no great damage, that the well will be controlled in a day or two, and that the flow of oil has been shut back to a mere 10,000 barrels per day.

It is too much to expect that the Governor of Texas, with his immense financial interests in the offshore drilling business in general and in Mexican exploration in particular, and in the blown out Campeche Bay well specifically, could ignore his interests or subordinate them to his official duty. With this conflict of interest, it is only natural that Governor Clements would react in the same way that the Mexican officials did—to deny that there is much of a problem, to resist preparation for dealing with the disaster, to hold back on seeking disaster aid, to denounce those who recognize the responsibility of his Mexican business partners, and to react with rage when anyone reminds him of his business and financial connections.

It was only a few days ago that Governor Clements found himself compelled to admit that a disaster has occurred, and that Federal assistance should be provided to the persons who have suffered economic losses from this disaster.

It is clear, however, that the Federal programs that are now available never contemplated a catastrophe of this scope or complexity. Special circumstances like this one call for special responses.

There needs to be, in the first instance, coordination of Federal, State and local efforts to cope with the drifting oil in the Gulf of Mexico. This could be done through the establishment of a coordinating body that would at a minimum include the Coast Guard, the Commerce Department, the Small Business Administration, the Corps of Engineers, appropriate State and local government representatives, and a number of citizens from the affected areas.

There needs to be consideration of new statutes to provide financial relief to people whose businesses have suffered economic damage, just as surely as if they had been struck by some natural disaster.

There needs to be action by the U.S. Government to determine what domestic entities, if any, have some liability for this accident, and action to recover from those interests suitable redress. Those responsible ought to be held duly accountable.

There needs to be leadership from our Government to establish an international agreement to determine financial responsibility for oil accidents that damage coastal areas. An international agreement on oil accidents is needed, just as urgently as any agreement on the law of the sea.

Incredibly and unforgivingly, in the face of this great disaster governmental response has been routine. Routine treatment is not sufficient, for this is not just another oil spill; it is by far the worst accident of its kind anywhere, anytime.

Congress has a responsibility to awaken the slumbering powers of Government, so that this crisis will get the attention that is necessary. I am preparing a bill to provide the powers that are needed to respond to this situation, and to express the will and determination of Congress that the emergency be given the urgent attention it requires. The complacency of both Austin and Washington in this situation is inexplicable and unforgivable.

There is no way to measure the amount of damage that has been, and will be done by the oil spill in the Gulf of Mexico. It is certain that the most beautiful beaches in America have been despoiled, that one of its prime fisheries is severely threatened, and that the whole ecological balance of the gulf may be permanently, disastrously affected. Recovery from this accident will cer-

tainly take years, and possibly decades. There is no time to allow for complacency. The need is for action now. Let the President invoke all the powers he can command to meet this crisis; let the Congress provide such additional powers as are needed. The need is immediate, the crisis is real, and the time to respond to it, is now.

MONTHLY LIST OF GAO REPORTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. BROOKS) is recognized for 5 minutes.

● Mr. BROOKS. Mr. Speaker, the monthly list of GAO reports includes summaries of reports which were prepared by the staff of the General Accounting Office. The June 1979 list includes:

NATIONAL DEFENSE

Army's FY 1980 Programs for Procuring Conventional Ammunition, Modernization, and Expansion. Acc. No. 109703, LCD-79-416, June 15.

Army Plans to Modernize the Rock Island Arsenal May Be Inappropriate. Acc. No. 109559, LCD-79-418, June 6.

Inadequate Methods Used to Account for Personnel in DOD's Transportation Function. Acc. No. 109550, FPCD-79-38, May 25.

The Multinational F-16 Aircraft Program: Its Progress and Concerns. Acc. No. 109722, PSAD-79-63, June 25.

Efforts to Charge for Using Government-Owned Assets for Foreign Military Sales: Marked Improvement But Additional Action Needed. Acc. No. 109558, FGMSD-79-36, June 1.

Navy Shipyard Accounting System Needs Improvement. Acc. No. 109552, FGMSD-79-34, June 6.

Letter reports

Review of Army AN/APR 39 contract with E-Systems, Inc. Acc. No. 109589, PSAD-79-77, May 30.

The price of Navy's prime subcontract to Pratt & Whitney in Bridgeport, West Virginia, was overstated by about $525,000. Acc. No. 109631, PSAD-79-84, June 13.

Problems in the military's test and evaluation of six weapon systems should be resolved. Acc. No. 109720, PSAD-79-86, June 25.

Projected savings for proposed realignment of the Aerospace Defense Command have decreased. Acc. No. 109720, LCD-79-119, June 25.

Information obtained for wife of Air Force Captain reported missing over Hanoi in 1972. LCD-79-121, June 26.

INTERNATIONAL AFFAIRS

Background Information Bearing Upon Panama Canal Treaty Implementing Legislation. Acc. No. 109557, ID-79-33, June 4.

Meeting U.S. Political Objectives Through Economic Aid in the Middle East and Southern Africa. Acc. No. 109530, ID-79-23, May 31.

Examination of Financial Statements of the Inter-American Foundation for FY Ended September 30, 1978 and 1977. Acc. No. 109622, ID-79-29A, June 14.

ENERGY

Federal Facilities for Storing Spent Nuclear Fuel—Are They Needed? EMD-79-82, June 27.

Energy-saving Strategies for Federal Procurement. Acc. No. 109648, EMD-79-68, June 19.

The Nation's Nuclear Waste—Proposals for Organization and Siting. EMD-79-77, June 21.

Issues Related to Foreign Oil Supply Diversification. Acc. No. 109697, ID-79-36, May 31.

Policy Needed to Guide Natural Gas Regulation on Federal Lands. Acc. No. 109649, EMD-78-86, June 15.

Nuclear Power Costs and Subsidies. Acc. No. 109680, EMD-79-52, June 13.

Increased Productivity Can Lead to Lower Costs at Federal Hydroelectric Plants. FGMSD-79-15, May 29.

Factors Influencing Size of the U.S. Strategic Petroleum Reserve. Acc. No. 109645, ID-79-8, June 15.

Natural Gas Reserves Estimates: A Good Federal Program Emerging, but Problems and Duplications Persist. Acc. No. 109648, EMD-78-68, June 15.

Letter reports

Profile of Energy Department employees. Acc. No. 109528, EMD-79-53, May 1.

What caused the delay in the permit process for the California pipeline project sponsored by the Standard Oil Company of Ohio? Acc. No. 109699, EMD-79-75, June 5.

The Energy Department should reconsider the rationale for charging the Air Force the full cost for producing depleted uranium penetrators. Acc. No. 109729, PSAD-79-88, June 13.

The Defense Logistics Agency can improve its management of bulk petroleum products. Acc. No. 109624, LCD-79-218, June 14.

The Department of Energy should do more to foster contracting with small business. EMD-79-83, June 26.

NATURAL RESOURCES AND ENVIRONMENT

Water Supply for Urban Areas: Problems in Meeting Future Demand. Acc. No. 109630, CED-79-56, June 15.

Federal Leasing Policy—Is the Split Responsibility Working? Acc. No. 109747, EMD-79-60, June 4.

Letter reports

Allegations that Federal agencies providing disaster assistance had failed to collect monies from victims' insurance policies. Acc. No. 109739, CED-79-90, June 18.

State and local governments should retain ownership of lands within the Golden Gate, Gateway, and Cuyahoga Valley national recreation areas if they can protect and manage the lands adequately. Acc. No. 109668, CED-79-98, June 19.

AGRICULTURE

Computation of Average Market Price of Rice Questioned—Independent Evaluation and Unimpeded GAO Access to Records Needed. Acc. No. 109719, CED-79-85, June 25.

COMMERCE AND HOUSING CREDIT

Selected FCC Regulatory Policies: Their Purpose and Consequences for Commercial Radio and TV. Acc. No. 109651, CED-79-62, June 4.

Letter reports

Military exchange services should discontinue using the Military Postal System for transfers of foreign made goods. Acc. No. 109745, LCD-79-213, June 1.

The Delano Relay Station was selected to back up the Voice of America's Satellite system because of its superior antenna system. Acc. No. 109704, ID-79-42, June 20.

A more accurate inventory of commercial tankers needs to be developed. LCD-79-215, June 29.

TRANSPORTATION

Communication and Management Problems Hinder the Planning Process for Major Mass Transit. Acc. No. 109533, CED-79-82, June 5.

COMMUNITY DEVELOPMENT

Decisive Government Action Needed to Resolve Problems of Community Action Programs in Los Angeles. Acc. No. 109632, HRD-79-91, June 11.

Examination of Financial Statements of the National Flood Insurance Program December 31, 1977. CED-79-70, June 1.

Letter reports

Portland, Oregon's use of Community Development funds to match Land and Water Conservation funds is legal. Acc. No. 109590, CED-79-89, June 4.

The Interstate Commerce Act would have to be amended to allow independent carriers to haul for private fleets and maintain their independent status. Acc. No. 109698, CED-79-99, June 15.

How valid were relocation payments to tenants residing in a boatyard acquired by the Fish and Wildlife Service in Alviso, California? Acc. No. 109738, CED-79-95, June 15.

Information on the effectiveness of the Economic Development Administration's Title IX program is lacking. CED-79-104, June 28.

SOCIAL SERVICES

Rehabilitating Blind and Disabled Supplemental Security Income Recipients: Federal Role Needs Assessing. Acc. No. 109556, HRD-79-5, June 6.

Letter reports

Should preceptual and visual training be included as a CHAMPUS benefit? Acc. No. 109513, HRD-79-81, May 31.

Several problems restrict agencies' ability to meet the requirements of the Federal Equal Opportunity Recruitment Program. Acc. No. 109560, FPCD-79-62, June 19.

HEALTH

Better Regulation of Pesticide Exports and Pesticide Residues in Imported Food is Essential. Acc. No. 109731, CED-79-43, June 22.

Hospital Loan Assistance Programs: Actions Needed to Reduce Anticipated Defaults. Acc. No. 109743, HRD-79-64, June 27.

Legislative and Administrative Changes Needed in Community Mental Health Centers Program. Acc. No. 109529, HRD-79-38, May 2.

Letter reports

HEW's Smokenders Program estimate of $1.5 million in costs to the taxpayers is too high. Acc. No. 109553. HRD-79-93, June 6.

Railroad Retirement Program—How Does it Compare to Other Selected Retirement Programs? Acc. No. 109573, HRD-79-41, June 8.

Multiple Problems With 1974 Amendments to Federal Employees' Compensation Act. Acc. No. 109591, HRD-79-80, June 11.

Part-time and Other Federal Employment: Compensation and Personnel Management Reforms Needed. Acc. No. 109532, FPCD-79-19, June 5.

ADMINISTRATION OF JUSTICE

The Interstate Organized Crime Index. Acc. No. 109516, GGD-79-37, May 25.

Actions Needed to Improve Military Chain of Command and Inspectors General Grievance Procedures. Acc. No. 109592, FPCD-79-23, June 11.

Letter reports

Justice Department's handling of a complaint alleging restraints of trade on independent theaters by large motion picture companies. Acc. No. 109623, GGD-79-76, June 14.

GENERAL GOVERNMENT

Science and Engineering Manpower Forecasting: Its Use in Policymaking. Acc. No. 109742, PSAD-79-75, June 27.

Grand Auditing: A Maze of Inconsistency, Gaps, and Duplication That Needs Overhauling. Acc. No. 109700, FGMSD-79-37, June 15.

Firesafety Violations in Two Buildings Leased by GSA. Acc. No. 109549, LCD-79-312, May 22.

IRS Can Better Plan for and Control its ADP Resources. Acc. No. 109647, GGD-79-48, June 18.

Federal Seed Money: More Careful Selection and Application Needed. Acc. No. 109705, GGD-78-78, June 22.

Recommendations of the Commission on Government Procurement: A Final Assessment. Acc. No. 109521, PSAD-79-80, May 31.

Senate Barber Shops Revolving Fund for Calendar Year 1978. Acc. No. 109534, GGD-79-66, June 5.

Audit of the Financial Statement of Federal Crop Insurance Corporation, FY 1978. Acc. No. 109127, CED-79-22, May 31.

Examination of Financial Statements of Federal Home Loan Bank Board for 1978 and 1977. Acc. No. 109701, GGD-79-72, June 21.

Letter reports

Guidelines for effective management and operation of Executive Branch legislative liaison offices. Acc. No. 109643, FPCD-79-41, April 6.

Monitoring incoming telephone calls at GSA's service centers could help insure that accurate information is provided to the public. Acc. No. 109548, HRD-79-62, May 1.

VA's planned replacement of the Austin, Texas, data processing center's equipment is not warranted. Acc. No. 109644, FGMSD-79-27, May 23.

The proposed computerized National Recipient System needs further study. Acc. No. 109514, HRD-79-88, May 29.

Release of impounded funds for the Energy Department. Acc. No. 109520, OGC-79-12, May 30.

The Export-Import Bank can improve its internal accounting controls and operational efficiency. Acc. No. 109519, ID-79-34, June 1.

GAO comments on Labor's "Price Behavior of Products Under Import Relief." Acc. No. 109551, ID-79-37, June 5.

GSA should reduce its leasing rates to the Equal Employment Opportunity Commission for office space in Los Angeles. Acc. No. 109555, LCD-79-316, June 6.

Why don't small businesses use SBA's occupational safety and health loan program? Acc. No. 109746, HRD-79-82, June 6.

Space problems and lack of adequate funds and staff at the Federal Labor Relations Authority have impeded efforts in organizing the agency. Acc. No. 109599, FPCD-79-67, June 11.

The Federal Trade Commission should expedite the processing and issuance of consent orders—legally binding promises by businesses to stop or correct certain practices. Acc. No. 109613, HRD-79-94, June 13.

Repairs to the National Mall due to the American farmers' demonstration will cost the Federal Government about $220,900. Acc. No. 109646, CED-79-100, June 14.

The Director, Administrative Office of the U.S. Courts, should determine the most cost-effective method of implementing a standard fiscal operation system in all U.S. courts where automation is warranted. Acc. No. 109702, FGMSD-79-30, June 21.

Impoundment of funds for the Department of Interior's Geological Survey. Acc. No. 109741, OGC-79-13, June 26.

The monthly list of GAO reports and/or copies of the full texts are available from the U.S. General Accounting Office, Distribution Section, room 1518, 441 G Street NW., Washington, D.C. 20548. Phone (202) 275-6241.●

LEGISLATION TO AMEND EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. HOLTZMAN) is recognized for 5 minutes.

● Ms. HOLTZMAN. Mr. Speaker, today I am introducing comprehensive legislation to insure that the surviving spouses are adequately protected under private pension plans. My bill amends the Employee Retirement Income Security Act of 1974 (ERISA).

Women currently fare badly under private pensions. Although ERISA significantly reformed private pensions, it was developed with an eye to the problems men traditionally faced under the system. Women are now participating in the labor force in record numbers, but their employment patterns are still different from those of men. Because of child-bearing and child-care responsibilities, women tend to work part time and to leave the labor force for long stretches of time much more frequently than men. Because of this, comparatively few women work long enough to qualify independently for pension benefits. Thus, most women are entitled to pension benefits only after their husbands die, as surviving spouses under these pension plans. It is critical, therefore, that survivor's benefits be adequate. Currently ERISA falls short on this count.

Many wives have assumed they would be entitled to receive benefits under their husbands' pension plans and are rudely surprised to find this is not so. Many husbands assume the same. But several provisions of ERISA deny this protection to hundreds of thousands of women.

First, even if an employee's benefits are fully vested, his spouse is not entitled to any survivor's benefits if he dies before reaching earliest retirement age or 10 years before the normal retirement age. And even if the employee reaches early retirement and chooses to continue working, in order for his survivor to be protected in the event that he dies before reaching normal retirement age, the employee must affirmatively elect joint and survivor coverage within a given period of time. This means that the employee must be aware of the need to elect and know how to proceed.

When an employee lives to normal retirement age, ERISA provides that his survivor is automatically entitled to survivor's benefits after his death. Even then, however, the survivor may be left unprotected because the employee has an absolute right to decide, without the knowledge or consent of his wife, to forego joint and survivor's coverage in return for higher retirement benefits.

A woman married to an employee who leaves a job where his pension is fully vested is entitled to survivors benefits only if her husband retires completely. Under ERISA, if he takes another job instead, she is entitled to no survivor's benefits.

Even those who do receive survivor's benefits often find them inadequate. Under ERISA, the payment may be as little as one-half of the payments that would have been made as a joint annuity to the employee and the survivor. For example, if an employee is entitled to $100 a month from his pension plan, and elects joint and survivor coverage, the payment to him and his spouse is then reduced to $80 a month. If the employee who is receiving the pension then dies, according to IRS interpretations, the surviving spouse may receive as little as $40 a month. If the spouse dies first, the employee continues to receive the $80 a month. The lower benefits for the survivor have proven totally inadequate.

My bill addresses these problems in several ways. First, it provides that if the employee is married, he and his spouse will be deemed to have elected the joint and survivor's option unless they submit a statement by both parties that they do not want this coverage. At any later time, this decision may be reversed in the same manner. This means that the survivor will be automatically protected as soon as benefits are fully vested unless there is a joint decision to forego this protection.

In addition, the bill requires that at full vesting, an employee must be told that his pension is vested, that he has the option of joint and survivor coverage and what the implications of such coverage is in terms of level of benefits.

The bill will also require that when pension benefits are fully vested and an employee leaves his job, his survivor is entitled to benefits whether he takes another job or completely retires.

The bill addresses the problem of inadequate survivor's benefits by providing that the survivor's benefits can be no less than three-quarters of the joint and survivor benefit.

In addition, the bill corrects two other inadequacies in the present system. Currently IRS requires that the spouse be married to the participant for 1 year prior to death and 1 year prior to retirement. This means that if an employee gets a divorce after retirement and then remarries, neither spouse gets the benefits for which the emeployee agreed to receive reduced payments. My bill requires only that the spouse be married to the employee 1 year before election of joint and survivor's benefits.

Finally, my bill removes the current forfeiture of survivor's benefits when the employee dies within 2 years of electing joint and survivor coverage.

I think this bill would go a long way toward providing adequate survivor's coverage. I urge its prompt enactment.●

EXTENSION OF FUNDS FOR MEDICAID FRAUD UNITS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. PEPPER) is recognized for 5 minutes.

○ Mr. PEPPER. Mr. Speaker, I introduce for appropriate reference a bill to

extend Federal funding of State medicaid fraud control units for 2 more years.

There are few people in Washington who would quarrel with the notion that fraud and abuse is a serious problem in medicare and medicaid. Hearings by the House Select Committee on Aging, of which I am chairman, and by the Senate Committee on Aging have provided ample evidence.

In response to these disclosures of massive fraud, the Congress created the Office of Inspector General in the Department of Health, Education, and Welfare in 1976. In 1977, the Congress passed the medicare and medicaid antifraud and abuse amendments which, among other things, authorized Federal funds to States to help establish local units to ferret out fraud. The idea to set up these units originated with Val J. Halamandaris, an expert in this field, who now serves as special counsel to our committee.

Unfortunately, only 25 States have been able to take advantage of the Federal funds so far with the deadline of October 1, 1980, fast approaching. Several States have informed our staff that they would like to establish fraud units if they can have some assurances of funding for more than 1 year. Accordingly, my bill would extend Federal funding through October 1, 1982.

I have been pleased with the success of some of these State units, notably, the New York unit headed by Deputy Attorney General Charles J. Hynes. I hope that my bill can be enacted so that the war against fraud and abuse can continue.●

FINANCIAL DISCLOSURE STATEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. KASTENMEIER) is recognized for 5 minutes.

● Mr. KASTENMEIER. Mr. Speaker, as a result of the public financial disclosure reporting requirements of Public Law 95-521, the Ethics in Government Act of 1978, and the new House rule on financial disclosure, I had tentatively decided that it was no longer necessary to file an annual public financial disclosure of my personal finances in the CONGRESSIONAL RECORD.

However, since an interest still is being expressed in the form of disclosure which I have been reporting since 1963, and since this disclosure does differ in important respects from the report which we are required by law and by the House rules to file, I am continuing my practice of placing in the CONGRESSIONAL RECORD a report on my financial condition which covers the calendar year 1978.

My report also includes the amount of Federal, State, and real estate taxes paid in 1978:

STATEMENT OF FINANCIAL CONDITION, DECEMBER 31, 1978

Cash account with the Sergeant at Arms, House of Representatives	$455.56
Cash	$19.15
Securities	None
Residential real estate:	
Arlington house and lot (1977 assessed evaluation)	112,900.00
Less mortgage	24,462.32
Equity	88,437.68
House, Sun Prairie, Wisconsin	29,000.00
Plus improvements	1,766.00
Lot	1,200.00
Total	31,966.00
Less first mortgage	16,474.44
Less second mortgage	4,500.00
Total	20,974.44
Equity	10,991.56
Household goods and miscellaneous personalty	7,500.00
Miscellaneous assets, deposits with U.S. civil service retirement fund through December 31, 1978, available only in accordance with applicable laws and regulations	54,798.03
Additional retirement fund deposit, 1976	1,130.00
Cash surrender, value of life insurance	None
On life of Robert W. Kastenmeier	544.00
On the life of Dorothy C. Kastenmeier	400.00
Donaldson Run Deposit	----------
Automobiles:	
1976 Oldsmobile	2,500.00
1978 Mercury	5,500.00
Total assets	172,275.98
Less personal notes outstanding, National Bank of Wash	3,500.00
Net assets	168,775.98
Income for calendar year 1978:	
Gross rent, Sun Prairie Home	2,290.00
Income total	2,290.00
Taxes paid:	
1978 Federal	11,571.15
1978 State (Wisconsin)	4,174.00
1978 City of Sun Prairie real estate taxes	870.12
1978 Arlington County real estate taxes	1,877.85
Total taxes paid	18,493.12

I also am reporting on the separate estate of my wife, Dorothy C. Kastenmeier, which is not subject to my control and thus, not necessarily required to be reported. Fair values are estimated and certain interests in property are subject to life estates in others:

Unimproved land, 129 acres Chireno, Tex	$10,000.00
Unimproved land, 160.5 acres Nacogdoches, Tex	10,000.00
Frame House and lot, 413 Myrtle Street, Nacogdoches, Tex	12,000.00
Lot and Building, 106 Marilyn Street, Nacogdoches, Tex	12,000.00
158 Shares Fredonia State Bank, Nacogdoches, Tex	6,320.00
Total	50,320.00
All interest in minerals and timber subject to life estate of others:	
Rental income	675.00
Lease income	80.25
Total	755.25

●

THE CONDOMINIUM CONVERSION CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ROSENTHAL) is recognized for 5 minutes.

● Mr. ROSENTHAL. Mr. Speaker, the United States is rapidly heading toward the worst national housing crisis since the shortage that followed the end of World War II. A leading cause of this crisis is the widespread and growing practice in our cities of converting rental housing to condominiums. The short-term consequence of this practice is the forced displacement of thousands upon thousands of elderly, low- and moderate-income families from their apartments. Condominium conversions have also severely reduced the availability of rental housing in many metropolitan areas, pushing rents in existing buildings to record highs. The long-term consequence of the condominium conversion crisis, unless national action is taken soon, will be the disappearance of private rental housing in the United States.

This future described above is not inevitable. The Federal Government can take steps to prevent the forced displacement of millions of tenants and halt the decay of the rental housing market. The Condominium-Cooperative Conversion Moratorium Act of 1979 would start us on the road to reversing the current dangerous trend. This bill would:

First: Effectively prohibit the conversion of rental housing to condominiums and cooperatives for a 3-year period—long enough to give a Presidential Commission on Problems Relating to Condominium-Cooperative Conversions time to study the situation, recommend solutions, and get national legislation passed to deal with the problem.

Second: Ease the difficulties faced by displaced tenants by requiring developers to provide them with relocation assistance and by providing tax relief to tenants who are forced to move as a result of the conversion of their building to a condominium or a cooperative.

Third: Force localities to either regulate the conversion process or guarantee adequate housing to displaced tenants by placing restrictions on community development block grants.

Fourth: Would reduce the tax incentives that currently encourage conversion and would increase the tax advantages of owning and rehabilitating rental housing.

The Condominium-Cooperative Conversion Moratorium Act of 1979 will not solve the Nation's housing crisis. But it will be an essential first step in the direction of a solution.

THE ROOTS OF THE CRISIS

Condominiums—individually owned housing units in multiunit projects—are not a new form of housing. Documents unearthed in the Near East reveal that the owner of a two-story house in ancient Babylonia sold the first floor to another family while retaining title to the second floor. Condominiums were popular during the Middle Ages and have long been common in Europe and Latin America.

They were first introduced to the United States when Puerto Rico enacted laws permitting condominium ownership in 1951. By 1968 all 50 States had passed legislation to permit condominium ownership.

The purchaser of a condominium acquires full title to his unit plus an undivided interest in the project's common areas—such as the parking lot, hallways, recreation facilities, and the land under the building. Condominiums differ from cooperatives, which are owned by nonprofit corporations whose shareholders own an undivided portion of the entire building and who have the right to occupy individual units. Condominiums offer purchasers the tax advantages of single-family home ownership while allowing them the conveniences of apartment living, such as ease of maintenance and proximity to urban centers. In addition, condominiums are often less expensive than detached homes, making the benefits of property ownership available to a larger share of the population.

In 1970 there were only 85,000 condominium units in the United States. By 1975 this figure had climbed to 1,340,000 units. Roughly a quarter of all for-sale housing starts in 1973 and 1974 were for condominiums. HUD's most recent estimate (1975) was that close to 4 million Americans reside in condominiums. HUD estimates that within 20 years half the population of the United States will be living in condominiums.

The real problem lies not with condominium development but with condominium conversion. Conversion is the process whereby a developer takes a previously completed rental property and turns it into a condominium. Conversions are popular, according to HUD, because of the "large potential profits which can be made in a relatively short period of time * * *" Rapidly rising construction costs and a shortage of land zoned for multifamily housing have made conversion more appealing to the developer than new construction. In addition, the tax reforms of 1969 provided an incentive for conversion by reducing the tax advantages of purchasing used rental property. Provisions in the 1976 Tax Reform Act covering accelerated depreciation also made it more difficult for landlords to make a profit from rentals.

Profits from condominium conversions can be enormous—returns can run from 50 to 500 percent, and profits can usually be turned in 3 to 6 months for the developer with a proven track record. When a conversion takes place almost everyone makes money on it. Real estate agents realize new commissions, to the tune of $16 million annually in Chicago alone. Lawyers collect closing fees. Title insurance firms must conduct a title search on each unit. Banks make high-interest loans and enjoy a quick turnover of mortgage money.

With millions of dollars in easy money to be made by condominium conversions, it is no wonder that "condomania" is sweeping our Nation's cities. HUD estimated that over 100,000 units were converted to condominiums between 1970 and 1975. Housing experts say there were 50,000 conversions in 1977 and over 100,000 in 1978. Projections for 1979 range from 130,000 to 250,000. But these nationwide statistics mask the extent of conversion in specific cities. According to a recent report in Forbes magazine, "condomania" is gobbling up close to 50 percent of the for-sale markets in southern California, Chicago, and Washington, D.C., and over half in southern Florida and San Francisco. Citicorp Real Estate reports that the conversion trend is broadening and becoming significant in new markets. Cities which reported virtually no conversions last year are experiencing booms this year. The following table lists conservative estimates of conversion trends in 18 U.S. cities.

ESTIMATED CONVERSIONS BY CITY, 1977–79

City	1977	1978	1979 (projected)
Atlanta		200	2,000
Boston		3,000	2,000
Chicago	16,000	24,000	30,000
Dallas	1,000	1,000	1,000
Denver	1,000	4,000	8,000
Detroit		1,000	2,500
Houston	13,000	5,000	1,500
Los Angeles-Orange County	1,000	3,000	7,000
Miami-Fort Lauderdale		2,000	2,000
Minneapolis-St. Paul	1,500	2,000	3,000
New York [1]	10,500	20,500	34,000
Philadelphia		500	2,000
Phoenix		1,000	2,000
San Diego	1,000	2,000	3,000
San Francisco-Oakland	1,500	2,000	2,000
Seattle	1,000	4,000	2,000
Tampa-St. Petersburg		2,500	2,500
Washington, D.C.[2]	4,000	7,500	12,000

[1] Includes cooperatives.
[2] Includes suburban area.

Sources: U.S. Housing Markets, Apr. 20, 1979, Forbes, Nov. 13, 1978.

THE CONSEQUENCES OF CONVERSION

The immediate effect of a condominium conversion is the displacement of tenants who cannot afford or do not wish to purchase their unit. Many renters, especially the elderly, cannot afford to pay for apartments that often cost more than 150 times their monthly rent. HUD in 1975 found that the monthly cost of owning a condominium unit (including mortgage interest, property tax payments, and maintenance fees) went up an average of 30 to 35 percent over the previous monthly rent. Subsequent studies in specific communities have found increases of over 50 percent. These cost increases impact most severely on the elderly and on those with low or moderate incomes. The District of Columbia's Housing Market Analysis in 1976 found that the typical D.C. tenant, who had been spending 26 percent of his income on rent, would have to spend 70 percent to own his converted apartment. Costs of converted units continue to soar. In Chicago's prime rental areas units that sold for $50 to $60 a square foot in 1977 went for $100 to $200 a square foot in 1978. For apartments whose monthly costs were $360 as recently as 1976, the mortgage and maintenance costs per month came to over $800 last year.

The higher costs of converted units adversely affect many tenants: persons without accumulated wealth, particularly those of average or lower than average income; young persons who expect to move as their family grows; persons who prefer to rent, usually through personal choice or because they are at a stage in life where mobility is important; and older persons with locational attachments and no desire or need to accumulate the equity or take advantage of the tax breaks that condominium ownership brings.

The elderly, those who can least afford to move, are the major victims of condominium conversion. A study conducted in Washington, D.C. by the Center for Urban Policy Research at Rutgers found that the typical displaced tenant was over 60, had a small household and an income under $10,000 a year (chiefly from social security and pensions), and had lived in the same apartment for more than 5 years. Purchase of the unit would have increased their housing costs to almost 53 percent of their income, and was out of the question.

The magnitude of the displacement problem is enormous. HUD found in 1975 that an average of 80 percent of rental tenants moved rather than bought their converted units. Those who move face a host of problems. First, forced moves often result in severe social and psychological disruptions. A study by the National Council of Senior Citizens of elderly low- and moderate-income tenants in Washington, D.C. found that the bulk of the displaced tenants found it harder to see their families, go to church, and visit their doctors after moving. Close to half of the respondents experienced ill health effects which were often described more particularly as depression, mental distress, and great anxiety. Second, forced moves can wipe out the savings of many lower and moderate income families. According to the American Movers Conference a typical intercity move costs several hundred dollars. This can be devastating to a low-income elderly household. Third, and perhaps most important, displaced tenants often find it difficult to find new housing, and the apartments they do find usually charge higher rents. The National Council of Senior Citizens' survey found that close to one-fourth of the respondents took 4 or more months to find substitute housing, and close to three-fourths of the displaced low- and moderate-income elderly paid at least 20 percent more for rent when they moved. Conversions can thus break up stable neighborhoods. A study in Evanston, Ill., found that the average tenant in a building undergoing conversion had lived in the town for over 20 years, yet over half of the displaced tenants expected to leave Evanston. As HUD concluded in 1975:

> In a city where rental vacancy rates are low and where rental units are occupied by elderly, who are often on fixed incomes, and by low- and moderate-income families, the displacement potential of this conversion process appears awesome.

The second major consequence of condominium conversion is the depletion of rental housing stock and subsequent rent increases in remaining apartments. HUD observed that most conversions occur in areas with already low rates of

rental vacancy. Because conversions lead to a decreased supply of rental units while not decreasing the demand for them, rents in alternative buildings tend to rise and become higher than prior to conversion. At the same time, today's reduced rate of home building and continued high prices for housing have forced more people into the rental market. The result is that condominium conversions force rental vacancy rates down to critically low levels.

According to HUD's Economic and Market Analysis Division when a rental vacancy rate (the percentage of available rental housing in a community) falls below 5 percent, "market parity is destroyed and tenants are forced to pay higher rents than they can afford, accept housing below previous standards, or uproot their family and move to different jurisdictions with higher vacancy rates." A look at Chicago and Washington, D.C. shows that condominium conversions are largely responsible for the depletion of rental housing stock in those cities. Chicago neighborhoods where conversions are rampant have rental vacancy rates varying from less than $.25 percent (Hyde Park) to nearly 1 percent. Evanston, where 13 percent of the rental property has been converted, has experienced a drop in its rental vacancy rate to 0.5 percent, and rents have risen as high as 60 percent in some buildings. In suburban Oak Park conversions of 15 percent of the rental units have reduced the rental vacancy rate to less than 1 percent. Conversions on Chicago's North Side have forced rents up nearly 50 percent, and so lucrative is the conversion boom that only four new apartment buildings have gone up in Chicago in the past 4 years.

The situation is similar in Washington, D.C. In 1970, the vacancy rate stood at 4.4 percent, or 22,300 units. Between 1970 and 1974, 20,000 rental units were converted to condominiums, and very few new buildings were constructed for rental purposes. The result: a vacancy rate of 1 percent, or 5,000 units—making the Nation's capital perhaps the Nation's tightest rental market.

Condominium conversions clearly create a vicious cycle in the rental housing market of a city. They occur where a shortage of adequate rental units already exists, thus panicking many people into buying converted units. This reduces the availability of rental housing even further, and drives up the rents in remaining apartments. The combination of lower vacancy rates and higher rents then prompts another round of "condomania." In short, the demand for many converted condominiums is partially artificial—created by shortages that have been created by developers. As a study in Hyde Park, Ill., concluded:

> If there were no such thing as condominium developers, and the only time a building was converted into condominiums was when tenants wanted them, there would be few condominiums in Hyde Park. . . . The demand for condominiums in Hyde Park does not exist apart from the insufficient supply of rental units.

The forced nature of most conversions means that a high percentage of tenant purchasers does not necessarily indicate acceptance of the conversions. While only 20 percent of the tenants purchase in an average conversion, the percentage who purchase their converted units often runs somewhat higher. Yet many of these tenants are reluctant purchasers. Faced with the choice of buying or being evicted, they buy even if they feel they cannot afford to. The Palo Alto condominium conversion study in 1974 found that approximately 75 percent of the tenants who purchased bought because they were afraid they would not find another apartment to rent in Palo Alto, which had a rental vacancy rate of close to 1 percent. They also feared that if they moved to another building, it too would soon be converted to a condominium. The Hyde Park study found a similar percentage of reluctant purchasers. The situation in Chicago—where the number of conversions climbed from 3,100 in 1974 to 24,000 in 1978—has deteriorated to the point where Forbes magazine conducted in November 1978 that "a middle-class would-be apartment tenant wishing to live in the city has little alternative to condo purchase."

THE END OF RENTAL HOUSING?

The crisis caused by condominum conversion in Chicago and Washington, D.C. are rapidly spreading to other cities. New York, Los Angeles, San Francisco, and Miami all have vacancy rates around 2 percent, and all are experiencing a boom in condominium conversions. In Manhattan the squeeze is so severe that it is forcing tenants to double and triple-up, to fight for the privilege of paying $700 a month for one-bedroom apartment, and to make illegal payoffs to agents and managers. Nationwide the rental vacancy rate has fallen to 4.8 percent, the lowest it has been since the housing shortage that followed the end of World War II.

Projections for the future are even dimmer. Many are now predicting the demise of private rental housing in the United States. Former HUD Secretary Robert Weaver wrote earlier this year that rental housing is now an "endangered species." Urban housing expert George Sternlieb told the House Subcommittee on General Oversight and Renegotiation that "we are presiding over the end of the classic rental housing industry." And Chicago real estate investor Samuel Zell predicts that within the next 10 to 15 years, thanks to condominium conversions, there will be no more rental apartment buildings in the United States:

> Today, the cheapest housing deal in Chicago is still to rent. It's a bargain. Even when you consider all the tax writeoffs when you buy, it's more expensive to buy. This will last for the next 12 to 36 months. But in 5 to 10 years, so many apartments will have gone condo that nationwide, people will start paying a premium for the privilege of renting.

Continued reductions in the supply of private rental housing would be a social and economic disaster for the country. It would drastically reduce geographic mobility, and by restricting people's freedom to move and live where they want, would diminish opportunities for upward social and economic mobility as well. An ever-increasing proportion of Americans are in transition: from one part of the country to another, from bachelorhood to marriage, from job to job. Many people in flux cannot be tied down to a mortgage and cannot take on the responsibilities of homeownership; 26 million households—1 in every 3—either must or prefer to rent today. To allow condominium conversions to continue unabated would deprive these households of a large degree of their freedom. As George Sternlieb warns,

> Ours is a society that depends on mobility and that depends upon flexibility. It is a society in which people are not going to die in the same job they started with. And more and more they are not going to spend most of their lives even in the same metropolitan area that they started out with. And the greatest facilitator of that flexibility clearly is the availability of rental housing rather than having to buy in.

The decline in rental housing stock will also mean that more and more Americans will be forced to pay a greater percentage of their income on housing. Currently, the average household spends one-fourth of its income on housing—a standard that has already priced more than half of the families in the market for new homes out of that market. As housing costs continue to outpace increases in personal income, we are going to become more like the Europeans, who pay 40 to 45 percent of their income for housing. The consequences of such a situation could be catastrophic. Millions of middle-class families will find their disposable income cut by one-fourth to one-half. This in turn will generate massive new demands on the Federal Government for goods and services traditionally provided by the private sector. The United States would increasingly come to resemble England—where two-thirds of the rental housing supply is publicly owned and taxes are soaring out of control to pay for it.

THE NEED FOR NATIONAL LEGISLATION

A number of cities and States have taken steps to deal with the problems caused by condominium conversion. Legislation to assure the quality of conversions and protect condominum purchasers from fraud and other abuses has been passed in several States. A few localities have attempted to restrict conversions. New York City and San Francisco allow conversions only when 35 percent or more of the tenants in a project agree to purchase their units. Palo Alto and Washington, D.C. restrict conversions when the rental vacancy rate falls below a specified percentage. A law just passed in New York State prohibits the eviction of elderly tenants who refuse to purchase their converted unit if they meet certain eligibility requirements. The building is allowed to go condo, but the elderly tenants are allowed to stay on as renters. Montgomery County protects tenants from early eviction. Alameda, Calif. requires developers to pay moving expenses to tenants displaced by conversions.

Yet these local regulations are the exception rather than the rule. Although they do provide some protection to ten-

ants and some restrictions on conversions, very few of them adequately deal with the crisis at hand. Vacancy rates by and large continue to decline, rents continue to soar, and conversions continue unabated. Even though "condomania" is spreading across the country few areas have laws to deal with it. Many municipalities are just now beginning to realize the extent of the problem, and most are reluctant to act because of pressure from real estate interests and a belief that condominiums will produce more revenues from property taxes (not true in all cases). By the time our cities and States realize a crisis exists thousands more units will have been converted and thousands of tenants displaced. Once an apartment goes condo it is effectively lost to the rental market forever.

The Federal Government has a responsibility to deal with the conversion crisis. Our national housing policy commits the Government to insuring a decent home and suitable living environment for every American family. We are already spending billions of dollars to provide rental housing for the poor, and numerous Federal programs seek to increase the supply of rental housing. Federal leadership in regulating the conversion process in order to preserve and create new rental opportunities clearly has ample policy precedent. Since local and State action has been minimal and inadequate, national legislation must be passed now to halt displacement and prevent the demise of the rental housing industry.

THE CONDOMINIUM-COOPERATIVE CONVERSION MORATORIUM ACT OF 1979

The Condominium-Cooperative Conversion Moratorium Act of 1979 is an essential first step in protecting displaced tenants and preserving rental housing. The bill if enacted would cost the Government virtually nothing, yet it would go a long way toward alleviating the conversion crisis and preventing us from experiencing the kind of future that continued unregulated conversions would bring.

Title I of the legislation would effectively prohibit condominium and cooperative conversion for a 3-year period. By placing restrictions on the use of federally related loans, Federal assistance, interstate commerce, and the mails, this bill would provide the Nation with the time necessary to study the crisis in rental housing without committing us to a specific course of action. Without a moratorium, conversions will continue at such a pace that in many communities the question will become moot before legislation and regulations are enacted. It may already be too late for Chicago and Washington, D.C. To allow conversions to continue while the administration and Congress study the issue for several years would only spur developers on to convert quickly before restrictions are imposed (in the 7 months prior to enactment of the Chicago Condominium Conversion Ordinance more than 7,000 units were converted to condominiums). A moratorium is not without precedent. Over 15 cities—including Washington, D.C., San Francisco, Seattle, Palo Alto, Skokie, and San Jose—have enacted moratoria on conversions while they considered legislation. The moratorium would include cooperative housing—currently popular in relatively few cities—because restrictions on condominiums alone might cause developers to convert to co-op instead. The construction of new condominiums and cooperatives will in no way be affected.

Title II of the bill establishes a Presidential Commission on Problems Relating to Condominium-Cooperative Conversions. The Commission is to be composed of representatives of consumer organizations, labor unions, tenant groups, builders, and urban planners. It will have 1 year to study the issue and report its findings and recommendations to the Congress. Congress and the President will then have 2 years in which to pass regulations and legislation.

The need for an independent commission becomes apparent when one examines HUD's efforts (or lack thereof) with regard to conversions. An amendment to the Housing and Community Development Act of 1974 required HUD to investigate the problems associated with condominiums and cooperatives. Although the 1975 study downplayed abuses in the condominium industry and overlooked many aspects of the conversion crisis, it did make clear that serious problems existed. Yet HUD has done virtually nothing about condominium conversions since. Department officials admit that they do not even have any idea how many conversions have occurred since 1975. Clearly, the situation must be studied by an independent group of experts who are not all tied to the same special interest groups and industries.

Title III of the Condominium-Cooperative Conversion Moratorium Act would require developers to provide relocation assistance to tenants displaced by conversions (by prohibiting a developer from receiving federally related loans or Federal assistance unless he contracts with each tenant to pay for moving expenses up to $400). Haywood, Alameda, Palo Alto, and San Francisco, Calif.—as well as Washington, D.C.—currently require that developers provide assistance to tenants they have forced out of their building. This provision will lease some of the burdens of moving, thus cutting down somewhat on the number of forced purchases of condominium units. It will also reduce the developer's profit and give him less of an incentive to convert.

Title III also prohibits community development block grants from going to localities that do not either restrict conversions or guarantee adequate rental housing to displaced low- and moderate-income tenants. A major purpose of the Housing and Community Development Act is to preserve low- and moderate-income housing. Yet condominium conversions are removing units from the low- and moderate-income housing stock faster than Federal subsidies could ever replace them. By barring CD block grants from communities unless HUD determines that the locality does not permit the conversion of low- and moderate-income rental units to condominium or cooperative units for higher income persons (unless all of the persons displaced are assured of decent rental housing at rents similar to those existing in the units from which they were forced out), the bill would give added protection to displaced tenants as well as providing an impetus for communities to control conversions.

Title IV makes three changes in the U.S. tax code with respect to conversions. First, it provides tax relief to displaced tenants by allowing low- and moderate-income housholds to deduct moving expenses paid or incurred in connection with a move if within 90 days of the move the unit is converted to a condominium or a cooperative housing unit. Second, it amends the Internal Revenue Code to make the profits from conversion treated as ordinary income, not capital gains. This should reduce developers' incentive to convert. Third, title IV improves the tax incentives for owning and rehabilitating rental property. The section of the tax code which allows for depreciation deductions for the rehabilitation of low-income housing is amended to include all forms of rental housing, and the amount of deduction that can be claimed is increased from $30,000 to $50,000. Just as present tax laws encourage conversions to condominiums, so title IV should encourage the maintenance and improvement of rental housing.

This is not a complete solution to the condominium conversion crisis. The Presidential Commission called for in the bill will have to devise long-term plans for preserving rental housing and protecting displaced tenants. But the bill will provide time for a review of the problem without allowing things to deteriorate. It will also provide some modest relief to displaced tenants and will create disincentives for conversion while strengthening the incentives for maintaining rental property.

Unless this Congress desires the forced displacement of millions of elderly and low- and moderate-income tenants from their homes, unless we wish to further restrict the mobility of Americans by allowing the rental housing supply to continue to dwindle, and unless we want to witness in our lifetimes the death of private rental housing in the United States and the onset of a costly government-owned and run rental housing industry, we must begin to control and restrict the conversion of rental property to condominiums and cooperatives. We cannot afford not to act.

The text of my bill follows:

A bill to prohibit for three years the conversion of residential rental units to units in condominiums or cooperatives; to establish a Presidential Commission on Problems Relating to Condominium-Cooperative Conversions; to provide relocation assistance to low- and moderate-income persons occupying rental units which are converted to condominium or cooperative units; to deny community development block grants to communities which contribute to the shortage of housing for low- and moderate-income persons by permitting condominium and cooperative conversions without appropriate restrictions; and to amend the Internal Rev-

enue Code of 1954 to treat gain from such conversions as ordinary income, and for other purposes.

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

SHORT TITLE

SECTION 1. This Act may be cited as the "Condominium-Cooperative Conversion Moratorium Act of 1979: For Tenant Protection and for the Preservation of Rental Housing".

TITLE I—CONDOMINIUM-COOPERATIVE CONVERSION MORATORIUM

PROHIBITION OF THE USE OF FEDERALLY RELATED MORTGAGE

LOANS FOR CONDOMINIUM OR COOPERATIVE CONVERSIONS

SEC. 101. (a) During the period specified in section 104, no lender may make a federally related loan which is to be used, directly or indirectly, with respect to the—

(1) conversion of residential rental units to units in a condominium or cooperative project; or

(2) purchase of a unit in a condominium or cooperative project which has been converted, after the date of the enactment of this Act, to such a unit from a residential rental unit.

(b) Each Federal instrumentality responsible for the supervision, approval, regulation, or insuring of banks, savings and loan association or similar institutions shall inform such institutions that any Federal approval, insurance, or other form of Federal assistance made available to them is conditioned on their compliance with the provisions of subsection (a).

PROHIBITION OF THE USE OF FEDERAL ASSISTANCE FOR CONDOMINIUM OR COOPERATIVE CONVERSIONS

SEC. 102. During the period specified in section 104, no Federal grant, loan, insurance, or other form of assistance may be utilized, directly or indirectly, with respect to—

(1) the conversion of residential rental units to units in a condominium or cooperative project; or

(2) units in a condominium or cooperative project which have been converted, after the date of the enactment of this Act, to such units from residential rental units.

CRIMINAL PENALTY FOR THE USE OF THE MAILS OR INSTRUMENTS OF COMMUNICATION OR TRANSPORTATION IN INTERSTATE COMMERCE IN CONNECTION WITH CONDOMINIUM CONVERSIONS

SEC. 103. (a) During the period specified in section 104, no person may make use of any means or instruments of transportation or communication in interstate commerce or of the mails with respect to—

(1) the converting of residential rental units to units in a condominium or cooperative project; or

(2) the sale of any such units which have been so converted after the date of the enactment of this Act.

(b) Any person who violates the provisions of subsection (a) shall be fined not more than $50,000 and imprisoned not more than 5 years, or both.

TIME LIMIT

SEC. 104. The provisions of this title shall apply only during the period beginning on the date of the enactment of this Act and ending three years thereafter.

DEFINITIONS

SEC. 105. For purposes of this title—

(1) the term "cooperative project" means any real estate (and improvements thereon) owned by an organization in which the members are entitled to the use of a unit in the building as a result of owning an interest in the organization;

(2) the term "condominium project" means any real estate (and improvements thereon) which has portions designated as units for separate ownership and the remaining portions designated for common ownership solely by the owners of such units, with each owner having an undivided interest in the common elements; and

(3) the term "federally related loan" means any loan which—

(A) is made in whole or in part by any lender the deposits or acounts of which are insured by any agency of the Federal Government, or is made in whole or in part by any lender which is regulated by any agency of the Federal Government;

(B) is made, in whole or in part, under or in connection with a housing or urban development program administered by the Secretary of Housing and Urban Development or a housing or related program administered by any other such officer or agency of the Federal Government;

(C) is intended to be sold by the originating lender to the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, or a financial institution from which it is to be purchased by the Federal Home Loan Mortgage Corporation; or

(D) is made in whole or in part by any creditor, as defined in section 103(f) of the Consumer Credit Protection Act, who makes or invests in residential real estate loans aggregating more than $1,000,000 per year.

TITLE II—PRESIDENTIAL COMMISSION

SEC. 201. (a) The President of the United States shall establish a Commission on Problems Relating to Condominium-Cooperative Conversions (hereinafter referred to as the "Commission").

(b) The President shall, not later than 30 days after the date of the enactment of this Act appoint 11 members to the Commission. In appointing these members, the President shall provide that at least the following groups are represented:

(1) consumer organizations;

(2) labor unions, especially the construction trades;

(3) tenant organizations;

(4) builders; and

(5) urban planners.

(c) The Commisssion shall study the problems resulting from the conversion of residential rental units to units in condominium or cooperative projects. After completing such study, the Commission shall report, no later than 13 months after the date of the enactment of this Act, to the Congress its findings, conclusions, and recommendations concerning solutions to such problems.

(d) The Chairman of the Commission shall be elected by its members, and the Commission shall meet at times and places specified by the Chairman.

(e) The Chairman stall appoint, to the extent of funds available, staff members to assist the members in carrying out their duties.

(f) The head of each Federal instrumentality shall cooperate, to the maximum extent practicable, with the Commission in supplying information requested by the Commission.

(g) No salary shall be paid the members of the Commission, but they shall be paid per diem expenses, to the extent of funds available, while carrying out the duties of the Commission.

(h) The Commission shall terminate after it has made the report described in subsection (c).

TITLE III—ASSISTANCE FOR PERSONS DISPLACED BY CONDOMINIUM-COOPERATIVE CONVERSIONS AND RESTRICTIONS ON COMMUNITY DEVELOPMENT BLOCK GRANTS

ASSISTANCE FOR DISPLACED PERSONS

SEC. 301. (a) After the period described in section 104 of this Act, no lender may make a federally related loan, as defined in section 105 of this Act, which is to be used, directly or indirectly, with respect to the conversion of residential rental units to units in a condominium or cooperative project, as defined in such section, unless the person who is to carry out such conversion certifies (and provides sufficient supporting material for such certification) to the lender that such person has entered into, or made an offer to enter into, a contract (with each of the households lawfully in possession of and not in default with respect to the units which are to be so converted) which obligates such person to pay (prior to the beginning of the construction associated with such conversion) such household for actual and reasonable moving expenses up to $400.

(b) Each Federal instrumentality responsible for the supervision, approval, regulation, or insuring of banks, savings and loan associations, or similar institutions shall inform such institutions that any Federal approval, insurance, or other form of Federal assistance made available to them is conditioned on their compliance with the provisions of subsection (a).

(c) After the period described in section 104 of this Act, no Federal instrumentality may make any grant, loan, insurance, or other form of assistance available with respect to the conversion of residential rental units to units in a condominium or cooperative project, as defined in section 105 of this Act, unless the person who is to carry out such conversion certifies (and provides sufficient supporting material for such certification) to the Federal instrumentality providing the assistance that such person has entered into, or made an offer to enter into, a contract (with each of the households lawfully in possession of and not in default with respect to the units which are to be so converted) which obligates such person to pay (prior to the beginning of the construction associated with such conversion) such household for actual and reasonable moving expenses up to $400.

(d) Any person who knowingly presents any false information with respect to making the certifications described in subsections (a) and (c) shall be fined not more than $50,000 or imprisoned not more than 5 years, or both.

RESTRICTION ON COMMUNITY DEVELOPMENT BLOCK GRANTS

SEC. 302. Title I of the Housing and Community Development Act of 1974 is amended by adding the following new section at the end thereof:

"RESTRICTIONS ON CONDOMINIUM AND COOPERATIVE CONVERSIONS

"SEC. 121. (a) Notwithstanding any other provision of law, no grant may be made to a unit of government under this title unless the Secretary makes a determination that the unit of government does not permit the conversion of residential rental units for low- or moderate-income households to units for higher income persons in condominium or cooperative projects unless all of the persons displaced as a result of such conversion are assured of obtaining decent, safe, and sanitary rental housing with rental charges similar to those units from which such persons were displaced.

"(b) For purposes of this section—

"(1) the term 'cooperative project' means any real estate (and improvements thereon) owned by any organization in which the members are entitled to the use of a unit in the building as a result of owning an interest in the organization;

"(2) the term 'condominium project' means any real estate (and improvements thereon) which has portions designated as units for separate ownership and the remaining portions designated for common ownership solely by the owners of such units

with each owner having an undivided interest in the common elements; and

"(3) the term 'low- or moderate-income households' means households whose incomes do not exceed 100 percent of the median income for the area as determined by the Secretary with adjustments for smaller and larger households, except that the Secretary may establish income ceilings higher or lower than 100 percent of the median for the area on the basis of findings that such variations are necessary because of prevailing levels of construction costs, unusually high or low household incomes or other factors."

TITLE IV—AMENDMENTS OF THE INTERNAL REVENUE CODE OF 1954

SEC. 401. (a) Part IV of subchapter P of chapter 1 of the Internal Revenue Code of 1954 (relating to special rules for determining the capital gains and losses) is amended by adding at the end thereof the following new section:

"SEC. 1256. GAIN FROM CONVERSION OF RESIDENTIAL RENTAL PROPERTY INTO CONDOMINIUM OR COOPERATIVE HOUSING

"(a) GENERAL RULE.—If any property is disposed of in a disposition to which this section applies, the excess of—

"(1) the amount realized (in the case of a sale, exchange, or involuntary conversion), or the fair market value of the property (in the case of any other disposition), over

"(2) the adjusted basis of such property, shall be treated as gain which is ordinary income. Such gain shall be recognized notwithstanding any other provision of this title.

"(b) DISPOSITIONS TO WHICH THIS SECTION APPLIES.—This section applies to any disposition by the taxpayer of a condominium or stock in a cooperative housing corporation if—

"(1) the condominium, or the dwelling unit to which such stock relates, is in a building which was residential rental property, and

"(2) such residential rental property was converted into a condominium project, or transferred to the cooperative housing corporation—

"(A) by the taxpayer, or

"(B) by any other person if the adjusted basis of the property in the hands of the taxpayer is determined (in whole or in part) by reference to the adjusted basis of such property in the hands of such other person.

"(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) RESIDENTIAL RENTAL PROPERTY.—The term 'residential rental property' means any property which was residential rental property (within the meaning of section 167(j)(2)(B)) for any taxable year within the period of the 5 taxable years preceding the taxable year in which the disposition occurs.

"(2) COOPERATIVE HOUSING CORPORATION.—The term 'cooperative housing corporation' means a corporation which meets the requirements of subparagraph (B) of section 216(b)(1).

"(3) CERTAIN RULES MADE APPLICABLE.—Under regulations prescribed by the Secretary—

"(A) rules similar to the rules applicable under section 1245 (other than subsection (b)(4) thereof) shall be applied for purposes of this section, and

"(B) amounts treated as ordinary income under this section shall be treated in the same manner as amounts treated as ordinary income under section 1245."

(b) The table of sections for part IV of subchapter P of chapter 1 of such Code is amended by adding at the end thereof the following new item:

"Sec. 1256. Gain from conversion of residential rental property into condominium or cooperative housing."

(c) the amendments made by this section shall apply to dispositions after the date of the enactment of this Act in taxable years ending after such date.

SEC. 402. (a) Section 217 of the Internal Revenue Code of 1954 (relating to moving expenses) is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection:

"(j) SPECIAL RULES IN THE CASE OF CONDOMINIUM CONVERSIONS, ETC.—For purposes of this section—

"(1) IN GENERAL.—In the case of qualified condominium conversion moving expenses—

"(A) such expenses shall be treated as paid or incurred in connection with the commencement of work by the taxpayer as an employee at a new principal place of work, and

"(B) the limitations of subsection (c) shall not apply.

"(2) QUALIFIED CONDOMINIUM CONVERSION MOVING EXPENSES.—The term 'qualified condominium conversion moving expenses' means moving expenses paid or incurred in connection with a move from a dwelling unit rented by the taxpayer if—

"(A) within 90 days after the commencement of such move, such dwelling unit was converted into a condominium project or transferred to a cooperative housing cooperation (as defined in section 1256(c)(2)), and

"(B) the taxpayer's household is a low- or moderate-income household within the meaning of section 121(b)(3) of the Housing and Community Development Act of 1974."

(b) The amendment made by subsection (a) shall apply to amounts paid or incurred after the date of the enactment of this Act in taxable years ending after such date.

SEC. 403. (a) Subsection (k) of section 167 of the Internal Revenue Code of 1954 (relating to depreciation of expenditures to rehabilitate low-income rental housing) is amended—

(1) by striking out "January 1, 1982" each place it appears and inserting in lieu thereof "the termination date", and

(2) by adding at the end of paragraph (3) the following new subparagraph:

"(E) TERMINATION DATE.—The term "termination date' means the date 3 years after the date of the enactment of this subparagraph."

(b) Subparagraph (A) of section 167(k)(2) (relating to limitations) is amended by striking out '$20,000" and inserting in lieu thereof "$50,000".

(c)(1) Subparagraph (B) of section 167(k)(3) of such Code is amended to read as follows:

"(B) RENTAL HOUSING.—The term 'rental housing' means any building the dwelling units in which are held for occupancy on a rental basis."

(2) Subsection (k) of section 167 is amended—

(A) by striking out "low-income rental housing" each place it appears and inserting in lieu thereof "rental housing", and

(B) by striking out "LOW-INCOME RENTAL HOUSING" in the subsection heading and inserting in lieu thereof "Rental Housing".

(d) The amendments made by this section shall apply to expenditures made after the date of the enactment of this Act in taxable years ending after such date.●

IN SUPPORT OF THE DOE ORGANIZATION BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. OTTINGER) is recognized for 5 minutes.

● Mr. OTTINGER. Mr. Speaker, today I am introducing a bill which will consolidate all of the solar energy research, development, demonstration, and commercialization activities in the Department of Energy under the authority of one Assistant Secretary for Renewable Energy Sources. Included also will be the conservation programs already located in the Office of the Assistant Secretary for Conservation and Solar Applications.

This legislation comes at a particularly opportune time as the Department of Energy is undergoing a change in leadership and a consequent reorganization. My proposed legislation has several significant impacts.

First, and most importantly, the chaos and disorganization caused by the present scheme of having solar energy programs scattered over the Department will have some chance of being resolved. The problems caused by the current organizational setup are staggering. One example has been the difficulty in creating and managing the Solar Energy Research Institute (SERI) and the Regional Solar Energy Centers (RSEC's). Organizationally, SERI has reported to the Assistant Secretary for Energy Technology and the RSEC's to the Assistant Secretary for Conservation and Solar Applications. This has resulted in almost no communication between SERI and the RSEC's and tremendous difficulty in developing their missions. SERI should concentrate on research and development as well as commercialization activities which require a nationwide perspective and the RSEC's should concentrate their efforts on the commercialization of solar technologies in their regions. It is critical that these two organizations work closely together on a day-to-day basis, something which has been made difficult, if not impossible, under the present arrangement.

A second impact is to remove an institutional impediment to bringing solar technologies into commercial use. The Department's present structure envisions solar technologies moving from the research stage through development and demonstration and finally to the marketplace while passing through the jurisdiction of three Assistant Secretary level officials. No bureaucrat likes to give up a project and the staff and budget that go with it. So under the present arrangement there is a built-in disincentive to move a solar technology along to next phase. There is always a little more research which can be done. My bill addresses that problem.

Further, there is the accurate public perception that with the solar energy effort spread all over the Department, that there is no one focal point for solar energy's constituency to direct its concerns. The bureaucratic shell game of sending inquiries from office to office and

denying knowledge or responsibility reigns supreme. This legislation will consolidate accountability as well as functions.

I urge your support and cosponsorship of this legislation. We cannot allow more time to slip by while we wait for the executive branch to get its bureaucratic act together.

The text of the bill follows:

H.R. 5169

A bill to amend the Department of Energy Organization Act in order to ensure that solar energy, renewable resources and energy conservation receive the highest national priority.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Department of Energy Reorganization Act of 1979".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress hereby finds that—

(1) the Federal Government's renewable energy research, development, demonstration and commercialization programs have been managed in an ineffective and undirected manner;

(2) in order to meet the Nation's goals for the development and utilization of its renewable energy resources, such programs must be conducted in the most effective manner; and

(3) toward this end, the consolidation of all renewable energy research, development, demonstration and commercialization activities under the jurisdiction of a specified assistant secretary of energy should be undertaken.

(b) The purposes of this Act are—

(1) to achieve the more effective management of the Federal Government's renewable energy programs; and

(2) to provide increased awareness of and improved access to the Federal Government's activities in the development of the Nation's renewable energy resources.

AMENDMENTS TO THE DEPARTMENT OF ENERGY ORGANIZATION ACT

SEC. 3. (a) Section 203(a) of the Department of Energy Organization Act is amended by inserting the following new sentence immediately after the first sentence thereof:

"One of such Assistant Secretaries shall be entitled the 'Assistant Secretary for Renewable Energy Resources.' "

(b) Such subsection (a) is further amended by adding the following new sentence at the end thereof:

"The Assistant Secretary for Renewable Energy Resources shall be responsible for the functions specified under paragraphs (2) (A), (B), (C); and (9) and for all programs to make commercial use of such technologies.●

WE SALUTE PETER W. RODINO, JR., FOR HIS LONG AND CONSISTENT LEADERSHIP FOR HUMAN RIGHTS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Illinois (Mrs. COLLINS) is recognized for 5 minutes.

● Mrs. COLLINS of Illinois. Mr. Speaker, members of the Congressional Black Caucus and leaders of civil rights organizations, such as the NAACP and PUSH, have identified the 1980 elections as representing a pivotal point in the struggle of blacks and other minorities for equality in the United States. To insure that the rights and protections set forth in our Constitution and laws are not diminished and are vigorously enforced, these groups must participate fully in the political process.

A massive voter registration and education drive is the method to achieve that end. The purpose of such an effort is to enable these constituencies to pierce the political rhetoric and to measure realistically an incumbent's or challenger's true commitment to equal rights.

The cardinal political rule is that one who fails to represent adequately his or her constituents' needs runs the risk of not being reelected. As Members of the national legislature, we are keenly aware of the voting records of our colleagues and of the enforcement efforts by the executive agencies on issues critical to minority communities. Furthermore, we are aware that many of our colleagues in the House represent districts with substantial numbers of blacks and other minorities; this is especially true in the South and in the major urban centers. We urge constituent organizations to share the records of Representatives with their members before the 1980 elections.

PETER W. RODINO, JR., dean of the New Jersey congressional delegation, represents a large urban area with a substantial minority population. This outstanding leader and statesman can proudly point to a distinguished career as a defender of human rights. He has consistently demonstrated his personal commitment to human rights since first being elected to the U.S. House of Representatives in 1948.

We would like to note some highlights of Mr. RODINO's record in support of human rights and to commend him for his continuing efforts.

The distinguished gentleman from New Jersey has remained steadfast in this commitment even when it was politically expedient to vote the other way. Prior to 1954 and the unanimous Supreme Court decision in Brown against Board of Education, Mr. RODINO voted against the dehumanizing doctrine of separate-but-equal. At a point in this country's history—1949—when it was socially, morally, and politically safe to support the status quo, he voted to integrate SPARS, the Women's Auxiliary of the Coast Guard. When, in 1952, Representative Rankin offered a bill to establish a Jim Crow Veterans Hospital, PETER W. RODINO voted no to such segregation.

Since 1950, Mr. RODINO has served on the House Committee on the Judiciary. This great committee has shaped the Civil Rights Acts of 1957, 1960, 1964, 1968, and the Voting Rights Act of 1965. This legislation has sought to fulfill the fundamental constitutional right of equal opportunity and protection of our laws. These laws were enacted because of: First, the contradictions between this Nation's stated principles, as set forth in the Constitution, and its practices; and second, the personal commitment and leadership of Representative RODINO and others to the principles of equal rights. Each succeeding Civil Rights Act has sought to extend the scope of protected rights, defining these rights with greater clarity and securing them for all through more effective enforcement techniques.

The Civil Rights Act of 1957 created the U.S. Commission on Civil Rights, an independent, nonpartisan, factfinding agency within the executive branch whose mandate is to report to the Congress and the President on discriminatory practices and to recommend solutions. The Commission and its 51 voluntary State Advisory Committees has become our national conscience and has made us more sensitive to discrimination on the basis of race, national origin, color, religion, sex, age, and handicap status. The 1957 act also established within the Department of Justice the Civil Rights Division to assure that civil rights violations could be effectively challenged by our chief law enforcer, the Attorney General.

Against the backdrop of freedom riders and nonviolent resistance, the 1964 Civil Rights Act prohibited discrimination in public accommodations. That and other provisions of the act are as vital today as they were in 1964: Title VI prohibits the use of Federal financial assistance to discriminatory programs and activities. Title VII, which established the Equal Employment Opportunity Commission, prohibits employment discrimination. Title X established the Community Relations Service within the Department of Justice to provide assistance to communities to resolve disputes or difficulties arising from discriminatory practices and conflicts over such issues as public school desegregation and charges of excessive use of force by the police.

The Civil Rights Act of 1968 addresses the rights and protections of native Americans. Title VIII of that act prohibits discrimination in housing. Enforcement of its provisions is the responsibility of the Department of Housing and Urban Development.

Mr. RODINO has played a critical role in guiding such legislation through the committee process and to final debate and action on the floor. At each stage in the legislative process, he has fought against amendments to gut or water down the provisions of civil rights legislation.

The right and the need for citizens to participate in the electoral process have long been advocated by the distinguished gentleman from New Jersey. As early as 1949, Mr. RODINO voted for a bill to abolish the poll tax. This tax, as well as other devices, were used to preclude blacks and Hispanics from full participation in the political process. Fortunately, the poll tax and other discriminatory practices were abolished by the Voting Rights Act of 1965, perhaps the most important civil rights bill of this century. Its coverage has been extended in 1970 and again in 1975.

In addition to a 7-year extension, the 1975 amendments broadened the act's coverage to extend the franchise to certain language minorities. These amendments were added after it became clear, in extensive hearings before the House Judiciary Committee, that language minorities, especially Hispanics, had been denied the right to full political participation.

Since 1973, Mr. RODINO has served as chairman of the House Judiciary Committee, carrying out his responsibilities thoughtfully and effectively. He has helped shape committee policy, and he has appointed a competent committee staff to address the myriad issues encompassed by the committee's jurisdiction. During Mr. RODINO's tenure as chairman, the committee has continued to generate legislation with important civil rights implications and has conducted effective oversight hearings on civil rights enforcement.

In our governmental system of checks and balances, oversight hearings enable the Congress to review the executive branch's successes or failures in carrying out and enforcing our laws. The Judiciary Committee, in meeting its oversight function, has reported to the Congress on some of the following issues: Fair employment practices of American corporations doing business in South Africa; the civil rights implications of revenue sharing; equal employment opportunities within the various bureaus of the Department of Justice, including the FBI, U.S. marshals, and Drug Enforcement Agency; and equal opportunities in housing.

During the 95th Congress, two important Judiciary Committee measures with civil rights implications were approved by the Congress—a proposed constitutional amendment granting full congressional voting representation to the District of Columbia and the Omnibus Judgeship Act.

As noted earlier, Chairman RODINO has always fought to extend the franchise to all American citizens. In most instances, obstacles have been removed through statutory enactments, such as the Voting Rights Act. For the 700,000 persons now residing in the District of Columbia, the obstacle is best removed by constitutional mandate. As approved by Congress, the District of Columbia amendment would give the District two Senators and the number of Representatives it would be entitled to if it were a State. With the leadership of the Judiciary Committee chairman, the proposed amendment was enacted by two-thirds of the House, as required by the Constitution. Efforts to diminish the amendment's purpose and intent were defeated both in committee and on the floor. Enactment in the House spurred Senate action; indeed, hearings had not even been scheduled in the Senate until final passage of the District of Columbia amendment in the House.

As dean of the New Jersey congressional delegation, Mr. RODINO has played a crucial role protecting the rights of New Jersey citizens in legislation enacted at the Federal level. His senior status has also enabled him to work cooperatively with the leadership of his State's legislature. It is this cooperation which explains, in part, why New Jersey was the first State to pass the District of Columbia voting rights amendment.

The 95th Congress also produced the Omnibus Judgeship Act. Both the House and Senate held hearings on legislation to increase the number of Federal judges to handle the escalating caseload of the Federal Courts. Thanks to the strong leadership of Mr. RODINO, the House version provided for greater civil rights protections by urging the President to appoint more minorities and women; this provision was accepted by the Senate. In addition, Mr. RODINO and other House conferees convinced the Senate to adopt compromise language to modify a provision contained in the Senate bill and supported by the then Senate Judiciary Committee chairman, James O. Eastland. That provision would have split the 5th Circuit of Appeals (Alabama, Florida, Georgia, Louisiana, and Texas) into a deep South (Alabama, Florida, and Georgia) and South (Louisiana and Texas) Circuits. Reports by civil rights groups, such as the NAACP Legal Defense Fund predicted that such a split would have had a devastating impact on civil rights litigation in that circuit. Mr. RODINO recognized the danger and firmly opposed the repugnant language.

No discussion of Chairman RODINO's commitment to civil rights would be complete without a discussion of school desegregation and the issue of "busing."

Mr. RODINO shares our understanding that equitable social change is difficult and that the resistance to desegregation efforts is manifested in various ways and degrees of intensity. As the struggle for public school desegregation expanded beyond the South to urban areas in the North and West, the resistance to school desegregation and the use of student transportation as a means of achieving desegregation intensified.

Members of the House have introduced numerous proposed "antibusing" amendments to the Constitution, which were assigned to the Judiciary Committee. Although no hearings were scheduled on these proposed amendments, the committee did hold hearings on numerous other forms of discrimination (such as those in housing and employment) which tend to foster segregated schools. The committee's findings were reported to the Congress.

Chairman RODINO has resisted the politically expedient "solutions" and worked diligently to inform his colleagues in the House on the facts and magnitude of all forms of racial discrimination. In 1975, he successfully and vehemently argued against efforts to force the Democratic Caucus to instruct the Judiciary Committee to report out a proposed "antibusing" amendment to the floor for House action.

Mr. RODINO's commitment was again clearly demonstrated in his leadership in opposing House Joint Resolution 74, another "antibusing" amendment, in July of this year. As a committee chairman and senior Member of the House, he urged the President and the Attorney General to speak out against this dangerous approach. They responded and opposed the amendment, despite arguments that this was an in-house matter to be resolved only by the Congress. Mr. RODINO's firm leadership in educating his colleagues in the House on the potential dangers of such a proposal was overwhelmingly persuasive and correct. He was so convincing that three of those Members who signed the petition to discharge his committee voted against final passage of the resolution, which was soundly defeated.

We commend Mr. RODINO, a statesman and a leader, for his continuing commitment to human rights. He stands out as a beacon to those who support equality of rights for all. It is an honor to serve with him in this august body.—PARREN MITCHELL, LOUIS STOKES, SHIRLEY CHISHOLM, CARDISS COLLINS, WALTER FAUNTROY, and WILLIAM CLAY. ●

PETER RODINO AND CIVIL RIGHTS

● Mr. RANGEL. Mr. Speaker, on behalf of the Members of the Congressional Black Caucus, I rise to express tribute to PETER W. RODINO, JR. for his leadership in the continuing struggle for human rights.

We have learned, from hard experience, to recognize the differences between those who give lip service to civil rights causes when it is easy and fashionable to do so and those who remain deeply committed to the struggle even when the going is tough.

And we have learned on this long road to the fulfillment of civil rights to spot the talkers and the occasional bandwagon followers, who seem to outnumber the doers and the leaders.

None of us has any doubt about the kind of ally and leader PETER RODINO is. In the hard times as well as the good times, in the periods when our cause is ignored as well as in the periods when it is popular, he is deeply committed. He is a doer. He is a leader.

Since his first election to Congress in 1948, Mr. RODINO has written an outstanding record of achievement in the struggle for equal rights and equal opportunities.

Here are just a few of the highlights of his record.

Before 1954 and the Supreme Court decision in Brown against Board of Education, Mr. RODINO voted against the dehumanizing doctrine of "separate-but-equal." In 1949, he voted to integrate SPARS, the women's auxiliary of the Coast Guard. In 1952—another status-quo, go-slow year—he voted against a bill by Representative Rankin to build a segregated veterans' hospital.

Mr. RODINO has been a member of the House Committee on the Judiciary since 1950. That committee shaped the Civil Rights Acts of 1957, 1960, 1964 and 1968—and the Voting Rights Act of 1965. Mr. RODINO authored all the committee reports for those historic acts.

Today, we continue to benefit from the fruits of those acts. The Civil Rights Act of 1957, for example, created the U.S. Commission on Civil Rights and established the Civil Rights Division in the Department of Justice. The great Civil Rights Act of 1964 prohibited discrimination in public accommodations and established the Equal Employment Opportunities Commission. The Civil Rights Act of 1968, managed on the House floor by Mr. RODINO, prohibited discrimination in housing.

Mr. RODINO's leadership has been critical in securing voting rights for all

Americans. He voted for legislation to abolish the poll tax in 1949. He fought for the Voting Rights Act of 1965, which may be the most important, far-reaching civil rights legislation in this century. He worked to extend its coverage in 1970 and again in 1975. And his leadership was decisive in extending the Voting Rights Act coverage to other minorities, especially Hispanics.

In the recent 95th Congress, Mr. RODINO worked successfully for House passage of the proposed constitutional amendment to give District of Columbia residents full voting rights and full representation in Congress. His State of New Jersey was the first State to approve the amendment.

Mr. RODINO has led the Judiciary Committee as its chairman since 1973. Under his leadership, the committee has continued to generate legislation with impact on civil rights and has conducted extensive oversight hearings on civil rights enforcement. The committee's oversight work has focused on such issues as fair employment practices of American firms engaged in business in South Africa, the civil rights implications of revenue sharing, and equal opportunities in housing.

Chairman RODINO has never wavered from his commitment to equal educational opportunity. He has consistently worked for school desegregation and against the so-called antibusing legislation. This past July, he led the civil rights forces in the House to victory over an attempt to amend the Constitution which would have turned back the clock a quarter of a century to the pre-Brown against Board of Education days.

PETER W. RODINO, JR., has won rare recognition from civil rights organizations for his statesmanship. His honors include the "Hubert H. Humphrey Civil Rights Award" from the Leadership Conference on Civil Rights in 1978, the A. Philip Randolph Institute Award in 1975, and the "Martin Luther King Award" from the Southern Christian Leadership Conference in 1975. He was the first recipient of both the Humphrey and the Randolph awards. In his home city of Newark, he was the 1977 winner of the Law Enforcement Award from the Bronze Shields, Inc.●

SAY SOMETHING GOOD ABOUT AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ADDABBO) is recognized for 5 minutes.

Mr. ADDABBO. Mr. Speaker, I recently had the great pleasure of attending a performance of the world renowned singer and entertainer, Mr. Anthony Newley. Though born in England Mr. Newley has lived in the United States for a great many years. In that time he has had the opportunity to travel throughout our country meeting people from all walks of life. His life here in the United States has moved him to compose a song that stood out that evening. Entitled "Say Something Good About America," this patriotic song captures the spirit and essence of what makes America the greatest nation on the face of the Earth today. It is my belief that this song proves that patriotism is alive and well in the hearts of many and that we should be as proud of our heritage as ever before especially as we hear it from an adopted son.

Mr. Speaker, I include, by unanimous consent, the words of Anthony Newley and his song in the CONGRESSIONAL RECORD, as follows:

SAY SOMETHING GOOD ABOUT AMERICA

(Words and music by Anthony Newley)

". . . as many of you know, I'm an Englishman. But I've lived here for many years. I've watched my children grow up here and I've had a chance to travel the length and breadth of this great land. Like you, I share the concerns of this Nation and so I composed that most despised of musical forms—a patriotic song. Singing a patriotic song today could make you as popular as asking the Pope if he knows any Polish jokes. Nevertheless I'd like to sing it for you tonight—and I dedicate it to the country I have come to call home . . ."

The other day, like most of you I turned on
television
And watched as Mister Carter told us
all . . .
"Our neck is stretched across the fence—
And OPEC holds the knife . . .!"
Like you, I guess, I trembled at the thought.

The President went on to say
His voice racked with emotion
—and trying hard to show that famous
grin—
"Say something good about this land—
Whenever there's a chance!"
Whenever there's a chance!"
Well, here's our chance.
Excuse me while I sing . . .

Say something good about America
Ring out that Liberty Bell!
Whether your address
Is Main Street, or Broadway
Say it your way
"America's swell!"

Show that you care about America
Wear something red, white and blue
What good will it do
To worry and curse
Things'll get much better
(If they don't get much worse!)

Sing out your song
C'mon America!
Grey skies are goona be blue
I love you . . .
America!
I love you.

(Talk) ". . . say something good about America! She's had to swallow some bitter pills over the last few years. Pills with ugly names like Viet-Nam and Watergate . . . She's lost that sparkle in her eye. But a country is her people—and the genius of the American people is still the envy of the world. Everyone wants a piece of the American pie. And with her usual generosity America goes on giving and giving and lending and lending—and are they ever satisfied? No! Because what the world really wants is the recipe!

But the recipe only works here! That's why it's called—the American dream!

There's a purity—almost a naiveté about the dream the founding fathers had. The Declaration of Independence may have been forged in blood but the pen that wrote it was dipped in hope! It said, "—this is possible only if men are willing to work and suffer for it!"—and by God(!) it will work . . . but it takes guts and it takes more than two hundred years . . . when we English were two hundred years old we were still running around naked covered in blue paint!!!

No, my friend! If you don't believe it's lucky to have been born American, get on a plane and see the rest of the world. Visit the glories of France, the treasures of Italy, the splendor that was England. And when you had enough of castles and palaces, crowns and kings, get back on that plane and come home quick! Because they are all trying to get over here!

Say something good about America
Get all that gloom off your chest
Look around the world and
You'll understand why
From Bombay to Shanghai
America's best!!

Shout it outloud you Yankee Doodle proud
Above the old U.S. of A!
Tho' gasoline lines
May drive us apart!
The stuff that drives America
Comes straight from the heart. . . .

(Talks) ". . . let those gentlemen who by some accident of birth or geography find themselves sitting on top of the black gold that runs the machinery of the western world enjoy their stranglehold over us while they may.

It is my belief that somewhere in the heartlands of this great nation one of those damn Yanks with the genius that is uniquely American is already inventing an alternative to the oil that holds us captive—and when that day comes, my friends, those gentlemen from the East can take their oil and stick it up a camel's ass! . . . Let's see what kind of mileage they get out of that! ! !"

". . . Take me home, mister professor!"

Stand up and shout about America
Don't let them burst our balloon
I'm right here at home
With my Uncle Sam:
Who cares if everything we own
Was made in Japan!

(Gong!)
Strike up the band and sell America
Kick up a hullabaloo
I love you . . .
America!
I love you.

America!
(Band music builds.)
Say something good about America
Who knows . . . it could be contagious!

I love you . . .
America!
I love you.

VIOLATION OF NUCLEAR WEAPONS TESTING TREATIES AND AGREEMENTS

(Mr. PRICE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. PRICE. Mr. Speaker, the United States and the Soviet Union have signed treaties and agreements on limiting nuclear weapons testing to underground shots, and on the yields that can be tested. It has been of serious concern to me and members of the House Armed Services Committee that while the United States has restricted its R. & D. weapons testing efforts to stay strictly within the

agreed-to provisions, the Soviets may be violating these provisions.

On January 22, 1979, a member of the Armed Services Committee wrote the President asking if, in fact, the Soviets had and were continuing to violate the underground testing treaty and the 150-kiloton threshold test agreement. The response from the State Department was that the Soviets had not conducted an atmospheric test. No one claimed they had. With regard to violations of the underground testing provisions, the State Department stated they would provide a classified briefing on possible violations. Why should the committee receive a classified briefing when it is all of the American people who should know if the Soviets violate agreements whenever they believe there will be no recriminations for such violations?

Evans and Novak had an excellent article in the September 5, 1979, issue of the Washington Post on "Violations of the Test Ban?" I would like to see a response from the administration on that article. If such a response is made, I would hope it makes more sense than the response the committee received in February to the letter to the President.

The Evans and Novak article follows:

VIOLATIONS OF THE TEST BAN?
(By Rowland Evans and Robert Novak)

Behind the turgid drama of the SALT II debate, the Soviet Union has been engaged in intensive underground weapons testing with indications of repeated violations of two test-ban treaties, one limiting the size of weapons tested, the other prohibiting "venting" of radioactive fallout into the atmosphere.

This hyperactive Soviet testing, the most intensive in years, has been overlooked in the vigorous Carter administration effort to ratify the new strategic arms limitation treaty. But there are growing indications that the Kremlin may be systematically cheating in the rush to complete a vast "data base" for building new and better nuclear explosives before U.S.-Soviet agreement on the comprehensive test-ban treaty now being negotiated.

A key issue here is U.S. trust of its Russian negotiating partner, a trust that President Carter's administration had seemed particularly inclined to accept.

Lack of healthy suspicion was the crux of the tragic failure of the United States to talk privately to Ludmilla Vlasova, the Soviet ballerina whose husband defected and who might have done so herself if she had had the chance. Alerting Soviet diplomats here in advance to the fact that the United States wanted that private talk made it impossible. She was spirited off to an Aeroflot IL-62 by Soviet secret police.

The Soviets' record of actual and attempted cheating is unambiguous, beyond the ability of Soviet apologists to disprove. Yet such "gentlemanly" conduct as Deputy Secretary of State Warren Chistopher's telephone call alerting the Soviet embassy here to U.S. interest in the Vlasova affair persists. In the infinitely more important case of Soviet underground weapons testing, trust in Soviet declarations or intentions could lead to graver results.

During 1978, at least three underground tests (among the estimated 27 exploded in the Soviet Union) are believed to have violated the 1974 "threshold" test-ban treaty with its 150-kiloton ceiling. In addition, at least 13 of the 1978 tests almost certainly produced illegal "venting"—the escape of poisonous radioactive materials such as krypton and other fission products into the atmosphere.

The three probable violations occurred in August, November and December. Seismic instruments—not on Soviet territory because Moscow rejects on-site inspection—indicated that each of the three tests were well above the 150-kiloton limit.

This year, as the Russians continued their most active underground test program in 15 years, a June explosion is believed to have had the force of 225 kilotons and a July shot possibly as high as 400 kilotons. The United States has never announced the July test.

Soviet refusal to permit on site inspection by seismic sensor—and the imprecision of distant seismographs—make it virtually impossible to prove violations. This is true despite sensitive Swedish seismic instruments that pick up and record most Soviet tests. But Soviet violations of the 1963 treaty can be proved by the empirical evidence of dust particles collected in the atmosphere over Japan, Korea and other areas.

"It is intolerable that the United States should permit the Soviets to cheat at the margin without even raising a protest," one specialist told us privately. Yet, no violation has yet been charged under either the 1974 treaty (which sets the ceiling on explosive power) or the 1963 Limited Test-Ban Treaty (which prohibits venting).

The farthest the Carter administration has ventured is to "raise a question" with Moscow about one of the tests this summer and three of the 1978 tests. The predictable Soviet response: *nyet*, and you can't prove we did. Furthermore, Moscow is armed with a strange concession it got from the United States: two tests a year may "slightly" exceed the limit.

What makes this produce sleepless nights for some U.S. officials is its implication in the nightmarish world of atomic weaponry. The data base now being accumulated by the Soviets, with a test program perhaps three times that of the United States and rising, will probably be used to perfect warheads for the new crop of post-SALT II long-range missiles.

Thus, if the comprehensive test-ban—a near-total ban on all tests for a period of perhaps five years—is agreed on anytime soon, the Soviets could leap-frog U.S. technology by translating its test data into new types of higher-yield, lower-weight weapons with the United States powerless to catch up.

The Soviets have not pyramided their testing program to today's awesome level just for fun. The testing of warheads that violate treaties has its grim purpose: to surpass U.S. weapons technology. Refusal of the United States to challenge Moscow out loud on its presumed violations thus becomes dangerously counterproductive.

Worse, it ensures the very gains in Soviet weaponry that the president insists will be curbed by SALT II—thus undermining what he regards as his most important mission.●

THE 150TH ANNIVERSARY OF SYRACUSE, N.Y., POST-STANDARD

(Mr. HANLEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HANLEY. Mr. Speaker, this month, the Syracuse morning newspaper, the Post-Standard, will celebrate its 150th anniversary. And, Mr. Speaker, "celebrate" is the proper word. There are not many businesses, let alone newspapers, still in existence today, who can trace their lineage back to 1829.

The Post-Standard can and will, with justifiable pride, do just that in a few days.

The enormous power and influence a daily newspaper wields today is the result of years, indeed centuries, of struggle to record and report those events which newspaper people consider significant, often against the weight of political and special interests.

The struggle continues today. That patriarch of publishing, the Times of London, which began with accounts of the French Revolution in the 18th century and rose with the Empire through the 19th, is today silenced temporarily by a dispute with printing unions over new technology.

In defending John Peter Zenger and his New York Weekly Journal from the tyranny of Gov. William Cosby in 1735, Alexander Hamilton told the jury:

> . . . But every man who prefers freedom to a life of slavery will bless and honor you as men who baffled the attempt of tyranny, and, by an impartial and uncorrupt verdict, have laid a noble foundation for security to ourselves, our posterity and our neighbors, that to which nature and the laws of our country have given us a right—the liberty both of exposing and opposing arbitrary power by speaking and writing truth.

And so now, in 1979, we have come to expect much from our press. The line between and demonstrable fact, so vague in the early years of publishing, is today more clearly, if not perfectly, drawn.

The line, too, between commenting on and observing political policies, and the making of those policies, has been broached many times. The instances of journalists transformed into politicians was, perhaps, more prevalent in the past.

In fact, it was Vivus W. Smith, the founder of the Onondaga Standard (September 16, 1829), the forerunner of today's Post-Standard, who bolted his own Democratic Party to join the Whigs in 1838, and eventually became one of the founders of the Republican Party.

As the publisher of a weekly newspaper, Vivus Smith became a great and intimate friend of William H. Seward in neighboring Cayuga County.

Though begun as a weekly, the Onondago Standard (in 1829, Onondago Hill was the county seat) became a daily in 1850 as the telegraph increased flow of news.

Just before the turn of the century, another daily was started in Syracuse by Frank W. Palmer named the Post. With three dailies competing in a community of 150,000, the economics soon forced a merger of the Post with the Standard. The first edition of the combined Post-Standard appeared on Sunday, January 1, 1899.

Begun originally as a political organ in 1894, Frank Palmer's Post achieved a reasonable perspective on most issues, and, with its acquisition of the weekly

newspaper the Post Express, it assumed a major role in Central New York's journalism. When it combined with the Standard in 1899, it was a marriage of convenience for both papers, since the technological revolution in the printing industry was just getting underway. New, more complicated presses and typesetting equipment meant huge capital outlays, and these were possible only with combined resources.

The Post-Standard has counted some famous people among its staff over the years. Jerome Barnum joined the paper as a reporter in 1907, became advertising manager in 1910, and publisher and treasurer of the corporation in 1916. During his 26-year stint as publisher, he was president of the American Newspaper Publishers Association, and established the annual farm dinner during State Fair week.

Horace Bull also joined in 1907, and served as managing editor from 1923 to 1944. He had an incredible capacity for working 12 hours a day, 7 days a week.

Two other names stand out from the Post-Standard's ranks. Mike Brewster in the teens and early 1920's covered news events personally by means of a bicycle, then a motorcycle before the telephone became so functional.

Robert L. Voorhees joined in 1920. He was named associate editor in 1932, and editor in 1946. Known for his well-researched and efficiently written articles, Voorhees, for years, authored the "Rod Hunter" Sportsman's Corner.

In February 1960, J. Leonard Gorman became editor, having joined the paper in 1933. A past president of the New York Society of Newspaper Editors, Mr. Gorman, involved with many civic organizations, has given strong, definite, and fair leadership to this morning daily.

I can attest personally to the integrity of this fine newspaperman, Mr. Speaker, for he has shown a willingness and openness to listen to political and social ideas which basically are in disagreement with the views of this independent Republican newspaper. And, though I bring a naturally Democratic view to many issues, we always are able to discuss ideas on a friendly basis.

We would be naive to think that the Post-Standard, or any daily newspaper, exists solely to present happenings and issues of the day. This newspaper is a business, meant to produce a profit by being a functional means of communicating news, views and advertising messages.

It is this blending of the practical purpose with the artful purpose which we celebrate. Delivered to 100,000 homes in central and northern New York each weekday morning, since 1899, the Post-Standard has survived in the rough and tumble of the newspaper business (as stated in a recent editorial):

> . . . by growing and improving, offering greater service and more thoughtful leadership to the tens of thousands who consider the paper their daily oracle and a source of reliable information.

I know my colleagues will join me in saluting the Post-Standard in its 150th year, Mr. Stephen Rogers, its publisher, and Mr. J. Leonard Gorman, its executive editor. It is men like these who not only know the newspaper business but love it, who make the daily paper such a vital part of our lives.

TRIBUTE TO SAMUEL I. NEWHOUSE

(Mr. HANLEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HANLEY. Mr. Speaker, the opportunities and promise inherent in the American economic and social structure never have been more vividly personified than in the life of Samuel I. Newhouse.

Mr. Newhouse passed away at the age of 84 on August 29, 1979. He has left behind a legacy of personal and business achievement that is a textbook study of individual determination.

In an extraordinarily perceptive review, David Jacobs of the Newhouse News Service wrote:

> He was an office boy at 12, a publisher at 16, a lawyer at 21, and, by the time of his death, he had put up more than half a billion dollars, most of his own cash, to acquire 31 newspapers, seven magazines, six television stations, five radio stations and 20 cable TV systems employing, in all, more than 15,000 people in 22 cities.
>
> Shy, seemingly diffident, unpretentious, and always courtly with strangers, he was staunchly independent, unhesitant and exacting in personally directing the vast, complex organization he had created, one of Amreica's major privately held corporations.
>
> He saw himself as a businessman whose business was news, and he recognized editorial quality as the heart of a newspaper. Almost unnoticed, he fundamentally altered the nature of editorial management of group-owned newspapers by leaving editorial decisions to the individual editors on the local scenes. This policy, which he called local autonomy, has reshaped the character of American journalism. It is followed today by most major publishers. His approach not only fostered responsible papers sensitive to local needs, but financially was far more successful than the personal hornblowing of the old-time publishing tycoons.

My own experience with S. I. Newhouse and his editorial policy stems from my association with the two leading daily papers in central New York, the Syracuse Herald-Journal and the Post-Standard. Though both are Newhouse publications, they are fiercely independent and competitive, often editorializing against one another.

An owner of many newspapers across the Nation, S. I. Newhouse met the frequent criticism of monopoly control by urging his editors to keep their reporters battling for news of their communities, and by supplying each newspaper with the best available sources for world, national, and regional news.

An unassuming man, S. I. Newhouse was born in a tenement on Manhattan's Lower East Side in 1895, the son of recent immigrants. Early deprivation, family illnesses, and basic hardships were faced in stoic family discipline and an underlying discipline of love and culture to form a man of sympathy, understanding, and fierce determination.

His father's illness prevented his attending high school after he completed public school and forced him into the responsibilities of heading a family of eight: Four sisters and three brothers.

Forsaking high school, his father was able to persuade a friend, Bayonne, N.J., lawyer Hyman Lazarus, to take S. I. on for $2 per week. It was Lazarus who inspired S. I., and showed him that it was possible for, as he put it, a Jew in America to succeed as well as anyone.

Studying at night, he qualified for law school by passing State regents exams he had missed, because he never went to high school.

His interest in the newspaper business began when his mentor Lazarus took over the Bayonne Times on default. Lazarus assigned S. I. the responsibility of "closing it out."

This was S. I. Newhouse's first contact with the newspaper business. Rather than close it out, he nursed it back to health, forsook his law career, and began on the road that has made him the most successful publishing tycoon in mid-20th century America.

The Newhouse School of Communications stands as an enduring monument to this man. His $15 million gift in the early 1960's made this complex at Syracuse University possible.

S. I. Newhouse was the embodiment of the true spirit of this Nation—a man who, through tireless hard work, tremendous foresight, and a keen business sense, built an empire out of a dream.

Even after his great successes, he never forgot his roots and never hesitated to donate his resources for the betterment of his fellow man. His dedication to the news business and to the education of those entering the communications field was unmatched. I consider it a privilege to have known this remarkable man, and we all shall be the poorer for his passing.

ROLLAND B. MARVIN

(Mr. HANLEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HANLEY. Mr. Speaker, the city of Syracuse buried one of its leaders and, indeed, one of its rescuers on August 16, 1979.

Rolland B. Marvin, 82, mayor of Syracuse for five terms between 1930 and 1941, is recognized on both sides of the political aisle as a civic giant. As naturally as the name Marvin goes with mayor—so, too, did the man go with the city. For Mayor Marvin was the right man at the right time for the Syracuse of the depression-ridden 1930's.

His first administration began just 2 months after the stock market crash of 1929, and he immediately put in force reductions and restrictions of city expenditures to keep taxes down.

He induced police, firemen, and school teachers to take a 10-percent salary cut.

He pushed for the removal of main line trains from the streets of downtown Syracuse, creating a special elevated track system requiring hundreds of badly needed jobs.

He used the former Franklin automobile plant on the city's west side as a lure to the then relatively new Carrier Air Conditioning Corp. Their move from New Jersey to Syracuse meant more jobs in the late 1930's, and resulted, ultimately, in developing one of today's industrial giants.

He was instrumental in the Federal Government's decision to build the model pioneer homes public housing project in Syracuse, one of the first in the Nation.

Mayor Rolland B. Marvin's accomplishments are many. Suffice it to say he was a tough, inspiring leader at a time when tough, inspiring leaders were needed. The depression years demanded faith and trust in our elected officials—to avert a sense of despondency that well may have resulted in a loss of unity. Mayor Marvin had that faith and that trust from the people of Syracuse. He brought the city through its darkest times, when as many as 30,000 were unemployed.

Born in 1897 on the outskirts of Syracuse, he worked his way through college and law school at Syracuse University. After establishing a law partnership with the late Horace M. Stone, Marvin, whose father had been a county sheriff, was elected a Republican committeeman. At 29, he was elected president of the Syracuse Common Council, and 4 years later ran for mayor and won in 1929.

After leaving office, Mayor Marvin devoted most of his time to his law practice. His office in the State Tower Building was a place of refuge and counsel for political leaders of both parties in recent years. And I am proud to count myself among those who sought the benefits of the Marvin perspective.

Certainly, it would be appropriate to say Mayor Marvin was to Syracuse, what Franklin Roosevelt was to the Nation in the depths of the depression—a resourceful, inspiring leader who helped a shaken people rise up in unity and strength.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. LENT) is recognized for 5 minutes.

● Mr. LENT. Mr. Speaker, on rollcall vote No. 422 on August 1, 1979, I am listed as not voting. Had I been present, I would have voted "aye" on the Moffett amendment directing the President to establish and maintain a national set aside program to provide middle distillates for residential heating purposes.●

GENERAL LEAVE

Mr. RATCHFORD. Mr. Speaker, I ask unanimous consent that all Members be permitted to extend their remarks and to include therein extraneous material on the subject of the special order speech today by the gentlewoman from Illinois (Mrs. COLLINS).

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

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. CHAPPELL (at the request of Mr. WRIGHT), for today on account of official business.

To Mr. CAMPBELL (at the request of Mr. RHODES), until 2:15 p.m. today on account of effects of Hurricane David.

To Mr. WOLFF (at the request of Mr. WRIGHT), for today on account of medical reasons.

To Mr. RODINO (at the request of Mr. WRIGHT), for today on account of illness in the family.

To Mrs. HOLT (at the request of Mr. RHODES), for today and the balance of the week, on account of personal reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GINGRICH) to revise and extend their remarks and include extraneous material:)

Mr. LENT, for 5 minutes, today.

Mr. EDWARDS of Oklahoma, for 60 minutes, September 11.

(The following Members (at the request of Mr. RATCHFORD) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.
Mr. GONZALEZ, for 15 minutes, today.
Mr. WEAVER, for 10 minutes, today.
Mr. BROOKS, for 5 minutes, today.
Ms. HOLTZMAN, for 5 minutes, today.
Mr. PEPPER, for 5 minutes, today.
Mr. KASTENMEIER, for 5 minutes, today.
Mr. ROSENTHAL, for 5 minutes, today.
Mr. OTTINGER, for 5 minutes, today.
Mrs. COLLINS of Illinois, for 5 minutes, today.
Mr. ADDABBO, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. AKAKA, prior to the vote on the Long of Maryland amendment to H.R. 4473 in the Committee of the Whole today.

(The following Members (at the request of Mr. GINGRICH) and to include extraneous matter:)

Mr. MICHEL in two instances.
Mr. ROYER.
Mr. LEWIS.
Mr. LENT in two instances.
Mr. GRADISON.
Mr. CONTE in three instances.
Mr. COLLINS of Texas in three instances.
Mr. PAUL in three instances.
Mr. ERLENBORN.
Mr. WHITEHURST.
Mr. DERWINSKI in three instances.
Mr. DORNAN in two instances.
Mr. TAUKE.
Mr. ARCHER.
Mr. DANIEL B. CRANE.
Mr. GILMAN.
Mr. WYDLER.
Mr. REGULA.
Mr. KEMP.
Mr. QUAYLE.
Mr. BROOMFIELD.
Mr. CONABLE.
Mr. ASHBROOK in two instances.

(The following Members (at the request of Mr. RATCHFORD) and to include extraneous matter:)

Mr. ANDERSON of California in 10 instances.
Mr. GONZALEZ in 10 instances.
Mrs. BYRON in 10 instances.
Mr. ROSENTHAL in 10 instances.
Mrs. BOUQUARD in five instances.
Mr. HAMILTON in 10 instances.
Mr. BROWN of California in 10 instances.
Mr. ANNUNZIO in six instances.
Ms. HOLTZMAN in 10 instances.
Mr. JONES of Tennessee in 10 instances.
Mr. BONER of Tennessee in five instances.
Mr. CAVANAUGH in five instances.
Mr. MCDONALD in 10 instances.
Mr. PEPPER in five instances.
Mr. NOWAK in five instances.
Mr. HOLLAND in five instances.
Mr. COELHO.
Ms. OAKAR in two instances.
Mr. SEIBERLING in 10 instances.
Mr. DRINAN in five instances.
Mr. YOUNG of Missouri.
Mr. HARRIS.
Mr. GUARINI.
Mr. ROE.
Mr. MAZZOLI.
Mr. BREAUX.
Mr. STUMP in two instances.
Mr. BRINKLEY in two instances.
Mr. LEHMAN.
Mrs. COLLINS of Illinois.
Mr. LEACH of Louisiana.
Mr. HALL of Ohio.
Mr. DELLUMS in three instances.
Mr. WAXMAN.
Mr. STARK.
Mr. BENNETT.
Mr. RANGEL.
Mr. ZABLOCKI in two instances.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 88. An act for the relief of Soerjanti Bonzoumet-Soetarto; to the Committee on the Judiciary;

S. 151. An act for the relief of Jerry W. Manandic and Ceferino W. Manandic; to the Committee on the Judiciary;

S. 216. An act for the relief of Chong Hui Schrein; to the Committee on the Judiciary;

S. 319. An act for the relief of Chan Siu Ha (also known as Linda Chan); to the Committee on the Judiciary;

S. 566. An act to authorize a targeted fiscal assistance program for payments to local governments requiring fiscal relief, an anti-recession fiscal assistance program, and for other purposes; to the Committee on Government Operations;

S. 707. An act for the relief of certain aliens; to the Committee on the Judiciary;

S. 885. An act to assist the electrical consumers of the Pacific Northwest through use of the Federal Columbia River Power System to achieve cost-effective energy conservation, to encourage the development of renewable energy resources, to establish a representative regional power planning process, to assure the region of an efficient and adequate power supply, and for other purposes; to the Committee on Interstate and Foreign Com-

merce and the Committee on Interior and Insular Affairs;

S. 974. An act for the relief of Tin Foo Chan (also known as Michael Chan); to the Committee on the Judiciary;

S.J. Res. 41. Joint resolution to authorize the President to issue annually a proclamation designating that week in November which includes Thanksgiving Day as "National Family Week"; to the Committee on Post Office and Civil Service; and

S.J. Res. 43. Joint resolution to proclaim March 21, 1980, "National Energy Education Day," to the Committee on Post Office and Civil Service.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. THOMPSON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 896. An act for the relief of Joseph J. Andrews;

H.R. 899. An act for the relief of Mr. and Mrs. Aaron Wayne Ogburn;

H.R. 932. An act for the relief of Doris Mauri Coonrad;

H.R. 1158. An act for the relief of James C. Wilkinson;

H.R. 3324. An act to authorize appropriations for fiscal year 1980 for international development and economic assistance programs, and for the Peace Corps, and for other purposes;

H.R. 3363. An act to authorize appropriations for fiscal years 1980 and 1981 for the Department of State, the International Communication Agency, and the Board for International Broadcasting;

H.R. 3914. An act to amend the National Capital Transportation Act of 1969 to remove the limitation on the amount authorized for District of Columbia contributions for the cost of construction of the rapid transit system of the National Capital Region;

H.R. 4616. An act to make certain technical and clerical amendments to title 5, United States Code;

H.J. Res. 19. Joint resolution to provide for the designation of a week as "National Lupus Week";

H.J. Res. 209. Joint resolution designating the week of October 8 through October 14, 1979, as "National Diabetes Week"; and

H.J. Res. 244. Joint resolution to authorize and request the President to issue annually a proclamation designating the first Sunday of September following Labor Day of each year as National Grandparents Day.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 41. An act to require the Secretary of Agriculture to convey a reversionary interest held by the United States in certain lands located in Bell County, Ky., to the Board of Education, Bell County, Ky.;

S. 917. An act to authorize appropriations to carry out the Fishery Conservation and Management Act of 1976 during fiscal years 1980, 1981, and 1982, and for other purposes;

S. 1146. An act to extend for 3 fiscal years the authorizations for appropriations under the Safe Drinking Water Act; and

S. 1318. An act to amend title 13 of the United States Code to provide a limited exemption to the Bureau of the Census from the provisions of section 322 of the act of June 30, 1932.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. THOMPSON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H.R. 896. For the relief of Joseph J. Andrews;

H.R. 899. For the relief of Mr. and Mrs. Aaron Wayne Ogburn;

H.R. 932. For the relief of Doris Mauri Coonrad;

HR. 1158. For the relief of James C. Wilkinson;

H.R. 2807. To amend the Bankruptcy Act to provide for the nondischargeability of certain student loan debts guaranteed or insured by the United States;

H.R. 3324. To authorize appropriations for fiscal year 1980 for international development and economic assistance programs, and for the Peace Corps, and for other purposes;

H.R. 3363. To authorize appropriations for fiscal years 1980 and 1981 for the Department of State, the International Communication Agency, and the Board for International Broadcasting;

H.R. 3914. To amend the National Capital Transportation Act of 1969 to remove the limitation on the amount authorized for District of Columbia contributions for the cost of construction of the rapid transit system of the National Capital Region;

H.R. 4057. To increase the fiscal year 1979 authorization for appropriations for the food stamp program, and for other purposes;

H.R. 4476. To extend certain programs under the Higher Education Act of 1965 for one year, and for other purposes;

H.R. 4616. To make certain technical and clerical amendments to title 5, United States Code;

H.R. 4811. For the relief of the city of Nenana, Alaska, and to amend the Act of January 2, 1976, as amended, and for other purposes;

H.J. Res. 19. To provide for the designation of a week as "National Lupus Week"; and

H.J. Res. 209. Designating the week of October 8 through October 14, 1979, as "National Diabetes Week."

ADJOURNMENT

Mr. ADDABBO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 22 minutes p.m.), the House adjourned until Thursday, September 6, 1979, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2192. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Tobacco Inspection Act to consolidate, and provide additional authority for the Secretary of Agriculture to establish methods for efficient and equitable marketing of tobacco; to the Committee on Agriculture.

2193. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the act of July 2, 1962, to authorize intrastate quarantines under extraordinary emergency conditions, to authorize U.S. marshals to serve warrants under the act, and for other purposes; to the Committee on Agriculture.

2194. A letter from the President of the United States, transmitting amendments to the requests for appropriations for fiscal year 1980 (Doc. No. 96–178); to the Committee on Appropriations and ordered to be printed.

2195. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a cumulative report on rescissions and deferrals of budget authority as of August 1, 1979, pursuant to section 1014(e) of Public Law 93–344 (Doc. No. 96–179); to the Committee on Appropriations and ordered to be printed.

2196. A letter from the Secretary of Defense, transmitting three reports of violations of the Anti-Deficiency Act, pursuant to section 3679(1) (2) of the revised statutes, as amended; to the Committee on Appropriations.

2197. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a report on the value of property, supplies and commodities provided by the Berlin Magistrate, and under the German Offset Agreement, for the quarter ended June 30, 1979, pursuant to section 820 of Public Law 95–457; to the Committee on Appropriations.

2198. A letter from the Assistant Secretary of Defense (Comptroller), transmitting notice of the Defense Department's intention to obligate certain amounts in the Army stock fund and the Navy stock fund for war reserve stocks, pursuant to section 836 of Public Law 95–457; to the Committee on Appropriations.

2199. A letter from the Deputy Assistant Secretary of Defense (Administration), transmitting a report covering the second quarter of fiscal year 1979 on receipts and disbursements pertaining to the disposal of surplus military supplies, equipment and material, pursuant to section 813 of Public Law 95–457; to the Committee on Appropriations.

2200. A letter from the Assistant Secretary of the Interior, transmitting certification that an adequate soil survey and land classification have been made of a 159-acre tract of lands to be included in the San Luis Water District, Central Valley Project, California, and that the lands to be irrigated are susceptible to the production of agricultural crops by means or irrigation, pursuant to Public Law 172, 83d Congress; to the Committee on Appropriations.

2201. A letter from the Comptroller General of the United States, transmitting his review of the proposed deferral of budget authority contained in the message from the President dated July 24, 1979 (H. Doc. No. 96–165), pursuant to section 1014(b) of Public Law 93–344 (Doc. No. 96–180); to the Committee on Appropriations and ordered to be printed.

2202. A letter from the Secretary of Defense, transmitting a report on the real and personal property of the Department of Defense as of September 30, 1978, pursuant to 10 U.S.C. 2701(b); to the Committee on Armed Services.

2203. A letter from the Secretary of Defense, transmitting notice of the approval of annual compensation rates exceeding $45,000 for various officials of the Institute for Defense Analyses, pursuant to section 407(b) of Public Law 91–121; to the Committee on Armed Services.

2204. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend the act of August 29, 1974 (88 Stat. 795; 10 USC 8202 note), as amended (92 Stat. 719; 10 USC 8202 note), relating to the authorized numbers for the grades of lieutenant colonel and colonel in the Air Force and to provide continuing authority for certain existing

personnel management procedures in the armed forces, and for other purposes; to the Committee on Armed Services.

2205. A letter from the Principal Deputy Assistant Secretary of Defense (Manpower, Reserve Affairs and Logistics), transmitting a quarterly report as of May 31, 1979, on enlistment and retention incentives for the Selected Reserve, pursuant to 10 USC 2134, 38 USC 308b(e), and 38 USC 308c(e); to the Committee on Armed Services.

2206. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting notice of the location, nature, and estimated cost of various construction projects proposed to be undertaken by the Naval and Marine Corps Reserve and the Air Force Reserve, pursuant to 10 USC 2233a(1); to the Committee on Armed Services.

2207. A letter from the Director, Office of Economic Adjustment, Department of Defense, transmitting a report on the resolution of a conflict over the use of surplus naval lands in Rhode Island, pursuant to section 610 of Public Law 94–431; to the Committee on Armed Services.

2208. A letter from the Secretary of the Army, transmitting notice of the proposed disposal of certain chemical agent/munitions at the Chemical Agent Munitions Disposal System, Tooele Army Depot, Utah, pursuant to section 409(b)(4) of Public Law 91–121; to the Committee on Armed Services.

2209. A letter from the Secretary of the Army, transmitting notice of the proposed disposal of chemical agent identification sets at Rocky Mountain Arsenal, Colo., pursuant to section 409(b)(4) of Public Law 91–121; to the Committee on Armed Services.

2210. A letter from the Acting Secretary of the Army, transmitting a draft of proposed legislation to amend section 4308(a)(5) of title 10, United States Code, to eliminate the requirement that an individual must be a member of the National Rifle Association in order to be eligible to purchase arms, ammunition, targets, and other supplies and appliances necessary for target practice sold pursuant to that section; to the Committee on Armed Services.

2211. A letter from the Assistant Secretary of the Air Force for Research, Development and Logistics, transmitting a draft of proposed legislation to authorize the Secretary of Defense to enter into cooperative military airlift arrangements with the armed forces of allied governments; to the Committee on Armed Services.

2212. A letter from the Associate Director Legislative Liaison, Department of the Air Force, transmitting the semiannual report covering the period January 1, 1979, through June 30, 1979, on Air Force research and development procurement actions of $50,000 and more, pursuant to 10 U.S.C. 2357; to the Committee on Armed Services.

2213. A letter from the Secretary of the Treasury, transmitting the annual report of the National Advisory Council on International Monetary and Financial Policies for fiscal year 1978; to the Committee on Banking, Finance and Urban Affairs.

2214. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on loan, guarantee and insurance transactions supported by Eximbank during July 1979 to Communist countries; to the Committee on Banking, Finance and Urban Affairs.

2215. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a statement describing a proposed transaction with the Taiwan Power Co. exceeding $60 million, pursuant to section 2(b)(3)(i) of the Export-Import Bank Act of 1945, as amended; to the Committee on Banking, Finance and Urban Affairs.

2216. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a statement describing a proposed transaction with the Government of Tunisia exceeding $60 million, pursuant to section 2(b)(3)(i) of the Export-Import Bank Act of 1945, as amended; to the Committee on Banking, Finance and Urban Affairs.

2217. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a statement describing a proposed transaction involving nuclear facilities with the Korea Electric Co., pursuant to section 2(b)(3)(iii) of the Export-Import Bank of 1945, as amended; to the Committee on Banking, Finance and Urban Affairs.

2218. A letter from the First Vice President and Vice Chairman, Export-Import Bank of the United States, transmitting a statement describing a proposed transaction with Air Canada exceeding $60 million, pursuant to section 2(b)(3)(i) of the Export-Import Bank Act of 1945, as amended; to the Committee on Banking, Finance and Urban Affairs.

2219. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act 3–75, "To clarify the right of tenants to purchase their homes and to extend the period of required offer in cases of the sale of multi-unit housing, and for other purposes," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

2220. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act 3–76, "To amend the District of Columbia Health Care Facilities Regulation (Reg. 74–15) to establish certain licensing requirements for community residence facilities for mentally retarded persons, and for related purposes," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

2221. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act 3–77, "To amend the Consumer Lay Away Plan Act of 1978 regarding service charges," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

2222. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act 3–78, "To provide for the confidentiality of and penalties for the unauthorized disclosure of records relating to abused and neglected children," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

2223. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act 8–80, "To establish a comprehensive program for animal population control in the District of Columbia, and for other purposes, "pursuant to section 602(c) of Public Law 93–298; to the Committee on the District of Columbia.

2224. A letter from he Chairman, Council of the District of Columbia, transmitting a copy of Council Act 3–81, "To extend the length of time within which a vehicle may remain parked in one location from 24 to 72 hours," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

2225. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act 3–83, "To amend the provisions of the Manual of the Metropolitan Police Department setting age qualifications for appointment to the Department," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

2226. A letter from the Chairman, District of Columbia Armory Board, transmitting the annual reports and financial statements for the fiscal year ended December 31, 1978, of the District of Columbia National Guard Armory and the Robert F. Kennedy Memorial Stadium, pursuant to section 10 of Public Law 80–605 and section 10 of Public Law 85–300; to the Committee on the District of Columbia.

2227. A letter from the Secretary of Labor, transmitting the annual report for calendar year 1978 on the administration of the Fair Labor Standards Act of 1938, as amended, pursuant to section 4(d)(1) of the act; to the Committee on Education and Labor.

2228. A letter from the Secretary of Labor, transmitting a report on the study of exemptions from the minimum wage and/or overtime provisions applicable to domestic service employees under the Fair Labor Standards Act, pursuant to section 4(d)(2) of the act; to the Committee on Education and Labor.

2229. A letter from the Secretary of Labor, transmitting a report on the exemption from the overtime provisions of the Fair Labor Standards Act for substitute parents in nonprofit educational institutions, pursuant to section 4(d)(2) of the act; to the Committee on Education and Labor.

2230. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting notice of proposed final regulations governing the Emergency School Aid Act-TV (ESAA–TV), pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

2231. A letter from the Chairman, National Commission for Employment Policy, transmitting a report on the impact of CETA eligibility criteria on single heads of household, pursuant to section 503(10) of the Comprehensive Employment and Training Act of 1973, as amended (92 Stat. 2003); to the Committee on Education and Labor.

2232. A letter from the Chairman, National Advisory Committee for Juvenile Justice and Delinquency Prevention, transmitting the third annual report of the Committee, covering fiscal year 1978, pursuant to section 208(b) of Public Law 93–415, as amended; to the Committee on Education and Labor.

2233. A letter from the President of the United States, transmitting a report on the investigation of statutory and regulatory provisions which discriminate against U.S. citizens living abroad, pursuant to section 611(b) of Public Law 95–426; to the Committee on Foreign Affairs.

2234. A letter from the Assistant Secretary of State for Congressional Relations, transmitting Presidential determination No. 79–12, finding that the financing under the Arms Export Control Act of the sale of certain sophisticated weapons systems to Thailand is important to the national security of the United States, pursuant to section 4 of the act; to the Committee on Foreign Affairs.

2235. A letter from the Assistant Secretary of State for Congressional Relations, transmitting Presidential determination No. 79–13, finding that the sale of certain sophisticated weapons systems to Egypt is important to the national security of the United States, pursuant to section 4 of the Arms Export Control Act; to the Committee on Foreign Affairs.

2236. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on political contributions made by Ambassador-designate William D. Wolle and his family, pursuant to section 6 of Public Law 93–126; to the Committee on Foreign Affairs.

2237. A letter from the Deputy Assistant Secretary of State for Budget and Finance, transmitting the quarterly report on programing and obligation of international

narcotics control funds as of June 30, 1979, pursuant to section 481 of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

2238. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

2239. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

2240. A letter from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

2241. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

2242. A letter from the Administrator, Agency for International Development, Department of State, transmitting a report on the status of the contingency fund for the third quarter of fiscal year 1979, pursuant to section 451(b) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

2243. A letter from the Acting Administrator, Agency for International Development, Department of State, transmitting the annual report on military expenditures by recipients of U.S. economic assistance, pursuant to section 620(s) of the Foreign Assistance Act of 1961, as amended (83 Stat. 820); to the Committee on Foreign Affairs.

2244. A letter from the Acting Assistant Administrator for Legislative Affairs, Agency for International Development, Department of State, transmitting notice of a proposed increase in the funding level of the Agency's fiscal year 1979 program in The Gambia, pursuant to section 653(b) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

2245. A letter from the Acting Assistant Administrator for Legislative Affairs, Agency for International Development, Department of State, transmitting notice of a proposed increase in the funding level of the Agency's fiscal year 1979 program in Tanzania, pursuant to section 653(b) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

2246. A letter from the Acting Assistant Administrator for Legislative Affairs, Agency for International Development, Department of State, transmitting notice of a proposed increase in the funding level of the Agency's fiscal year 1979 program in Tunisia, pursuant to section 653(b) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

2247. A letter from the Acting Assistant Administrator for Legislative Affairs, Agency for International Development, Department of State, transmitting notice of a proposed increase in the funding level of the Agency's fiscal year 1979 program in Yemen, pursuant to section 653(b) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

2248. A letter from the Acting Assistant Administrator for Legislative Affairs, Agency for International Development, Department of State, transmitting notice of a proposed increase in the funding level of the Agency's fiscal year 1979 program in Lebanon and the West Bank and Gaza, pursuant to section 653(b) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

2249. A letter from the Acting Assistant Administrator for Legislative Affairs, Agency for International Development, Department of State, transmitting notice of a proposed increase in the funding level of the Agency's fiscal year 1979 program in Indonesia, pursuant to section 653(b) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

2250. A letter from the Acting Assistant Administrator for Legislative Affairs, Agency for International Development, Department of State, transmitting notice of a proposed increase in the funding level of the Agency's fiscal year 1979 program in Sri Lanka, pursuant to section 653(b) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

2251. A letter from the Acting Assistant Administrator for Legislative Affairs, Agency for International Development, Department of State, transmitting notice of a proposed increase in the funding level of the Agency's fiscal year 1979 program in Thailand, pursuant to section 653(b) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

2252. A letter from the Acting Assistant Administrator for Legislative Affairs, Agency for International Development, Department of State, transmitting notice of a proposed increase in the funding level of the Agency's fiscal year 1979 program in Panama, pursuant to section 653(b) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

2253. A letter from the Acting Assistant Administrator for Legislative Affairs, Agency for International Development, Department of State, transmitting notice of a proposed increase in the funding level of the Agency's fiscal year 1979 program in Peru, pursuant to section 653(b) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

2254. A letter from the Assistant Secretary of the Treasury (Legislative Affairs), transmitting project performance audit reports prepared by the International Bank for Reconstruction and Development, Group of Controllers' evaluation reports by the Inter-American Development Bank, and post-evaluation reports by the Asian Development Bank, pursuant to section 301(e)(3) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

2255. A letter from the Acting Fiscal Assistant Secretary of the Treasury, transmitting a report on the inventory of nonpurchased foreign currencies as of March 31, 1979, pursuant to section 613(c) of the Foreign Assistant Act of 1961, as amended; to the Committee on Foreign Affairs.

2256. A letter from the Acting Assistant Secretary of Defense (Manpower, Reserve Affairs, and Logistics), transmitting the annual report and audit of the American National Red Cross for the year ended June 30, 1978, pursuant to section 6 of the act of January 5, 1905 (36 U.S.C. 6); to the Committee on Foreign Affairs.

2257. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to provide for the participation of the United States in the International Energy Exposition to be held in Knoxville, Tenn. in 1982, and for other purposes; to the Committee on Foreign Affairs.

2258. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting his determination and certification that downward fluctuations in foreign currency exchange rates have made it necessary to provide additional funds to maintain the budget level of operation for Radio Free Europe/Radio Liberty, Inc., during the third quarter of fiscal year 1979, pursuant to section 8 of the Public Law 94-350, as amended; to the Committee on Foreign Affairs.

2259. A letter from the President of the United States, transmitting the fourth annual report listing the number of records contained in any system of records for each Federal agency which were exempted from the provisions of the Privacy Act of 1974, pursuant to 15 U.S.C. 552a(p); to the Committee on Government Operations.

2260. A letter from the General Counsel, Office of Administration, Executive Office of the President, transmitting a proposed new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2261. A letter from the Acting Administrator, Office of Federal Procurement Policy, Office of Management and Budget, Executive Office of the President, transmitting various reports of the Federal procurement data system on Federal acquisition awards, covering the first and second quarters of fiscal year 1979; to the Committee on Government Operations.

2262. A letter from the Director of Management, Office of the Special Representative for Trade Negotiations, Executive Office of the President, transmitting a report on the Office's activities under the Freedom of Information Act during calendar year 1978, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2263. A letter from the Assistant Attorney General for Administration, transmitting notice of a proposed new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2264. A letter from the Deputy Assistant Secretary of Defense (Administration), transmitting notice of a proposed new records system for the Department of the Navy, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2265. A letter from the Deputy Assistant Secretary of Defense (Administration), transmitting notice of a proposed new records system for the Office of the Secretary of Defense, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2266. A letter from the Deputy Assistant Secretary of Defense (Administration), transmitting a proposed new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2267. A letter from the Deputy Secretary of Defense (Administration), transmitting notice of a proposed new records system for the Marine Corps, pursuant to 5 U.S.C. 552 a(o); to the Committee on Government Operations.

2268. A letter from the Deputy Assistant Secretary of Defense (Administration), transmitting a proposed new records systems for the Department of the Navy, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2269. A letter from the Deputy Assistant Secretary of Defense (Administration), transmitting a proposed new records system for the Department of the Navy, pursuant to 5 U.S.C. 552 a(o); to the Committee on Government Operations.

2270. A letter from the Deputy Secretary of Energy, transmitting notice of various proposed new and amended records systems, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2271. A letter from the Inspector General, Department of Health, Education, and Welfare, transmitting the quarterly report on the activities of his office covering the period April 1 to June 30, 1979; to the Committee on Government Operations.

2272. A letter from the Comptroller Gen-

eral of the United States, transmitting a list of reports issued or released by the General Accounting Office during July 1979, pursuant to section 234 of the Legislative Reorganization Act of 1970; to the Committee on Government Operations.

2273. A letter from the Comptroller General of the United States, transmitting a report on the implementation by civil agencies of the Office of Management and budget circular A-109 regarding major system acquisitions (PSAD-79-89, August 14, 1979); to the Committee on Government Operations.

2274. A letter from the Comptroller General of the United States, transmitting a report analyzing the effects of indexing for inflation on Federal expenditures (PAD-79-22, August 15, 1979); to the Committee on Government Operations.

2275. A letter from the Comptroller General of the United States, transmitting a report on needed improvements by Federal civil agencies' negotiating procedures for noncompetitive contracts priced over $100,000 (PSAD-79-93, August 21, 1979); to the Committee on Government Operations.

2276. A letter from the Comptroller General of the United States, transmitting on federal agencies' accounting systems, (FGMSD-79-40, August 24, 1979); to the Committee on Government Operations.

2277. A letter from the Administrator of General Services, transmitting a report on actions taken in response to recommendations contained in the April 1978 report of the President's Commission on Military Compensation, pursuant to section 6(b) of the Federal Advisory Committee Act; to the Committee on Government Operations.

2278. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting a report on the study of health and welfare effects caused by suspended particulate matter, pursuant to section 403(a)(1) of Public Law 95-95; to the Committee on Interstate and Foreign Commerce.

2279. A letter from the Director of Office Administration, Nuclear Regulatory Commission, transmitting a proposed new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2280. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Land and Water Conservation Fund Act of 1965, as amended, and for other purposes; to the Committee on Interior and Insular Affairs.

2281. A letter from the Secretary of the Interior, transmitting a report that an adequate soil survey and land classification have been performed on 5,692 acres of land transferred to him from the Department of Energy for sale to the owners of farms destroyed by the flood resulting from the collapse of the Teton Dam, pursuant to section 210 of Public Law 95-283; to the Committee on Interior and Insular Affairs.

2282. A letter from the Secretary of the Interior, transmitting the annual report of the U.S. Comptroller for American Samoa on the financial condition of American Samoa as of September 30, 1978; to the Committee on Interior and Insular Affairs.

2283. A letter from the Secretary of the Interior, transmitting a report on the availability of ground water on Federal land near the Ak-Chin Indian Reservation, Ariz., pursuant to section 2(a) of Public Law 95-328; to the Committee on Interior and Insular Affairs.

2284. A letter from the Acting Secretary of the Interior, transmitting a report by the U.S. Government Comptroller for Guam and the trust territory on Federal grant management of the Trust Territory of the Pacific Islands; to the Committee on Interior and Insular Affairs.

2285. A letter from the Acting Secretary of the Interior, transmitting the final report of the American Indian Religious Freedom Task Force established by the President, pursuant to section 2 of Public Law 95-341; to the Committee on Interior and Insular Affairs.

2286. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend the act of October 21, 1976. An act to provide for increases in appropriation ceilings and boundary changes in certain units of the national park system, and for other purposes; to the Committee on Interior and Insular Affairs.

2287. A letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation to facilitate the ability of product sellers to establish product liability risk retention groups, to purchase product liability insurance on a group basis, and for other purposes; to the Committee on Interstate and Foreign Commerce.

2288. A letter from the Acting Secretary of Transportation, transmitting the annual report for fiscal year 1978 on progress achieved in implementing the Northeast corridor improvement project, pursuant to section 703(1)(D) of Public Law 94-210; to the Committee on Interstate and Foreign Commerce.

2289. A letter from the Secretary of Health, Education, and Welfare, transmitting a report on model standards for community preventive health services, pursuant to section 314 of Public Law 95-83; to the Committee on Interstate and Foreign Commerce.

2290. A letter from the Secretary of Health, Education, and Welfare, transmitting a report on the present and future direction of the National Health Service Corps, pursuant to section 116(c) of Public Law 95-626; to the Committee on Interstate and Foreign Commerce.

2291. A letter from the Secretary of Health, Education and Welfare, transmitting the 1978 annual report on the National Health Service Corps, pursuant to section 329(g) of the Public Health Service Act; to the Committee on Interstate and Foreign Commerce.

2292. A letter from the Secretary of Health, Education, and Welfare, transmitting the annual report for fiscal year 1977 and 1978 on the emergency medical services program, pursuant to section 1210 of the Public Health Service Act; to the Committee on Interstate and Foreign Commerce.

2293. A letter from the General Counsel, Department of Energy, transmitting notice of meetings relating to the international energy program held on August 21 and 22, 1979, in New York, N.Y., and on August 29, 1979, in London, England; to the Committee on Interstate and Foreign Commerce.

2294. A letter from the Administrator, Energy Information Administration, Department of Energy, transmitting a monthly report on sales of refined petroleum products and sales of retail gasoline for May 1979, pursuant to section 4(c)(2)(A) of the Emergency Petroleum Allocation Act of 1973; to the Committee on Interstate and Foreign Commerce.

2295. A letter from the Administrator, Economic Regulatory Administration, Department of Energy, transmitting notice of proposed orders prohibiting the burning of petroleum as a primary energy source at certain Consolidated Edison Co. powerplants in the State of New York; to the Committee on Interstate and Foreign Commerce.

2296. A letter from the Administrator, Economic Regulatory Administration, Department of Energy, transmitting a report on low-income energy assistance; to the Committee on Interstate and Foreign Commerce.

2297. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting a report on sludge, prepared pursuant to section 8002(g) of the Solid Waste Disposal Act, as amended (90 Stat. 2831); to the Committee on Interstate and Foreign Commerce.

2298. A letter from the Secretary, Interstate Commerce Commission, transmitting notice that the Commission is unable to render a final decision in docket No. 9206, Absorption of Switching Charges, Southern Territory, within the initially specified 7-month period, pursuant to 49 U.S.C. 10707 (b)(1); to the Committee on Interstate and Foreign Commerce.

2299. A letter from the Vice President for Government Affairs, National Railroad Passenger Corporation, transmitting the financial report of the Corporation for the month of April 1979, pursuant to section 308(a)(1) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

2300. A letter from the Vice President for Government Affairs, National Railroad Passenger Corporation, transmitting a report on the average number of passengers per day on board each train operated, and the on-time performance at the final destination of each train operated, by route and by railroad, covering the month of April 1979, pursuant to section 308(a)(2) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

2301. A letter from the chairman, Task Force on Environmental Cancer and Heart and Lung Disease, transmitting the task force's second annual report, pursuant to section 402 of Public Law 95-95; to the Committee on Interstate and Foreign Commerce.

2302. A letter from the Attorney General, transmitting notice of the Justice Department's intention not to defend the constitutionality of the provision of section 202 of the Social Security Act which provides certain death and disability benefits for female but not male spouses of wage earners, pursuant to section 13(a) of Public Law 95-624; to the Committee on the Judiciary.

2303. A letter from the Assistant Attorney General for Legislative Affairs, transmitting a draft of proposed legislation to amend certain provisions of title 18, United States Code, relating to the procedures for interception of wire or oral communications; to the Committee on the Judiciary.

2304. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting a report on the facts in each application for conditional entry of aliens into the United States under section 203(a)(7) of the Immigration and Nationality Act for the 6-month period ending June 30, 1979, pursuant to section 203 (f) of the act; to the Committee on the Judiciary.

2305. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204 (d) of the Immigration and Nationality Act, as amended; to the Committee on the Judiciary.

2306. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in cases in which the authority contained in section 212(d)(3) of the Immigration and Nationality Act was exercised in behalf of certain aliens, pursuant to section 212(d)(6) of the act; to the Committee on the Judiciary.

2307. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation under the authority of section 244(a)(1) of the Immigration and Nationality Act, together with a list of the persons involved, pursuant to sec-

tion 244(c) of the act; to the Committee on the Judiciary.

2308. A letter from the secretary, Aviation Hall of Fame, Inc., transmitting the organization's annual report and audit for calendar year 1978, pursuant to section 15 (b) of Public Law 88-372; to the Committee on the Judiciary.

2309. A letter from the treasurer general, National Society of the Daughters of the American Revolution, transmitting the audit reports of the society for the fiscal years ended February 28, 1978, and February 28, 1979, pursuant to section 3 of Public Law 88-504; to the Committee on the Judiciary.

2310. A letter from the chairman, Board of Directors, Future Farmers of America; transmitting a report on the audit of the accounts of the organization for the fiscal year ended June 30, 1979, pursuant to section 3 of Public Law 88-504; to the Committee on the Judiciary.

2311. A letter from the Secretary of Commerce, transmitting the annual report on the Department's activities under the Marine Mammal Protection Act of 1972, covering the period of April 1, 1978, through March 31, 1979, pursuant to section 103(f) of the act; to the Committee on Merchant Marine and Fisheries.

2312. A letter from the Secretary of Commerce, transmitting the interim report on the President's oil pollution insurance study, pursuant to section 305(d) of Public Law 95-372; to the Committee on Merchant Marine and Fisheries.

2313. A letter from the Secretary of Commerce, transmitting a report covering the year ended March 31, 1979, on research studies on salmon stocks and the problems of incidental taking of marine mammals in the Japanese high seas salmon fishery, pursuant to section 14(d) of the North Pacific Fisheries Act of 1954, as amended (92 Stat. 405); to the Committee on Merchant Marine and Fisheries.

2314. A letter from the General Counsel, Department of the Air Force, transmitting a report on the investigation of allegations of mismanagement at the commisary at Scott Air Force Base, Ill., pursuant to 5 U.S.C. 1206 (b)(5)(A); to the Committee on Post Office and Civil Service.

2315. A letter from the Acting General Counsel, Department of the Navy, transmitting a report on the investigation of allegations of theft of Government property at the Philadelphia Naval Shipyard, pursuant to 5 U.S.C. 1206(b)(5)(A); to the Committee on Post Office and Civil Service.

2316. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend section 301, title 13, United States Code, to protect confidentiality of export data required by the Bureau of the Census for statistical purposes; to the Committee on Post Office and Civil Service.

2317. A letter from the Chairman, U.S. Nuclear Regulatory Commission, transmitting a report covering the quarter ended June 30, 1979, on the Commission's hiring and promotion of minorities and women, pursuant to section 201(h) of the Energy Reorganization Act of 1974, as amended (91 Stat. 1482); to the Committee on Post Office and Civil Service.

2318. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a final environmental impact statement on the Yellowstone and Tongue Rivers project, Miles City, Mont., pursuant to section 404(r) of the Federal Water Pollution Control Act, as amended; to the Committee on Public Works and Transportation.

2319. A letter from the Acting Secretary of Transportation, transmitting a revised estimate of the cost of completing the National System of Interstate and Defense Highways, for use in determining apportionment factors for Interstate System funds authorized for fiscal years 1981 and 1982, pursuant to 23 U.S.C. 104(b)(5); to the Committee on Public Works and Transportation.

2320. A letter from the Acting General Counsel of the Department of Housing and Urban Development, transmitting a draft of proposed legislation to amend the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 to remove the statutory ceiling on the residential moving expense allowance, to eliminate the matching requirement for downpayment assistance payments, to simplify procedures for programs and projects carried out by State agencies with assistance from two or more Federal agencies, to authorize property owners knowingly and voluntarily to give or donate real property to acquiring agencies without prior determination of just compensation, and for other purposes; to the Committee on Public Works and Transportation.

2321. A letter from the Administrator of General Services, transmitting a prospectus proposing a succeeding lease for space presently occupied at 521 12th Street NW., Washington, D.C., pursuant to section 7 of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

2322. A letter from the Administrator of General Services, transmitting a prospectus proposing a succeeding lease for space presently occupied at 1825 Connecticut Avenue NW., Washington, D.C., pursuant to section 7 of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

2323. A letter from the Administrator of General Services, transmitting a prospectus proposing a succeeding lease for space presently occupied at 6001 to 6010 Executive Boulevard, Rockville, Md., pursuant to section 7 of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

2324. A letter from the Administrator of General Services, transmitting a prospectus proposing a succeeding lease for space presently occupied at 1750 Pennsylvania Avenue NW., Washington, D.C. pursuant to section 7 of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

2325. A letter from the Administrator of General Services, transmitting a prospectus proposing the acquisition of space by lease at 320 First Street NW., Washington, D.C., pursuant to section 7 of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

2326. A letter from the Acting Deputy Administrator of General Services, transmitting a prospectus proposing a succeeding lease for space currently occupied in the Universal North Building, 1875 Connecticut Avenue NW., Washington, D.C., pursuant to section 7(a) of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

2327. A letter from the Acting Deputy Administrator of General Services, transmitting a prospectus proposing alterations at the Federal Building-U.S. Courthouse at 4th and F Streets, Anchorage, Alaska, pursuant to section 7 of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

2328. A letter from the Acting Deputy Administrator of General Services, transmitting a prospectus for alterations at the Courthouse, 1010 Fifth Avenue, Seattle, Wash., pursuant to section 7 of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

2329. A letter from the Acting Deputy Administrator of General Services, transmitting a revised prospectus for alterations at the U.S. Post Office-Courthouse, Cincinnati, Ohio, pursuant to section 7 of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

2330. A letter from the acting Federal cochairman, Appalachian Regional Commission, transmitting a report on the status of Appalachian migrants in the destinations to which they have migrated, current migration patterns and implications, and the impact of commission programs on outmigration and the welfare of Appalachian migrants; to the Committee on Public Works and Transportation.

2331. A letter from the Secretary of Commerce, transmitting the annual report for fiscal year 1978 on the implementation of the procedures of the national voluntary laboratory accreditation program; to the Committee on Science and Technology.

2332. A letter from the Administrator, National Aeronautics and Space Administration, transmitting notice of the proposed use of certain research and development funds appropriated to NASA for fiscal year 1977 to modify two buildings at the Lewis Research Center, Cleveland, Ohio, for helicopter transmission testing under the helicopter transmission systems technology program, pursuant to section 3 of the NASA Authorization Act, 1977; to the Committee on Science and Technology.

2333. A letter from the Under Secretary of Defense (Research and Engineering), transmitting a report on Defense Department procurement from small and other business firms for October 1978 through February 1979, pursuant to section 10(d) of the Small Business Act, as amended; to the Committee on Small Business.

2334. A letter from the Under Secretary of Defense (Research and Engineering), transmitting a report on Defense Department procurement from small and other business firms for October 1978 through January 1979, pursuant to section 10(d) of the Small Business Act, as amended; to the Committee on Small Business.

2335. A letter from the Under Secretary of Defense (Research and Engineering), transmitting a report on Defense Department procurement from small and other business firms for October-December 1978, pursuant to section 10(d) of the Small Business Act, as amended; to the Committee on Small Business.

2336. A letter from the Secretary of Health, Education, and Welfare, transmitting the annual report of the Social Security Administration for fiscal year 1978, pursuant to sections 704, 1611(e)(3)(B), and 1875(b) of the Social Security Act, as amended, and section 426(b) of Public Law 91-173; to the Committee on Ways and Means.

2337. A letter from the Special Representative for Trade Negotiations, Executive Office of the President, transmitting a report covering the 6 months ended June 30, 1979, on reviews and hearings arising from complaints of unfair trade practices by foreign governments, pursuant to section 301(d)(2) of the Trade Act of 1974; to the Committee on Ways and Means.

2338. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to modify the boundary of the Cibola National Forest in the State of New Mexico, and for other purposes; jointly, to the Committee on Agriculture, Armed Services, and Interior and Insular Affairs.

2339. A letter from the Comptroller General of the United States, transmitting a supplemental report to the Comptroller Generals report (CED-78-60, April 24, 1978) on the effect of the Department of Labor's current resource allocation formula on efforts by State employment service agencies to place food stamp recipients in jobs (CED-79-79, August 15, 1979); jointly, to the Committees on Government Operations and Agriculture.

2340. A letter from the Comptroller Gen-

eral of the United States, transmitting a report on difficulties in Selected Army Reserves recruiting under the All-Volunteer Force (FPCD-79-71, August 20, 1979); jointly, to the Committees on Government Operations and Armed Services.

2341. A letter from the Comptroller General of the United States, transmitting a report on the Army's need to reassess its intended procurement of 10-kilowatt, 60-hertz gas turbine generators (PSAD-79-95, August 9, 1979); jointly, to the Committees on Government Operations and Armed Services.

2342. A letter from the Comptroller General of the United Statees, transmitting a report on the status of the Roland missile program, (PSAD-79-100, August 17, 1979); jointly, to the Committees on Government Operations and Armed Services.

2343. A letter from the Comptroller General of the United States, transmitting a report on the need for the Congress to reevaluate the role and structure of the military's direct medical care system in peacetime (HRD-79-107, August 16, 1979); jointly, to the Committeees on Government Operations and Armed Services.

2344. A letter from the Comptroller General of the United States, transmitting a report on weaknesses in servicing and accounting for home mortgages held by the Department of Housing and Urban Development (FGMSD-79-41, August 16, 1979); jointly, to the Committees on Government Operations and Banking, Finance and Urban Affairs.

2345. A letter from the Mayor of the District of Columbia, transmitting a copy of his response to the Comptroller General's report on Forest Haven, pursuant to section 736(b)(3) of Public Law 93-198; jointly, to the Committees on Government Operations and the District of Columbia.

2346. A letter from the Comptroller General of the United States, transmitting a report on needed improvements to the guidelines for compensation for Federal employee injuries (HRD-79-78, August 22, 1979); jointly, to the Committees on Government Operations and Education and Labor.

2347. A letter from the Comptroller General of the United States, transmitting an updated report on U.S. participation in international organizations (ID-79-26, August 10, 1979); jointly, to the Committees on Government Operations and Foreign Affairs.

2348. A letter from the Comptroller General of the United States, transmitting a report on the vulnerability of key crude oil and products pipelines (EMD-79-63, August 27, 1979); jointly, to the Committees on Government Operations, Interstate and Foreign Commerce, and Public Works and Transportation.

2349. A letter from the Comptroller General of the United States, transmitting a report on needed improvements in the vocational rehabilitation program (HRD-79-84, August 23, 1979); jointly, to the Committees on Government Operations and Education and Labor.

2350. A letter from the Comptroller General of the United States, transmitting a report on the implementation of the coordination and information dissemination provisions of the Juvenile Justice and Delinquency Prevention Act (GGD-79-63, August 3, 1979); jointly, to the Committees on Government Operations, the Judiciary, and Education and Labor.

2351. A letter from the Comptroller General of the United States, transmitting a report on actions the Congress and the Secretary of Transportation can take to help reduce aircraft delays at major U.S. airports (CED-79-102, September 4, 1979); jointly, to the Committees on Government Operations and Public Works and Transportation.

2352. A letter from the Comptroller General of the United States, transmitting a report on ways for the Federal Government to improve management of scientific, technical, and other specialized information (PSAD-79-62, August 6, 1979); jointly, to the Committees on Government Operations and Science and Technology.

2353. A letter from the Comptroller General of the United States, transmitting a report on the Internal Revenue Service's selection of corporate income tax returns for audit (GGD-79-43, August 3, 1979); jointly, to the Committees on Government Operations, and Ways and Means.

2354. A letter from the Comptroller General of the United States, transmitting a report on the provision of noncontributory social security wage credits for military service performed after 1956 (FPCD-79-57, August 8, 1979); jointly, to the Committees on Government Operations and Ways and Means.

2355. A letter from the Comptroller General of the United States, transmitting a report on needed improvements to the current system of unemployment compensation (HRD-79-79, August 28, 1979); jointly, to the Committees on Government Operations and Ways and Means.

2356. A letter from the Comptroller General of the United States, transmitting a report on funding of State and local government pension plans (HRD-79-66, August 30, 1979); jointly, to the Committees on Government Operations, Ways and Means, and Education and Labor.

2357. A letter from the Comptroller General of the United States, transmitting a report reviewing the Social Security student benefit program (HRD-79-108, August 30, 1979); jointly, to the Committees on Government Operations, Ways and Means, and Education and Labor.

2358. A letter from the Secretary of the Interior, transmitting a consolidated report covering calendar year 1978 on the public disclosure of certain financial interests by officers and employees of the Department of the Interior performing functions under the Energy Policy and Conservation Act, the Mining in the Parks Act, the Federal Land Policy and Management Act of 1976, and the Outer Continental Shelf Land Act Amendments of 1978, pursuant to sections 522(b)(2), 13(b)(2), 313(b)(2), and 605(b)(2) of the respective acts; jointly, to the Committees on Interior and Insular Affairs and Interstate and Foreign Commerce.

2359. A letter from the Chairman, U.S. Nuclear Regulatory Commission, transmitting the 16th report on abnormal occurrences at licensed nuclear facilities, pursuant to section 208 of Public Law 93-438; jointly, to the Committees on Interior and Insular Affairs and Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*Submitted August 17, 1979*]

Mr. MURPHY of New York: Committee on Merchant Marine and Fisheries. H.R. 2759. A bill to promote the orderly development of hard mineral resources in the deep seabed, pending adoption of an international regime relating thereto; with amendment (Rept. No. 96-411, pt. 2. Referred to the Committee of the Whole House on the State of the Union.

[*Pursuant to the order of the House August 2, 1979, the following conference report was filed on August 3, 1979*]

Mr. ZABLOCKI: Committee of conference. Conference report on H.R. 2774; with amendment (Rept. No. 96-412). Ordered to be printed.

[*Submitted Aug. 8, 1979*]

Mr. BROOKS: Committee on Government Operations. Report on Emergency Planning Around U.S. Nuclear Powerplants: Nuclear Regulatory Commission Oversight (Rept. No. 96-413). Referred to the Committee of the Whole House on the state of the Union.

[*Pursuant to the order of the House on July 31, 1979, the following report was filed on Aug. 31, 1979*]

Mr. ULLMAN: Committee on Ways and Means. H.R. 3712. A bill to amend section 103 of the Internal Revenue Code of 1954 to provide that the interest on mortgage subsidy bonds will not be exempt from Federal income tax; with amendment (Rept. No. 96-414). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted Sept. 5, 1979*]

Mr. PRICE: Committee on Armed Services. Report on allocation of budget authority and outlays by major program and legislation savings in the fiscal year 1980 budget resolution; (Rept. No. 96-415). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 740. A bill to amend the Geothermal Steam Act of 1970 for the purpose of enhancing the development of geothermal resources situated beneath Federal lands (Rept. No. 96-416). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. House Joint Resolution 383. Joint resolution to validate the effectiveness of certain plans for the use or distribution of funds appropriated to pay judgments awarded to Indian tribes or groups (Rept. No. 96-417). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee of conference. Conference report on S. 230 (Rept. No. 96-419). Ordered to be printed.

Mr. STAGGERS: Committee of conference. Conference report on S. 544 (Rept. No. 96-420). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 920. A bill to authorize the Secretary of the Interior to convey certain lands in Placer County, Calif., to Mrs. Edna C. Marshall, and for other purposes (Rept. No. 96-418). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BENNETT:

H.R. 5163. A bill to authorize the sale to certain foreign nations of certain excess naval vessels; to the Committee on Armed Services.

By Mr. BIAGGI:

H.R. 5164. A bill to amend certain inspection and manning laws applicable to small vessels carrying passengers or freight for hire, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. COLLINS of Texas:

H.R. 5165. A bill to prohibit permanently the issuance of regulations on the taxation of fringe benefits; to the Committee on Ways and Means.

By Mr. ERDAHL (for himself and Mr. LENT:)

H.R. 5166. A bill specifying the period within which contributions, equivalent to social security taxes, should be made by States having in effect agreements for social security coverage of State and local employees under section 218 of the Social Security Act; to the Committee on Ways and Means.

By Ms. HOLTZMAN:

H.R. 5167. A bill to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1954 to provide additional information and protections with respect to joint and survivor annuities under qualified pension, profit-sharing, and stock bonus plans; jointly, to the Committees on Education and Labor and Ways and Means.

By Mr. NICHOLS:

H.R. 5168. A bill to extend certain expiring provisions of law relating to personnel management of the Armed Forces; to the Committee on Armed Services.

By Mr. OTTINGER (for himself and Mr. FISH):

H.R. 5169. A bill to amend the Department of Energy Organization Act in order to insure that solar energy, renewable resources, and energy conservation receive the highest national priority; jointly, to the Committees on Interior and Insular Affairs, Interstate and Foreign Commerce, and Science and Technology.

By Mr. PEPPER:

H.R. 5170. A bill to amend title XIX of the Social Security Act to extend the period of funding of State medicaid fraud control units; to the Committee on Interstate and Foreign Commerce.

By Mr. QUILLEN:

H.R. 5171. A bill to amend the Internal Revenue Code of 1954 to permit a church plan to continue after 1982 to provide benefits for employees of organizations controlled by or associated with the church and to make certain clarifying amendments to the definition of church plan; to the Committee on Ways and Means.

H.R. 5172. A bill to amend section 403(b) of the Internal Revenue Code of 1954 with respect to computation of the exclusion allowance for ministers and lay employees of the church, and to amend sections 403(b)(2)(B), 415(c)(4), 415(d)(1), and 415(d)(2) and to add a new section 415(c)(8) to extend the special elections for section 403(b) annuity contracts to employees of churches, conventions, or associations of churches, and their agencies and to permit a de minimis contribution amount in lieu of such elections; to the Committee on Ways and Means.

H.R. 5173. A bill to amend the Employee Retirement Income Security Act of 1974 to permit a church plan to continue after 1982 to provide benefits for employees of organizations controlled by or associated with the church and to make certain clarifying amendments to the definition of church plan; jointly, to the Committees on Education and Labor and Ways and Means.

By Mr. RODINO:

H.R. 5174. A bill to amend section 209 of title 18, United States Code; to the Committee on the Judiciary.

By Mr. ROSENTHAL:

H.R. 5175. A bill to prohibit for 3 years the conversion of residential rental units to units in condominiums or cooperatives; to establish a Presidential Commission on Problems Relating to Condominium-Cooperative Conversions; to provide relocation assistance to low- and moderate-income persons occupying rental units which are converted to condominium or cooperative units; to deny community development block grants to communities which contribute to the shortage of housing for low- and moderate-income persons by permitting condominium and cooperative conversions without appropriate restrictions; and to amend the Internal Revenue Code of 1954 to treat gain from such conversions as ordinary income, and for other purposes; jointly, to the Committees on Banking, Finance and Urban Affairs, and Ways and Means.

By Mrs. SCHROEDER:

H.R. 5176. A bill to establish an independent personnel system for employees of the General Accounting Office; to the Committee on Post Office and Civil Service.

By Mr. TAUKE:

H.R. 5177. A bill to amend the Emergency Petroleum Allocation Act of 1973 to establish a standby national set-aside program to provide middle distillates to meet shortages in agricultural production and agricultural transportation requirements; to the Committee on Interstate and Foreign Commerce.

H.R. 5178. A bill to amend title XVI of the Social Security Act to provide that interest on savings accounts (and other amounts similarly paid on deposits in financial institutions), if less than $60 in a calendar quarter, shall be excluded in determining an individuals' income for eligibility and benefit purposes under the SSI program; to the Committee on Ways and Means.

By Mr. TREEN (for himself and Mr. STUDDS):

H.R. 5179. A bill to amend title IV of the Outer Continental Shelf Lands Act Amendments of 1978 with respect to the fishermen's contingency fund; to the Committee on Merchant Marine and Fisheries.

Mr. UDALL:

H.R. 5180. A bill to restore a deductible status expenses incurred attending conventions in Mexico and Canada; to the Committee on Ways and Means.

By Mr. VENTO:

H.R. 5181. A bill to provide that savings banks shall not be considered to be State banks for purposes of determining whether a national bank may establish and operate any branch; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BARNES:

H.R. 5182. A bill to amend the Chesapeake and Ohio Canal Development Act to change the termination date of the Chesapeake and Ohio Canal National Historical Park Commission from the date 10 years after the effective date of such act to the date 20 years after such effective date; to the Committee on Interior and Insular Affairs.

By Mr. BOWEN:

H.R. 5183. A bill to amend the copyright law to provide that certain performances and displays of profitmaking educational institutions are not infringements of the exclusive rights of copyright owners; to the Committee on the Judiciary.

By Mr. BOWEN (for himself, Mr. BUCHANAN, Mr. GUDGER, Mr. HARRIS, and Mr. MONTGOMERY):

H.R. 5184. A bill to amend the Internal Revenue Code of 1954 to provide an exclusion for income earned abroad attributable to certain charitable services; to the Committee on Ways and Means.

By Mr. LUJAN:

H.R. 5185. A bill to amend the Internal Revenue Code of 1954 to increase the amount of certain employees' death benefits which may be excluded from gross income; to the Committee on Ways and Means.

H.R. 5186. A bill to establish an energy development and demonstration corporation, and for other purposes; jointly, to the Committees on Banking, Finance and Urban Affairs, Interior and Insular Affairs, Interstate and Foreign Commerce, and Science and Technology.

By Mr. UDALL (for himself and Mr. SANTINI):

H.R. 5187. A bill to establish a forgivable loan program for geothermal reservoir confirmation, to amend existing geothermal leasing and permitting laws, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Science and Technology.

By Mr. FOWLER:

H.J. Res. 389. Joint resolution designating the month of September 1980, as "National Rehabilitaion Month"; to the Committee on Post Office and Civil Service.

By Mr. LOWRY (for himself and Mr. GREEN):

H.J. Res. 390. Joint resolution to authorize and request the President to issue a proclamation designating Sunday, September 30, 1979 as "National Good Neighbor Day"; to the Committee on Post Office and Civil Service.

By Mr. WALKER:

H. Res. 400. Resolution expressing the sense of the House of Representatives that the President, in the interests of national security, should immediately communicate to the Government of the Soviet Union our insistence that it remove its military troops from Cuba and, until such time as the Soviet military presence is ended, that all proceedings with regard to the ratification of the proposed Strategic Arms Limitation Treaty be suspended; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. LENT:

H.R. 5188. A bill for the relief of Ana Maria Escandell; to the Committee on the Judiciary.

By Mr. SOLARZ:

H.R. 5189. A bill for the relief of Simon Stroh; to the Committee on the Judiciary.

By Mr. TAYLOR:

H.R. 5190. A bill for the relief of Jacobo Cosio-Franco; to the Committee on the Judiciary.

MEMORIALS

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

276. By the SPEAKER: Memorial of the Senate of the Commonwealth of Massachusetts, relative to emigration of Russian Christians; to the Committee on Foreign Affairs.

277. Also, memorial of the Legislature of the State of Texas, relative to urging the Federal Republic of Germany to abolish or extend the statute of limitations relating to Nazi war crimes; to the Committee on Foreign Affairs.

278. Also, memorial of the Legislature of the State of California, relative to Federal reclamation law; to the Committee on Interior and Insular Affairs.

279. Also, memorial of the Legislature of the State of Montana, relative to further designations of wilderness areas; to the Committee on Interior and Insular Affairs.

280. Also, memorial of the Legislature of the State of Montana, relative to Federal payments to the States based upon the

amount of Indian lands within the boundary of such locality; to the Committee on Interior and Insular Affairs.

281. Also, memorial of the House of Representatives of the State of Washington, relative to the proposed Yakima River Basin water enhancement project; to the Committee on Interior and Insular Affairs.

282. Also, memorial of the Legislature of the territory of Guam, relative to the Omnibus territories bill of 1979; to the Committee on Interior and Insular Affairs.

283. Also, memorial of the Legislature of the territory of Guam, relative to proposed nuclear waste storage on Guam; to the Committee on Interior and Insular Affairs.

284. Also, memorial to the Senate of the Commonwealth of Massachusetts, relative to reform of psychotropic drug usage on the mentally retarded; to the Committee on Interstate and Foreign Commerce.

285. Also, memorial to the Senate of the Commonwealth of Massachusetts, relative to assuring adequate supplies of home heating oil to Massachusetts; to the Committee on Interstate and Foreign Commerce.

286. Also, memorial of the House of Representatives of the Commonwealth of Massachusetts, relative to requiring the television broadcast industry to caption news programing and emergency announcements; to the Committee on Interstate and Foreign Commerce.

287. Also, memorial of the House of Representatives of the Commonwealth of Massachusetts, relative to a comprehensive heating oil allocation program; to the Committee on Interstate and Foreign Commerce.

288. Also, memorial of the Legislature of the State of Montana, relative to continuation of the rail service provided by the Milwaukee Road; to the Committee on Interstate and Foreign Commerce.

289. Also, memorial of the House of Representatives of the State of Washington, relative to continued use of the Olympia postmark; to the Committee on Post Office and Civil Service.

290. Also, memorial of the Legislature of the territory of Guam, relative to providing honorable discharges from the Armed Forces of the United States for members of the Guam Combat Patrol and the Guam Civilian Scouts; to the Committee on Veterans' Affairs.

291. Also, memorial of the Legislature of the State of California, relative to taxation of savings account interest; to the Committee on Ways and Means.

292. Also, memorial of the Legislature of the State of Texas, relative to Federal inheritance taxes; to the Committee on Ways and Means.

293. Also, memorial of the Legislature of the State of Montana, relative to the Pacific Northwest Electric Power Planning and Conservation Act; jointly, to the Committee on Interior and Insular Affairs and Interstate and Foreign Commerce.

ADDITIONAL SPONSORS

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

H.R. 605: Mr. MURPHY of New York, Mr. WHITLEY, Mr. NELSON, Mr. MICA, Mr. PRITCHARD, and Mr. SABO.

H.R. 1071: Mr. PETRI.

H.R. 1102: Mr. RAILSBACK.

H.R. 1576: Mr. FRENZEL, Mr. HIGHTOWER, Mr. STENHOLM, Mr. SLACK, Mr. SPENCE, Mr. HANCE, and Mr. LEACH of Louisiana.

H.R. 1577: Mr. FRENZEL, Mr. HIGHTOWER, Mr. STENHOLM, Mr. SLACK, Mr. SPENCE, Mr. MARKEY, Mr. HANCE, and Mr. LEACH of Louisiana.

H.R. 1578: Mr. FRENZEL, Mr. HIGHTOWER, Mr. STENHOLM, Mr. SLACK, Mr. SPENCE, Mr. HANCE, Mr. LEACH, of Louisiana.

H.R. 1911: Mr. CORRADA, Mr. NEAL, Mr. MITCHELL of Maryland, Mr. DRINAN, Mr. ADDABBO, Mr. RICHMOND, Mr. RANGEL, Mr. GOODLING, Mr. GUDGER, Ms. FERRARO, Mr. HOLLENBECK, Mr. PEPPER, and Mr. STACK.

H.R. 1912: Mr. ADDABBO, Mr. ROSENTHAL, Mr. CONYERS, Mr. EDWARDS of California, Mr. DRINAN, Mr. EVANS of Georgia, Mr. VENTO, Mr. DOWNEY, Mr. LAFALCE, Mr. WEAVER, Mr. OTTINGER, Mr. WOLPE, Mr. HEFTEL, Mr. MCHUGH, Mr. KILDEE, Mr. HUGHES, Mr. NEAL, Mr. DORNAN, Mr. DOUGHERTY, Mr. BONIOR of Michigan, Mr. SCHEUER, Mr. RICHMOND, Mr. ZEFERETTI, Mr. RANGEL, Mr. MITCHELL of Maryland, Mr. MARKEY, Mr. KEMP, Mr. GILMAN, Mr. NOLAN, and Mr. HARKIN.

H.R. 1971: Mr. ALBOSTA, Mr. BEDELL, Mr. DOWNEY, Mr. ERTEL, Mr. FITHIAN, Mr. GILMAN, Mr. HUGHES, Mr. ICHORD, Mr. MINETA, Mr. PANETTA, Mr. RICHMOND, and Mr. WEAVER.

H.R. 2272: Mr. HEFTEL.

H.R. 2411: Mr. EVANS of the Virgin Islands.

H.R. 2777: Mr. COUGHLIN and Mr. STOKES.

H.R. 3105: Mr. ROBINSON and Mr. CAMPBELL.

H.R. 3106: Mr. GRAMM.

H.R. 3251: Mr. BROWN of Ohio.

H.R. 3345: Mr. LELAND, Mrs. FENWICK, and Mr. SOLARZ.

H.R. 3567: Mr. LIVINGSTON, Mr. DONNELLY, Mr. EDWARDS of Oklahoma, Mr. CARTER, Mr. BEARD of Rhode Island, Mr. STUDDS, Mr. PRITCHARD, Mr. BURLISON, Mr. UDALL, Mr. CORRADA, Mr. SIMON, Mr. SATTERFIELD, Mr. OBERSTAR, Mrs. SNOWE, Mr. LUKEN, Mr. LEWIS, and Mr. BROWN of Ohio.

H.R. 3584: Mr. HANCE.

H.R. 3676: Mr. TAUKE.

H.R. 3677: Mr. PICKLE.

H.R. 3697: Mr. BRODHEAD, Mr. ROSENTHAL, Mr. OBERSTAR, Mr. PRITCHARD, Mr. COTTER, Mr. MARKEY, Mr. ERDAHL, Ms. FERRARO, Mr. MITCHELL of New York, Mr. THOMPSON, Mr. YATRON, Mr. PATTEN, Mr. STOKES, Mr. DOUGHERTY, Mrs. SCHROEDER, Mr. MARKS, Mr. WIRTH, Mrs. SNOWE, Mr. KILDEE, Ms. MIKULSKI, and Mr. KEMP.

H.R. 3729: Mr. TAUKE.

H.R. 3852: Mr. EVANS of the Virgin Islands.

H.R. 4105: Mr. HAMILTON.

H.R. 4211: Mr. GUDGER.

H.R. 4309: Mr. LEDERER.

H.R. 4310: Mr. STACK, Mr. BONKER, Mr. BAUMAN, Mr. AKAKA, Mr. LENT, Mr. YOUNG of Alaska, Ms. MIKULSKI, Mr. BOWEN, Mr. BAFALIS, and Mr. BONIOR of Michigan.

H.R. 4313: Mr. ALBOSTA.

H.R. 4363: Mr. ROUSSELOT.

H.R. 4442: Mr. FISH.

H.R. 4504: Mr. PATTERSON, Mr. GRAY, Mr. GEPHARDT, Mr. GLICKMAN, and Mr. TAUKE.

H.R. 4526: Mr. WHITEHURST, Mr. MINETA, Mr. PEPPER, Mr. HUGHES, Mr. PANETTA, Mr. LAFALCE, Mr. FLOOD, Mr. BARNES, Mr. PREYER, Mr. ERDAHL, Mr. LAGOMARSINO, Mr. COELHO, Mr. BARNARD, Mr. VENTO, Mr. GUARINI, Mr. TAUKE, Mr. WIRTH, and Mr. GUDGER.

H.R. 4531: Mr. HOLLENBECK, Mr. RICHMOND, Mr. ADDABBO, Mr. LEHMAN, Mr. LEACH of Louisiana, Mr. HARKIN, Mr. CORMAN, and Mr. BEDELL.

H.R. 4567: Mr. MURPHY of Illinois.

H.R. 4648: Mr. D'AMOURS, Mr. DIXON, Ms. FERRARO, Mr. GEPHARDT, Mr. GRAY, and Mr. NOLAN.

H.R. 4656: Mr. ABDNOR, Mr. ARCHER, Mr. BAFALIS, Mr. BARNARD, Mr. BEARD of Tennessee, Mr. BETHUNE, Mr. BROYHILL, Mr. BUTLER, Mr. CAMPBELL, Mr. PHILIP M. CRANE, Mr. COLLINS of Texas, Mr. ROBERT W. DANIEL JR., Mr. DANNEMEYER, Mr. DICKINSON, Mr. HAMMERSCHMIDT, Mr. JEFFRIES, Mr. KRAMER, Mr. KELLY, Mr. LEATH of Texas, Mr. LOEFFLER, Mr. MARRIOTT, Mr. MCDONALD, Mr. MONTGOMERY, Mr. QUILLEN, Mr. ROBINSON, Mr. ROUSSELOT, Mr. RUDD, Mr. SATTERFIELD, Mr. SEBELIUS, Mr. SPENCE, Mr. STUMP, Mr. SYMMS, Mr. TRIBLE, Mr. WHITEHURST, Mr. WHITTAKER, Mr. WINN, Mr. YOUNG of Florida, Mrs. HOLT, Mr. BUCHANAN, and Mr. HINSON.

H.R. 5050: Mr. CONTE and Mr. RINALDO.

H.J. Res. 275: Mr. SHELBY, Mr. GORE, Mr RATCHFORD, Mr. MOORHEAD of Pennsylvania, Mr. BEREUTER, and Mr. BETHUNE.

H.J. Res. 336: Mr. ANTHONY, Mr. BAUMAN, Mr. BRINKLEY, Mr. BROWN of Ohio, Mrs. BYRON, Mr. FINDLEY, Mr. GILMAN, Mr. GREEN, Mr. GUARINI, Mr. GUDGER, Mr. HORTON, Mr. HOWARD, Mr. JENKINS, Mr. KOGOVSEK, Mr. LENT, Mr. LEWIS, Mr. LOWRY, Mr. MADIGAN, Mr. MCCLOSKEY, Mr. MOORHEAD of Pennsylvania, Mr. NICHOLS, Mr. PEPPER, Mr. QUILLEN, Mr. RAILSBACK, Mr. ROE, Mr. SANTINI, Mr. SATTERFIELD, Mr. SAWYER, Mr. SIMON, Mr. SLACK, Mr. STAGGERS, Mr. STENHOLM, Mr. STOCKMAN, Mr. TAYLOR, Mr. WALGREN, Mr. WILLIAMS, of Ohio, Mr. CHARLES WILSON of Texas, Mr. YOUNG of Alaska, Mr. ZABLOCKI, Mr. STEED, Mr. BENNETT, Mr. BLANCHARD, Mr. BROYHILL, Mr. FOWLER, Mr. FUQUA, Mr. HEFNER, Mr. IRELAND, Mr. JONES of North Carolina, Mr. RITTER, Mr. ROSE, and Mr. YOUNG of Florida.

H.J. Res. 338: Mr. PATTEN and Mr. KASTENMEIER.

H. Con. Res. 121: Mr. STOKES.

H. Res. 302: Mr. ROE.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

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

H.R. 4760: Mr. PAUL.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

184. By the SPEAKER: Petition of the mayor of Nea Smyrne, Greece, relative to Cyprus; to the Committee on Foreign Affairs.

185. Also, petition of the Western States Land Commissioners Association, Sacramento, Calif., relative to Western States land management and welfare; to the Committee on Interior and Insular Affairs.

186. Also, petition of Donald Orand, Steilacoom, Wash., relative to redress of grievances; to the Committee on the Judiciary.

187. Also, petition of John L. Quigley, Chelsea, Mass., relative to Federal grants for renovations of veterans' homes; to the Committee on Veterans' Affairs.

188. Also, petition of the First Michigan Congress on the Arts, Detroit, Mich., relative to Federal estate tax laws; to the Committee on Ways and Means.

189. Also, petition of the City Commission, Kilgore, Tex., relative to the proposed windfall profits tax bill; to the Committee on Ways and Means.