HOUSE OF REPRESENTATIVES—*Tuesday, April 19, 1983*

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore (Mr. WRIGHT).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, D.C., *April 18, 1983.*

I hereby designate the Honorable JIM WRIGHT to act as Speaker pro tempore on Tuesday, April 19, 1983.

THOMAS P. O'NEILL, Jr.
Speaker of the House of Representatives.

PRAYER

Rev. John C. Condit, St. Francis Xavier Church, Taos, Mo., offered the following prayer:

Almighty and eternal Father, our help in ages past, our hope today, and our promise for tomorrow, we ask a blessing on this day.

We thank You, God of mysterious ways, that You have a holy design for each of us, that our place in history, our purpose for existing, is known within Your heart, since endless ages.

We are grateful for that long line of proud and determined people, who since this country was born, have inspired others by their faithfulness to their own special destinies. They, by their very lives, shout out to us not to compromise our destinies, but to live fully within Your eternal plan. Take our hands, our hearts, our talents, and use them to reach out in compassion to our world. Amen.

THE JOURNAL

The SPEAKER pro tempore. 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.

Ms. FIEDLER. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Chair's approval of the Journal.

The SPEAKER pro tempore. The question is on the Chair's approval of the Journal.

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

Ms. FIEDLER. 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 pro tempore. 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 350, nays 18, answered "present" 1, not voting 64, as follows:

[Roll No. 55]

YEAS—350

Ackerman
Akaka
Albosta
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Archer
AuCoin
Badham
Barnard
Barnes
Bartlett
Bateman
Bates
Bedell
Beilenson
Bennett
Bereuter
Berman
Bethune
Bevill
Biaggi
Bliley
Boehlert
Boggs
Boland
Boner
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Britt
Brooks
Broomfield
Brown (CA)
Brown (CO)
Broyhill
Burton
Byron
Campbell
Carper
Carr
Chandler
Chappell
Chappie
Cheney
Clarke
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conable
Conte
Conyers
Cooper
Corcoran
Courter
Coyne
Craig
Crane, Daniel
Crane, Philip
Crockett
D'Amours
Daniel
Dannemeyer
Daschle
Daub
Davis
de la Garza
Derrick
DeWine
Dicks
Dingell
Donnelly
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dyson
Early
Edgar
Edwards (CA)
Edwards (OK)
English
Erdreich
Erlenborn
Evans (IL)
Fazio
Feighan
Ferraro
Fiedler
Fields
Flippo
Florio
Foley
Ford (TN)
Fowler
Frank
Franklin
Frenzel
Fuqua
Garcia
Gaydos
Gekas
Gephardt
Gibbons
Gingrich
Glickman
Gonzalez
Gore
Gradison
Gramm
Gray
Green
Gregg
Guarini
Gunderson
Hall (IN)
Hall (OH)
Hamilton
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Harrison
Hatcher
Hawkins
Hefner
Hertel
Hightower
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jeffords
Jenkins
Johnson
Jones (TN)
Kaptur
Kasich
Kastenmeier
Kazen
Kennelly
Kildee
Kindness
Kogovsek
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach
Leath
Lehman (CA)
Lehman (FL)
Lent
Levin
Levine
Lewis (CA)
Lewis (FL)
Livingston
Lloyd
Loeffler
Long (MD)
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lungren
MacKay
Madigan
Markey
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
Martinez
Mavroules
Mazzoli
McCain
McCloskey
McCollum
McCurdy
McDade
McDonald
McEwen
McGrath
McHugh
McKernan
McNulty
Mica
Michel
Mikulski
Miller (CA)
Mineta
Minish
Moakley
Molinari
Mollohan
Montgomery
Moody
Moore
Moorhead
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Nelson
Nielson
Nowak
O'Brien
Oakar
Obey
Olin
Owens
Panetta
Parris
Pashayan
Patman
Paul
Pease
Penny
Petri
Pickle
Porter
Price
Pritchard
Pursell
Quillen
Rahall
Rangel
Ratchford
Ray
Regula
Reid
Richardson
Rinaldo
Ritter
Roberts
Robinson
Roe
Rogers
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sawyer
Schaefer
Scheuer
Schneider
Schulze
Schumer
Seiberling
Sensenbrenner
Sharp
Shelby
Shumway
Sikorski
Siljander
Simon
Sisisky
Skeen
Skelton
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
Staggers
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Swift
Synar
Tauke
Tauzin
Taylor
Thomas (CA)
Torres
Torricelli
Towns
Traxler
Udall
Vander Jagt
Vento
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weber
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams (MT)
Williams (OH)
Wilson
Winn
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yatron
Young (FL)
Zablocki
Zschau

NAYS—18

Clay
Coughlin
Emerson
Evans (IA)
Forsythe
Gejdenson
Goodling
Harkin
Hiler
Jacobs
McCandless
Miller (OH)
Roemer
Sabo
Schroeder
Walker
Yates
Young (AK)

ANSWERED "PRESENT"—1

Patterson

NOT VOTING—64

Addabbo
Alexander
Applegate
Aspin
Bilirakis
Bryant
Carney
Dellums
Dickinson
Dixon
Dorgan
Dymally
Eckart
Edwards (AL)
Fascell
Fish
Foglietta
Ford (MI)
Frost
Gilman
Hall, Ralph
Hall, Sam
Hartnett
Heftel
Jones (NC)
Jones (OK)
Kemp
Leland
Levitas
Lipinski
Long (LA)
Lundine
Mack
Marlenee
Matsui
McKinney
Mitchell
Morrison (CT)
Neal
Nichols
Oberstar
Ortiz
Ottinger
Oxley
Packard
Pepper
Perkins
Ridge
Rodino
Rose
Rudd
Savage
Shannon
Shaw
Shuster
Slattery
St Germain
Tallon
Thomas (GA)
Valentine
Vandergriff
Washington
Weaver
Young (MO)

☐ 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

□ 1215

Mrs. JOHNSON changed her vote from "nay" to "yea."

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed a bill and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. 1011. An act to amend the Federal Deposit Insurance Act to provide for the issuance of income capital certificates;

S. Con. Res. 11. Concurrent resolution expressing the sense of the Congress concerning the obligations of the Government of the Soviet Union under international law with respect to human rights; and

S. Con. Res. 19. Concurrent resolution expressing the sense of the Congress on the occasion of the 150th anniversary of the opening of diplomatic relations between the United States and Thailand.

FATHER JOHN C. CONDIT

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

Mr. SKELTON. Mr. Speaker, today, I am honored that Father John C. Condit has agreed to be our guest chaplain. This is a special pleasure for me because he has the St. Francis Xavier Church in Taos, Mo., located in our Fourth Congressional District.

Father Condit attended St. Louis University, Kenrick Seminary in St. Louis, and was ordained a priest in 1945.

Father Condit served with distinction as a Navy Chaplain, completing 20 years of service for our country with the Marines, on Navy carriers, submarines, and cruisers. His distinguished career took him to Europe, Asia, and other far-flung places around the world. He served aboard the submarine *Skate* when it made its historic voyage to the North Pole in 1960. Another notable tour was his duty in the Antarctic during "Operation Deepfreeze". He was the first clergyman to reach the South Pole. In 1958, Father Condit was honored by being selected as "Chaplain of the Year" of all the U.S. military chaplains.

We are fortunate to have this outstanding man with us today, and I am particularly pleased that he is continuing to serve the people of Missouri's Fourth Congressional District as pastor of St. Francis Xavier Church in Taos, Mo.

DISPENSING WITH CALL OF THE PRIVATE CALENDAR TODAY

The SPEAKER pro tempore. This is Private Calendar day.

The Chair recognizes the gentleman from Minnesota (Mr. OBERSTAR).

Mr. OBERSTAR. Mr. Speaker, I ask unanimous consent to dispense with the call of the Private Calendar today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

CONSENT CALENDAR COMMITTEE AGREEMENT

The SPEAKER pro tempore. The Chair recognizes the gentleman from Maryland (Mr. DYSON).

Mr. DYSON. Mr. Speaker, the members of the Consent Calendar Committee have agreed, for the 98th Congress, upon the following policies and procedures: First, generally, no legislation should pass by unanimous consent which involves an aggregate expenditure of more than $1 million; second, no bill which changes national policy or international policy should be permitted to pass on the Consent Calendar but rather should be afforded the opportunity of open and extended debate; third, any bill which appears on the Consent Calendar, even though it does not change national or international policy, or does not call for an expenditure of more than $1 million, should not be approved without the membership being fully informed of its contents. If it is a measure that would apply to a majority of the Members of the House, in which case the minimum amount of consideration that should be given such a bill would be clearance by the leadership of both parties before being brought before the House on the Consent Calendar. Such a bill would be put over without prejudice one or more times to give an opportunity to the Members to become fully informed as to the contents of the bill.

It must be pointed out to the membership that it is not the objective of the objectors to obstruct legislation or to object to bills or pass them over without prejudice because of any personal objection to said bill or bills by any one member or all of the members of the Consent Calendar Objectors Committee, but rather that their real purpose, in addition to expediting legislation, is to protect the membership from having bills passed by unanimous consent which, in the opinion of the objectors, Members of the House might have objection to.

The members of the Consent Calendar Committee request that the chairmen of the standing committees of the House having responsibility for bringing legislation before the House take into account the contents of this statement before placing the bill on the Consent Calendar. While it is not absolutely necessary for the sponsors of the bill appearing on the Consent Calendar contact the objectors, to avoid the bills being put over unnecessarily, it is a good practice to do so. The committee members welcome the practice of getting in touch with them at least 24 hours in advance of the time the legislation is called up on the regular call of the Consent Calendar. In many instances, such courtesy on the part of the sponsors will clear away questions which the objectors may have and consequently make for expeditious handling of the legislation.

This agreement was entered into by the gentleman from Alabama (Mr. FLIPPO), the gentleman from Texas (Mr. HANCE), the gentleman from Maryland (Mr. DYSON), the gentleman from California (Mr. LUNGREN), the gentleman from Pennsylvania (Mr. WALKER) and the gentleman from New York (Mr. WORTLEY).

CONSENT CALENDAR

The SPEAKER pro tempore. This is the day for the call of the Consent Calendar. The Clerk will call the first bill on the Consent Calendar.

MAKING TECHNICAL CORRECTIONS IN THE ACT OF JANUARY 25, 1983 (PUBLIC LAW 97-459) PROVIDING FOR PURCHASE AND SALE OF LAND BY DEVILS LAKE SIOUX INDIAN TRIBE

The Clerk called the bill (H.J. Res. 158) to make technical corrections in the Act of January 25, 1983 (Public Law 97-459).

There being no objection, the Clerk read the bill, as follows:

H.J. RES. 158

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of January 25, 1983 (96 Stat. 2515; Public Law 97-459), is hereby amended as follows:

(i) At the end of section 204 change the period to a colon and insert the following: *"Provided,* That—

"(1) the sale price or exchange value received by the tribe for land or interests in land covered by this section shall be no less than within 10 per centum of the fair market value as determined by the Secretary;

"(2) if the tribal land involved in an exchange is of greater or lesser value than the land for which it is being exchanged, the tribe may accept or give cash in such exchange in order to equalize the values of the property exchanged;

"(3) any proceeds from the sale of land or interests in land or proceeds received by the tribe to equalize an exchange made pursuant to this section shall be used exclusively for the purchase of other land or interests in land;

"(4) the Secretary shall maintain a separate trust account for each tribe selling or exchanging land pursuant to this section consisting of the proceeds of the land sales and exchanges and shall release such funds only for the purpose of buying lands under this section; and

"(5) any tribe may retain the mineral rights to such sold or exchanged lands and the Secretary shall assist such tribe in determining the value of such mineral rights and shall take such value into consideration in determining the fair market value of such lands.

"(b) The Secretary must execute such instrument of conveyance needed to effectuate a sale or exchange of tribal lands made pursuant to an approved tribal land consolidation plan unles he makes a specific finding that such sale or exchange is not in the best interest of the tribe or is not in compliance with the tribal land consolidation plan.".

(ii) In section 206, strike all after "*Provided,* That in the event a tribe takes such action—" through the words "tribal land consolidation plan—".

With the following committee amendments:

Page 1, line 3, change "January 25, 1983" to "January 12, 1983". On page 3, lines 4 and 5, strike the words "tribal land consolidation plan—" and insert in lieu thereof:

"(1) if an Indian dies intestate, the surviving non-Indian or nonmember spouse and/or children shall be entitled to a life estate in as much of the trust or restricted lands as he, she or they would have been entitled to take under existing law; "

and insert in lieu thereof:

"(1) if an Indian dies intestate, the surviving non-Indian or nonmember spouse and/or children shall receive a life estate in as much of the trust or restricted lands as he, she or they would have been entitled to take under existing law and the remainder shall vest in the Indians or tribal members who would have been heirs in the absense of a qualified person taking a life estate;".

Page 3, after paragraph (ii) add the following new paragraph:

(iii) In section 207, strike the word "decedent" and insert the word "descend".

The committee amendments were agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DESIGNATING AS BENEFICIARY OF A PUBLIC DOMAIN ALLOTMENT, BURNS PAIUTE INDIAN COLONY OF OREGON

The Clerk called the bill (H.R. 1102) to provide for the designation of the Burns Paiute Indian Colony of Oregon as the beneficiary of a public domain allotment and to provide that all interests in public domain allotments in Harney County, Oreg., which are held by Indian allottees who die intestate and without heirs shall escheat to the United States to be held in trust for the benefit of the Burns Paiute Indian Colony of Oregon and added to the Burns Paiute Indian Reservation.

There being no objection, the Clerk read the bill, as follows:

H.R. 1102

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That pursuant to section 2 of the Act of November 24, 1942 (56 Stat. 1021, 1022; 25 U.S.C. 373b), the estate of Jesse Joseph James, Burns 144-N1116, consisting of a public domain allotment, Burns Paiute public domain allotment numbered 144-111, northwest quarter, section 32, township 23 south, range 32½ east, Willamette meridian, Harney County, Oregon, is hereby declared to be held in trust by the United States for the Burns Paiute Indian Colony of Oregon and part of the Burns Paiute Indian Reservation.

SEC. 2. Section 2 of the Act of November 24, 1942 (56 Stat. 1022; 25 U.S.C. 373b), is amended by inserting the following immediately before the period at the end thereof: ": *Provided further,* That interests in all Burns public domain allotments located in Harney County, Oregon, belonging to Indians who die intestate without heirs shall be held in trust by the United States for the Burns Paiute Indian Colony of Oregon and shall be part of the Burns Paiute Indian Reservation". However, no non-Indian lands in Harney County, Oregon, shall be considered Indian country as defined in section 1151 of title 18, United States Code.

SEC. 3. Section 2 of the Act of November 24, 1942 (56 Stat. 1022; 25 U.S.C. 373b), is amended by deleting "$2,000" and inserting in lieu thereof "$50,000".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. DYSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 304) to hold a parcel of land in trust for the Burns Paiute Tribe, which is a measure identical to H.R. 1102 except for the title, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 304

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, pursuant to section 2 of the Act of November 24, 1942 (56 Stat. 1021, 1022; 25 U.S.C. 373b), the estate of Jesse Joseph James, Burns 144-N1116, consisting of a public domain allotment numbered 144-111, northwest quarter, section 32, township 23 south, range 32½ east, Willamette meridian, Harney County, Oregon, is hereby declared to be held in trust by the United States for the Burns Paiute Indian Colony of Oregon and part of the Burns Paiute Indian Reservation.

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SEC. 3. Section 2 of the Act of November 24, 1942 (56 Stat. 1022; 25 U.S.C. 373b), is amended by deleting "$2,000" and inserting in lieu thereof "$50,000".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 1102) was laid on the table.

The SPEAKER pro tempore. This concludes the call of the Consent Calendar.

PERMISSION FOR COMMITTEE ON ARMED SERVICES TO SIT WEDNESDAY, APRIL 20, 1983, AND THURSDAY APRIL 21, 1983, DURING 5-MINUTE RULE

Mr. PRICE. Mr. Speaker, on Wednesday, April 20, commencing at 10 a.m., the Armes Services Committee is scheduled to hear Hon. Brent Scowcroft and other members of the President's Commission on Strategic Forces.

Thus, Mr. Speaker, I ask unanimous consent that the Armed Services Committee be permitted to sit on Wednesday, April 20, during any proceedings under the 5-minute rule.

Mr. Speaker, on Thursday, April 21, commencing at 10 a.m., the Armed Services Committee is scheduled to hear Secretary Weinberger and the Joints Chiefs of Staff on the MX proposal.

Thus, Mr. Speaker, I ask unanimous consent that the Armed Services Committee be permitted to sit on Thursday, April 21, during any proceedings under the 5-minute rule.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

Mr. WALKER. Mr. Speaker, reserving the right to object, I reserve the right to object mainly to make a point with regard to the request.

As I understand it, the request is going to allow the committee to sit during the 5-minute rule tomorrow, which is when we will be discussing the freeze resolution once again on the floor. The reason why this request, then, has to be made is because we have changed the schedule of the House to permit the House to go in early tomorrow, during which time the committees are normally scheduled to meet, because the House is not supposed to be in until 3 o'clock under the rules of the House.

What we have here, then, is the work of your committee coming in conflict with the procedures of the House, so we changed the procedures of the House, which causes you problems.

I simply want to make the point that we have an issue before us that is going to be regarded as one of the key issues that this Congress debates on. Members of the Committee on Armed

Services have a direct stake in the outcome of that particular vote, and probably have amendments of their own that they wish to offer, and we will have this kind of conflict occurring.

I do not wish to really object to the gentleman's request, but I do think that it points out that we are creating some real problems for ourselves in the way that we are modifying and changing the rules around here, particularly when it involves very, very important legislation.

The SPEAKER pro tempore. The Chair would like to state for the information of the gentleman from Pennsylvania and others that the reason for the request made by the gentleman from Illinois is to give expedited consideration to a request of the President of the United States to consider a report of his Commission on the Basing of MX Missiles and authorizing additional military preparedness.

Mr. PRICE. This all developed in the last 24 hours, I might say.

Mr. WALKER. Mr. Speaker, further reserving the right to object, I certainly understand that, but it once again points out the problem that we have when we are scheduling important legislation and then changing the Calendar of the House in order to accommodate that legislation. What you are doing is putting committees into a bind. Under the rules of the House, tomorrow would be a perfect day for such consideration to take place because the House is not supposed to go into session until 3 o'clock.

□ 1230

We got unanimous consent to change that last week, and now we have put the gentleman's committee in somewhat of a bind. That is the point the gentleman from Pennsylvania is making. I understand the reason for the gentleman's request, and I will not object, but I think it points out once again that our management of legislative business around here often leaves something to be desired.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PRESIDENT INSENSITIVE TO CONSENSUS ON REPEAL OF WITHHOLDING ON INTEREST AND DIVIDENDS

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

Mr. BOUCHER. Mr. Speaker, in his weekly radio address last Saturday, the President threatened to veto legislation which repeals the law scheduled to take effect July 1 requiring that 10 percent of interest and dividend payments be withheld for tax purposes. In so doing, the President has demonstrated his insensitivity to the hardworking people of this country who fairly report and pay taxes on this income.

The reaction of the American people to the withholding law has been overwhelming. As a cosponsor of repeal legislation in this Chamber, I hope that the House will promptly consider this urgent matter.

The 10-percent withholding requirement will cost taxpayers an estimated $1.5 billion annually in lost compound interest. Moreover, the withholding provision will penalize the overwhelming majority of honest taxpayers in an effort to catch the few who cheat.

Congressional efforts to repeal the withholding law are in response to the cries of the people, cries the President is ignoring. Congress should not be intimidated by the President's veto threat. Instead, we must forge ahead with our efforts to repeal the withholding law.

HOUSING ASSISTANCE FOR MIDDLE AMERICANS AND THE NEW HOMELESS

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

Mr. SIKORSKI. Mr. Speaker, because of Reaganomics, hundreds of thousands of Americans who have lost their jobs face the double jeopardy of losing their homes, their family shelters, and their hope.

Today in H.R. 1983, this body addresses the urgent need of housing assistance for middle Americans facing the agony and devastation of foreclosure. We will also be augmenting the gallant efforts of charitable organizations desperately trying to help the men, women, and children in dire need of emergency shelter.

In 1949, Harry Truman and this Congress, with great vision, announced our national housing policy of a decent home and a suitable living environment for every American family. That vision, as viewed from the tearful eyes of the new American homeless, must be restored in purpose and focus.

THE REPEAL OF INTEREST AND DIVIDEND WITHHOLDING—A GRASSROOTS MOVEMENT

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

Mr. D'AMOURS. Mr. Speaker, as the gentleman from Virginia (Mr. BOUCHER) just noted, last Saturday President Reagan continued the feverish attack on the grassroots attempt to repeal interest and dividend withholding.

This very well-planned process of disparaging our motives, our tactics, and our honesty is being pursued in an attempt to deflect the careful debate that this issue deserves on its merits. We are being falsely accused of misrepresentation by those engaged in the major deception of pretending there is no grassroots effort in this country today on the issue. They are pretending that the millions of Americans who are contacting their congressional representatives are either too stupid to understand the withholding issue or too stupid to know what is good for them if they do understand it.

Mr. Speaker, I would ask the 330 Members of this body already on record as favoring the repeal to sign Discharge Petition No. 1 at the desk in order to demonstrate that they are not among those in this body who are so insulated or so isolated from public opinion and so infested by Potomac fever as to truly believe that a grassroots movement represents a consensus among themselves and their staffs.

BEYOND OUR WILDEST DREAMS

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

Mr. WISE. Mr. Speaker, for 2 years now many of us have criticized the Reagan administration for not being serious about jobs. Now we find out that they do have a jobs program.

While Congress just completed action on one major employment stimulus bill a few weeks ago, we now learn that 150 political appointees have been placed in plum positions with the U.S. Information Agency— a record for USIA.

Among those rewarded with jobs are the daughter of the President's National Security Adviser, the son of the Secretary of Defense, and the nephew of the White House Communication's Chief, among others in the administration's circle of political leaders.

A record has been set in West Virginia too. A jobless rate of 21 percent.

Mr. Speaker, in keeping with the true Reagan jobs program, I am embarking on a statewide genealogical search in West Virginia to locate any relatives of administration officials. We are searching our hallowed hills and hollows for Haigs, Weinbergers, Gergens, and Clarks. I urge all jobless to research their roots and perhaps they too will land a job with the USIA thanks to the Reagan genetic trickle down program.

VOTE ON NUCLEAR FREEZE BLOCKED BY FILIBUSTER

(Mrs. BOXER asked and was given permission to address the House for 1

minute and to revise and extend her remarks.)

Mrs. BOXER. Mr. Speaker, I held a series of town meetings in my California district over the past two weekends, exchanging ideas with some 700 constituents from San Francisco, Marin County, and Sonoma.

Without question the most overriding issue raised by my constituents is their concern about the nuclear arms buildup.

They want the nuclear freeze to pass. They want this most democratic institution to take back the leadership on this issue which is the key to future life on this planet.

For many long hours the Congress has debated the freeze. We have inspected it, dissected it, and we have not rejected it. We have won every test vote.

The question is, Will the organized filibuster by freeze opponents continue any longer, blocking the legitimate democratic right to vote?

Whatever the outcome, the people deserve to know where this Congress stands.

Let us not fear voting. There is nothing to fear except if this country and the Soviets do nothing to stop this fruitless and dangerous arms race. Let us vote this week.

PERSONAL EXPLANATION

Mr. VOLKMER. Mr. Speaker, due to an emergency dental appointment late on April 12, I was not present for the recorded vote on the Shumway amendment, rollcall No. 50 and the vote on final passage of H.R. 1437, rollcall No. 51. Had I been able to be present, I would have voted "no" on rollcall No. 50 and "yes" on rollcall No. 51.

REAGAN'S LATEST MX PLAN

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

Mr. WEISS. Mr. Speaker, this morning, President Reagan endorsed his carefully selected commission's proposal to base MX missiles in existing Minuteman silos. This came as no surprise, just further evidence that the Reagan administration's attempt to force feed the MX to the American people is a case of the wrong missile in the wrong place at the wrong time.

The entire rationale for the MX missile has been that our landbased forces were vulnerable, and that we needed a land-based missile not vulnerable to a first strike.

The President's new proposal destroys this rationale completely. Placing 100 MX missiles in Minuteman silos makes them just as vulnerable as the Minuteman. And since each MX launcher holds 10 warheads, not 2 as does the Minuteman, the MX will be five times as vulnerable, per missile, as the Minuteman.

I suggest a new plan to the President: Rather than placing MX missiles in underground silos, the MX should be buried permanently as a component of our Nation's defense policy.

ANNOUNCEMENT OF A BRIEFING ON NICARAGUA AND HONDURAS

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

Mr. BEDELL. Mr. Speaker, I rise to call the attention of the Members of the House to a briefing that the gentleman from New Jersey (Mr. TORRICELLI) and I will be giving tomorrow from 10 until 11 in the morning. This is a result of the trip that we took to Nicaragua and Honduras.

I, for one, after that trip am convinced that we are breaking the law with the actions that our present administration is taking in those two countries. I hope that the Members of this body are sufficiently concerned as to whether or not we should demand that the President obey the laws of the land, and that they will take the time to attend that briefing and hear what we saw and heard in that visit to those troubled countries.

TRIBUTE TO LEROY POOLE

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

Mr. HUBBARD. Mr. Speaker, I speak today in tribute to and recognition of Webster County, Ky., Sheriff Leroy Poole, of Slaughters, Ky., who died on April 5 at the age of 59.

Poole, a native of Webster County, retired at the mandatory age from the Kentucky State Police in March 1979, having served for 28 years at four post areas. Beginning as a uniformed trooper, he worked his way up the ranks, continuing his education along the way by taking special schools in arson, updated investigative techniques, bomb disposal, and narcotics investigations.

While still a Kentucky State policeman, Poole was recognized by area police and his peers at a special luncheon in his honor. After his retirement, the career policeman continued to serve his community in the best way he knew possible. Poole ran for Webster County Sheriff in 1981. He won. Poole began his term as sheriff in January 1982, and he continued to work to enforce the laws and insure that his fellow Kentuckians were protected.

He was one who contributed much to his community and his State. I am proud to have known him.

Survivors include his lovely wife, Blanche Poole, and one son, Mike Poole, both of Slaughters, one daughter, Mrs. Legail Chandler, of Brentwood, Mo., and two grandchildren.

I extend my personal sympathy to the survivors and friends of this fine Kentuckian who was truly an inspiration to those of us who knew and respected him.

TRAGEDY IN LEBANON POINTS UP NEED FOR CHANGE IN ISRAEL'S ROLE

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

Mr. SCHUMER. Mr. Speaker, today we are all mourning the tragedy that occurred in Lebanon yesterday as 39 innocent people were killed, including 9 Americans.

I think that tragedy points out something of which we should all be aware; that the Lebanese situation is one fraught with peril, and that literally thousands of American, Italian, and French troops cannot prevent violence in that country. It shows that for the United States to ask Israel to leave its security simply to the Lebanese Army, which is not able to protect the Lebanese people or Israel from insurgents attacking from Lebanese soil, is grossly unfair. Israel is demanding minimal protections so that it can guard its own security. The tragedy in Lebanon yesterday showed that to leave Israel's security to the Lebanese alone is foolhardy and is really selling Israel down the river.

□ 1245

THANKS TO EDRIC SPIVEY

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

Mr. FRENZEL. Mr. Speaker, I received a letter this week from Edric Spivey, a constituent in Bloomington, Minn. Edric is a young man who cares about his country, and in particular about one of its great symbols of freedom, the Statue of Liberty.

He wrote as follows:

DEAR GOVERNMENT: I read the magazine that told about the Statue of Liberty and how it was crumbling under air pollution. I decided to help. I got a bank and started saving the money my classmates donated. I waited about a month and since I couldn't get my classmates to donate any more money I decided to send the money in now. I would like you to send this money to the National Park Service so that they can send it to whoever's in charge of the Statue of Liberty so that they can mend the Statue of Liberty.

Love,

EDRIC (SPIVEY).

Edric, a third grader at Riverside Elementary School in Bloomington, sent along a check for $11.06 made out to the Statue of Liberty Restoration Fund.

To Edric Spivey, and his classmates, I extend thanks on behalf of the U.S. Government, and the Statue of Liberty Foundation. His concern for the statue and his love of our country have set a fine example for all Americans.

CONGRESSMAN GEKAS INTRODUCES LEGISLATION TO REINSTITUTE DEATH PENALTY

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

Mr. GEKAS. Mr. Speaker, today I am introducing legislation to reinstate into the Federal Code the death penalty as a possible consequence of certain homicides that would be categorized within the legislation. A substantial majority of the American public believes, as I do, that the imposition of the death penalty can act and does act as a deterrent to violent and heinous types of homicides.

In that regard, although my specific intent is to couple this penalty with the whole gamut of issues that have arisen from the Hinckley attempted assassination of the Chief of State, nevertheless, it would cover all kinds of proposed murderous acts that still lurk out in our country. With the power of the American public's insistence that these types of terroristic acts and murderous acts be brought to a halt, I ask for the support of my colleagues to coendorse this piece of legislation.

Although the omnibus crime bill does contain the reinstatement of the death penalty, we want to isolate it for quick action.

A NEW TAX BURDEN ON THE AVERAGE FAMILY OF FOUR

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

Mr. LUNGREN. Mr. Speaker, one of the previous speakers mentioned the question of eliminating the third year of the tax cut and indexing. Oftentimes when we talk about issues like this, we take on economic terms and it sounds more like something a professor of economics would be talking about to his class in the college classroom, rather than what the people in the street would like to hear or can immediately appreciate.

Well, Mr. Speaker, we have done some research on the proposal contained in the Democratic budget that passed this House. It appears that it would place a tax burden of about $3,500 on the average family of four.

Now, what does that mean? That translates into about 37 week's worth of groceries for the average family of four if we go through with the intent of the Democratic budget.

Now, the concern we should have about indexing is that it does not help the rich. The rich are in the highest brackets and those brackets have been brought down. Indexing the rates does not do a darned thing for them. It helps those people who are in the middle and lower income groups and that ought to be clearly understood.

The zero bracket will be indexed. The personal exemption will be indexed and the brackets at the lower levels of the scale are much narrower than they are at the higher levels of the scale; so those people who will be hurt if we go forward with what was contained in the Democratic budget are the poor, the near poor, and the average men and women working here in America.

We should not allow that to happen, Mr. Speaker.

OPENING THE DOOR FOR ANOTHER CONGRESSIONAL PAY HIKE

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

Mr. WALKER. Mr. President, I see by this morning's Washington Post that some Democrats are complaining because they got called on the potential congressional pay increase that was buried in the Jones budget resolution. They have nothing to complain about. It was there, they were told it was there, and they went ahead and voted for it anyway.

Now they say there was no intention that the process leading toward another pay raise should be started with their budget; but they are not willing to say so officially. Last week I introduced a resolution designed to state that the budget cannot be used to begin a pay increase effort. Not one Democrat, not one, has stepped forward to cosponsor that bill, even though an open invitation to cosponsorship was issued at the time of introduction.

Let me be clear again about this subject. The door was opened for another congressional pay hike when the Democrats passed their budget. It is up to them to stop the process, and thus far they have refused to do so; so the record must belie the Democrats purpose. It is their budget and it is their pay raise.

JOAN BENOIT'S NEW WORLD RECORD

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

Mr. McKERNAN. Mr. Speaker, during the running of the Boston Marathon yesterday, Joan Benoit, a native of the great State of Maine and my congressional district, ran the 26-mile, 385-yard course in 2 hours, 22 minutes, and 42 seconds, breaking the previous world's record for women by almost 3 minutes.

Ms. Benoit's performance took strength, courage, and fierce determination.

But in a larger sense, Joan Benoit's performance is more than that of an athlete excelling at her sport.

Just 16 months ago, Joan Benoit underwent double achilles heel surgery—an operation that could have ended her career.

Yet, Ms. Benoit overcame this adversity with startling performances in 1982. She broke several records that year, setting new American marks for the 10,000 meters, the half-marathon, and the 10-mile race.

And just yesterday, she turned in the performance of a lifetime, running the marathon faster than any other woman in history.

Joan Benoit's willingness to meet her challenges can be an example to all of us—meeting our individual challenges each and every day, all across this Nation.

CONGRESS SHOULD BE CLEAN AND STRAIGHTFORWARD ABOUT PAY RAISE

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

Mr. OBEY. Mr. Speaker, the gentleman from Pennsylvania just indicated that there was somehow hidden in the budget resolution enough money to provide a 4-percent pay raise for Members of Congress.

Mr. Speaker, that is nonsense. As the gentleman knows, there is no intention in this House to provide that pay raise; but very frankly, in my honest judgment, there ought to be.

I wonder when the public is going to tire of Members cheap shotting on this issue. I wonder when the public is going to tire of the fact that each year Congress does not face up to the necessity to handle pay raises in a clean, straightforward, and honest fashion. They do not face up to the necessity to treat Members of Congress exactly as they treat other Federal employees in terms of pay raises, so that we can avoid what otherwise happens every 5 or 6 years when, after a long period of time of freezes on congressional sala-

ries, Congress finds ways to provide back door pay raises which do much more damage to this institution and to the public than a small annual pay raise which would be handled in an open and fair manner.

I suggest that while the gentleman is in error in suggesting that that budget does provide for a congressional pay raise, I wish he were not, so that we could provide one of 4 percent annually, open, aboveboard, without all the folderol that otherwise is associated with every attempt to raise congressional pay through the back door.

TERRORISM STRIKES AGAIN

(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, once again this Nation and the world are shocked over an act of terrorism directed against our citizens. This time the location was the American Embassy compound in Beirut—a city I visited last summer.

While reliable estimates point to 32 deaths, including 6 Americans, fears continue that more people may still be buried in the rubble. As in the case of other terrorist acts—the casualties are always innocent victims.

I remain an ardent foe of all forms of terrorism whether the location is Beirut or Belfast. It must be fought with every ounce of energy which the civilized world can muster together.

While we are angered over the terrorism of yesterday we must not let it dissuade us from our goal of peace tomorrow in the Middle East. Let us hope that those responsible for this heinous act are brought to a swift and sure prosecution and let us be prepared to take whatever steps are necessary to insure that our embassies around the world do not become havens for future terrorist acts.

CONGRESSMAN FEIGHAN COSPONSORS H.R. 1983, EMERGENCY MORTGAGE RELIEF ACT

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

Mr. FEIGHAN. Mr. Speaker, very shortly today the House will consider House Resolution 1983, the Emergency Mortgage Relief Act. I am very proud to be a cosponsor of that legislation, which will aid thousands of homeowners who are faced with imminent mortgage foreclosures.

A devastating crisis exists in this country. The far-reaching effects of the Reagan recession have left more homeowners behind in their payments, or in serious danger of losing their homes, than in any period in the last 30 years. I am not talking about people who are delinquent or who never pay their bills. I am talking about people who can no longer afford their homes under present economic conditions through no fault of their own.

Today the Congress has the opportunity to provide relief to these very unfortunate Americans by supporting House Resolution 1983. This legislation orders Federal bank regulators to be lenient with those financial institutions that assist homeowners who fall behind on their mortgage payments. Unfortunately, current bankruptcy laws are woefully inadequate to deal with the types of foreclosures that we are experiencing today, offering little or no help to the unemployed who cannot meet their mortgages.

I urge my colleagues to support the Emergency Mortgage Relief Act.

SENATOR HOLLINGS' VIEW OF HIS PARTY

(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, we have another entry in the Democratic Party's Presidential sweepstakes. Senator ERNEST HOLLINGS of South Carolina has now announced.

As part of his announcement, he said this about his own party's failures:

> Every time a special interest appeared, we responded. Every time a problem arose, we offered a single solution—money.

He condemned his Democratic competitors for appealing to what he called a confederation of little minorities.

Now, this view of the Democratic Party as a big-spending group eager to do anything for special interests is an interesting one. It is particularly interesting since it comes from such a distinguished member of the Democratic Party.

I want to take this opportunity to thank Senator HOLLINGS for performing a great public service. I hope other Members of his party soon join him in rejecting that philosophy this year. The problem is that that would then require the rejection of the budget this House adopted just prior to the Easter recess.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. KAZEN). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken today after debate has been concluded on all motions to suspend the rules.

GRANDPARENTS' RIGHTS

Mr. BIAGGI. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 45) expressing the sense of the Congress that a uniform State act should be developed and adopted which provides grandparents with adequate rights to petition State courts for privileges to visit their grandchildren following the dissolution (because of divorce, separation, or death) of the marriage of such grandchildren's parents, and for other purposes.

The Clerk read as follows:

H. CON. RES. 45

Whereas approximately 75 per centum of all older Americans are grandparents;

Whereas grandparents play a vital role in millions of American families;

Whereas an estimated one million children a year experience the divorce of their parents;

Whereas the laws of forty-two States (1) provide grandparents with certain rights to petition State courts for privileges to visit their grandchildren after the dissolution (because of divorce, separation, or death) of the marriage of such grandchildren's parents, and (2) allows such courts to grant such visitation privileges if such courts consider it in the best interests of such grandchildren;

Whereas such procedural rights to petition State courts often do not provide grandparents with adequate opportunities to be fully heard with respect to the granting of such visitation privileges;

Whereas the factors considered by State courts in determining whether the granting of such visitation privileges is in the best interests of the children involved varies widely among such States;

Whereas the ability of grandparents who have meaningful relationships with their grandchildren before the dissolution (because of divorce, separation, or death) of the marriage of such grandchildren's parents to help satisfy such grandchildren's needs for continuity of care and familial ties after such dissolution is often not fully taken into account in determining the best interests of such grandchildren;

Whereas the lack of uniformity among the laws of States with respect to such visitation privileges adversely affects the ability of grandparents to enforce and exercise such visitation privileges once granted by a court because of the interstate movement of the parties involved;

Whereas four national grandparents' rights organizations have been established for the purpose of focusing national, State, and local attention on the issue of grandparents' visitation rights; and

Whereas the Subcommittee on Human Services of the House Select Committee on Aging held a hearing on such issue on December 16, 1982: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That (a) it is the sense of the Congress that—

(1) the National Conference of Commissioners on Uniform State Laws should develop a model State act which—

(A) provides grandparents with adequate rights to petition State courts for, and to be fully heard in such courts with respect to the granting of, privileges to visit such grandparents' grandchildren after the dissolution (because of divorce, separation, or death) of the marriage of such grandchildren's parents;

(B) ensures that such rights extend to cases in which after such dissolution, such parents remarry and stepparents adopt such grandchildren; and

(C) establishes procedures for the interstate recognition and enforcement of State court orders granting such visitation privileges; and

(2) States should adopt the model State act so developed.

(b) It is the sense of the Congress that the Secretary of Health and Human Services, through the National Center for Child Abuse and Neglect, should provide technical assistance to States in developing, publishing, and disseminating guidelines which—

(1) may be used in determining the "best interest of the child" in cases in which the grandparents of such child seek privileges to visit such child after the dissolution (because of divorce, separation, or death) of the marriage of such child's parents, including cases in which such privileges are sought in situations described in subsection (a)(1)(B); and

(2) take into account the ability of grandparents to help satisfy such child's need for continuity of care after such dissolution.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from New York (Mr. BIAGGI) will be recognized for 20 minutes, and the gentleman from Texas (Mr. BARTLETT) will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. Mr. Speaker, I yield myself such time as I may consume.

□ 1300

Mr. Speaker, as its author, I am proud to bring before this body House Concurrent Resolution 45, the Uniform Grandparent Visitation Act. Its passage today will represent the apex of a 4-month movement on behalf of those grandparents who have been denied the privilege of maintaining contact with their grandchildren following a divorce or other form of marital dissolution.

It is inaccurate to portray House Concurrent Resolution 45 solely as a grandparents issue. It is as much a children's rights issue. I contend that the unwarranted deprivation of visitation between grandparents and grandchildren constitutes a form of intergenerational abuse which Government and the legal community must form a partnership to combat. Our enactment of this resolution today is the critical first step in the Federal Government joining this partnership.

When a child is born, a grandparent is created. Their relationship has been called the vital connection in a landmark book by Dr. Arthur Kornhaber. Today approximately 70 percent of all older people are grandparents. Further, based on the fact that the average age of achieving grandparent status is 50 for women and 52 for men, the duration of the relationship can span several decades—and it is a relationship like no other in family life.

House Concurrent Resolution 45 is structured with proper recognition and respect for the limitation which Congress has over legislating in domestic relations. It is a sense of Congress resolution, a strong opinion if you will, calling upon all 50 States to adopt a "Uniform Grandparent Visitation Act" which will be developed and disseminated by the highly respected National Conference of Commissioners on Uniform State Laws.

The fact that 42 States have already recognized this problem and enacted statutes gives us more incentive to proceed with this initiative. We see the development of a uniform State law as a means of complementing, not replacing, many of the State laws which now exist.

There are three basic deficiencies in the 42 laws which has caused problems for many grandparents. First, while all State laws provide grandparents with the right to petition a court for visitation, the circumstances that trigger the right to petition vary widely from State to State.

Second, while all 42 States use the "child's best interests" standard in awarding grandparent visitation, the standard is vague and too often fails to either recognize or appreciate the vital connection between grandparents and grandchildren.

Third, the lack of a uniform approach among States for protecting the visitation rights, once granted, frustrates the interests of grandparents and grandchildren alike.

I do not view the passage of this resolution as the ultimate solution to the complex and emotional issue. However, I do see it helping to avert some of the horror stories which have been presented to us in hearings that were conducted in advance of the development of this legislation.

We hope it will avert the situation where grandparents spend $60,000 in legal costs to gain visitation privileges with their grandchildren in New York only to have the children moved to Colorado where the New York order was not enforceable.

We hope it will avert the ludicrous situation where another set of grandparents accumulated 15 pounds of legal documents just to gain limited visitation with their grandchildren.

This movement began with a single letter from an affected couple in New Jersey. It was followed by a hearing, which I conducted in my capacity as chairman of the Subcommittee on Human Services, House Select Committee on Aging, on December 16, 1932. At that time, I described the hearing as one of the most emotionally draining experiences I had ever encountered in my 14 years in Congress. After the hearing, the American media began to focus on the issue, and they are to be commended for their generous and sensitive coverage of this issue.

Throughout these 4 months—right up to and including today—I received letters from grandparents, grandchildren, State legislators, and lawyers lending support and in some cases providing graphic examples of the problems caused by deprivation of visitation. Out of these hearings and letters came House Concurrent Resolution 45, which has more than 60 cosponsors. It was passed unanimously by both the Select Education Subcommittee and the full Committee on Education and Labor. In short, it has been a remarkable and gratifying process which has led us to this point today.

This problem we are discussing today is, in a very real sense, all in the family. It cannot be resolved by law alone. Put another way, we in Congress cannot legislate love but we can protect it where it exists. That is all we are trying to do here today. We as a society cannot and should not force an unwanted relationship between grandparents and grandchildren, but I believe we can foster a wanted relationship between them to the benefit of all generations.

One of the easiest ways to approach this issue is personally. I am a proud grandparent six times over, and I value my relationship with my grandchildren like nothing else in my life. Perhaps some of you, my colleagues, have the same joy in your lives. Your vote for this legislation today may open up the opportunity for others in our Nation—and what nobler cause could there be?

At this point let me commend my colleague from Pennsylvania, Mr. AUSTIN MURPHY, who in addition to being the first cosponsor of the legislation was chairman of the Select Education Subcommittee, which gave this legislation such prompt consideration. In addition, I wish to thank Senator CLAUDE PEPPER and the new Chairman of the House Select Committee on Aging, Mr. ROYBAL, for their assistance. Let me also salute my colleague, BILL HUGHES from New Jersey, who brought this matter to our subcommittee's attention and who has been a staunch supporter. This has been a bipartisan and non-partisan effort, which I hope will be reflected in the final vote later today.

While it is true that the history of House Concurrent Resolution 45 may be brief in the chronological sense, it is the product of studied research based in large part on the testimony that I received at both my December 16 and April 8 hearings of the House

Select Committee on Aging's Subcommittee on Human Services. The select committee is charged with the responsibility to conduct a continuing comprehensive study of the problems of the older American including * * * participation in family and community life.

The subcommittee hearing was structured to examine the issue from three perspectives: social, legal, and psychological. The founders of three national grandparents-grandchildren rights groups presented testimony on the problems associated with the 42 State laws, including lack of interstate enforcement, judicial indecisiveness, and the cost of pursuing visitation rights.

For the record, I wish to thank Mr. and Mrs. Lee Sumpter of Haslett, Mich., founders of Grandparents and Grandchildren, Inc., for presenting testimony on the national problem and for supporting hundreds of grandparents in need of counsel and encouragement. Other advocates for grandparents include, from New York, Mr. and Mrs. H. Engels and Mr. and Mrs. H. Kudler; from New Jersey, Mr. and Mrs. Max Chasens, who first wrote to BILL HUGHES, their own representative—and from the State of Maryland, a tireless advocate who worked for the Maryland statute: Mrs. Gerrie Highto. All of their testimony addressed the many problems that grandparents are facing in maintaining the vital connection with grandchildren following marital dissolution.

The legal perspective was presented most admirably by Dr. Doris Freed, chair of the child custody committee of the family law section of the American Bar Association. It was Dr. Freed who noted that a resolution such as the one now before us, House Concurrent Resolution 45, would be beneficial in protecting familial interests. From the legal panel, we learned that grandparents have no legal rights to maintain contact with their grandchildren following divorce, separation, death of a parent or step-parent adoption. However, in 42 States, grandparents, depending on their circumstances, have a permissive right to petition the court for visitation privileges.

Unfortunately, these 42 so-called "Grandparents Rights to Visitation" statutes place limitations on grandparent petitions that are so restrictive as to prohibit substantial numbers of grandparents from invoking the right to petition. These limitations present obstacles for interstate enforcement and substantailly raise the cost of litigation involved. Hence, the need for the resolution before us today.

The diversity of State laws is at the heart of this resolution. Some States view the death of a parent as the only circumstance that will allow grandparents the privilege of petitioning the court for access to their grandchildren. One State specifies that the child must be placed in a foster home before grandparents can petition for continued access to their grandchildren. Only four States will hear petitions from grandparents whose grandchildren have been adopted by a stepparent.

On the other hand, seven States place no limitation but simply state that "any person interested in the welfare of the child" may petition for visitation privileges. Clearly, this patchwork system of legal rights has exacerbated the problem many families find themselves faced with today.

The psychological perspective on this problem was addressed by Dr. Arthur Kornhaber, a psychiatrist and author of the book "Grandparents and Grandchildren: The Vital Connection." From his testimony we learned that grandparenthood is a new phenomena. Statistics reveal that approximately 70 percent of older citizens are grandparents. And that grandparents are getting younger—women become grandmothers at approximately 50 years of age and men become grandfathers at age 52. Thus, based on current life expectancy, for the first time in our Nation's history, grandparents and grandchildren can expect a 20- to 30-year relationship. Moreover, we learned that grandparents can help children in times of stress like divorce or death of a parent. Grandparents can provide the continuity of care that marital dissolution inevitably threatens.

Visitation awards are based on the legal presumption of "best interests of the child." However, we learned that all too often the meaningful relationship that has been established between grandparents and grandchildren is not weighed as a factor in making this determination. Dr. Andre Derdeyne, psychiatrist from the University of Virginia Medical Center, warned the committee that the "child's best interest standard" must remain paramount in making the visitation determination. I was impressed by the testimony and believe that this issue is as much a question of children's rights as it is grandparents' rights. Statistics show the plight of children in these cases.

Over 1 million children a year experience the divorce of their parents. In 1978, 10 million children lived in a household with one biological parent and one stepparent. A startling 48 percent of those who married in 1970 will eventually divorce. Most people who get divorced will remarry in many instances within 3 years. These contemporary shifts in divorce and remarriage have profound effects on children. And given this trend, I emphasize the point that children's rights to maintain an important relationship with their grandparents is fully supported by this resolution.

As part of my opening remarks at the December 16 hearing, I stated, "Our purpose today is to focus national attention, if you will, launch a national debate on this issue." I believe that we have been successful.

In public life, you become involved in many issues. However, over my 14-year career in the Congress, I have rarely seen such a response to an issue as this one. I have received over 1,000 letters from grandparents across this Nation, many struggling with an unsympathetic court system in quest of visitation with their grandchildren. State legislators as well as aging groups have written letters of support for this resolution. Law review articles as well as research papers have been stimulated by the national attention brought to this problem.

Mr. MATTHEW RINALDO and I, along with seven of my colleagues, contacted the National Conference of Commissioners on Uniform State Laws urging their attention to this problem. This non-Federal Government entity was established in 1892 and is vested with responsibility "to promote uniformity in State laws on all subjects where uniformity is deemed desirable and practical." Procedures in the proposed Uniform Grandparent Visitation Act for the interstate recognition and enforcement of State court orders could perhaps be modeled after those found in the Uniform Child Custody Jurisdiction Act (UCCJA), which has been widely adopted by the States.

The main thrust of House Concurrent Resolution 45, introduced February 7 with AUSTIN J. MURPHY, chair of Select Education Subcommittee and 41 cosponsors, is to try and bring about uniformity among the 42 State laws which now exist allowing some grandparents the right to petition a court when seeking visitation privileges. I believe that this resolution, calling upon the National Conference of Commissioners on Uniform State Laws to develop a model State act providing grandparents with the uniform right to petition and to be heard with respect to maintaining access to their grandchildren following marital dissolution, is a sensible and effective approach to assist States in protecting the familial interests that State laws seek to serve. By encouraging all States to adopt a model act, interstate recognition of awarded visitation privileges would be insured.

Like present State laws, this model act would not give grandparents an absolute right of visitation. Rather, it would permit grandparents to uniformly petition the court, asking that such privileges be granted. No visitation right as such would accrue until a court order had been issued granting the petition. However, with uniform laws reciprocity among the States

would greatly enhance enforcement of such court orders.

The resolution also encourages the National Center on Child Abuse and Neglect to develop and disseminate guidelines that would recognize that "children's best interests" can often be served by allowing grandparents to maintain continued contact. Thus, the presumption of visitation based on the "child's best interest" would be preserved. However, the vital relationship that exists between grandparents and grandchildren would be recognized. It is this relationship that ought to be one of the factors used by State courts in determining whether visitation is in the child's "best interest."

For the benefit of my colleagues I am inserting excerpts from two letters that I received just this week from State legislators. From a State representative of the Colorado House of Representatives:

I have received numerous requests for assistance from my constituents who face grandparent visitation problems. In one particularly distressing case, the grandparents, in spite of their own problems, cared for their orphaned grandchild after the parent's death. In time the child was adopted by a more youthful couple, but only after the couple repeatedly assured the grandparents that they could always have unlimited visitation with the child. Unfortunately, the adopting couple soon left Colorado and have completely refused to allow grandparents any communication with the child—to the extent of returning holiday greeting cards.

I thank you, not only for myself, but also for the many grandparents who would benefit from the provisions this resolution would foster.

From the Arizona State Senate:

Enclosed you will find a copy of Senate Bill 1029 recently adopted by the Arizona Legislature concerning the matter of Grandparents Visitation Rights. As the author and prime sponsor, I am pleased to report that Arizona has now joined your nationwide campaign.

Your recent letter to Mrs. Geraldine Gould of Scottsdale was forwarded to me for action. I requested all grandparents supportive of our efforts to contact Mrs. Gould and offer assistance in forming an Arizona "Chapter" of concerned citizens.

Enaction of this legislation in my state does not terminate my interest. Please be advised that I stand prepared to support your attempts to pass federal legislation, in every conceivable manner. Let me know if I can help.

Mr. BARTLETT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to concur and to commend the gentleman from New York (Mr. BIAGGI) for the development of this resolution and for bringing it to the House floor today.

This resolution, as the gentleman knows, would not impose any new regulations or any new laws on State governments. In fact, what this resolution would do would be to urge the development of a model act so that States may, if they choose, adopt some uniformity from State to State to provide for grandparents and for grandchildren the right to visit.

I would note for the record that, in fact, this act takes as its primary focus the needs of children and the needs of those children in their relationships with their grandparents. I would also note that this act focuses on the rights of children to have access and visiting privileges with their grandparents. The Secretary, for example, would disseminate guidelines which may be used in determining "the best interests of the child" in cases in which the grandparents would seek privileges.

So I do rise to concur with the gentleman.

Mr. CONABLE. Mr. Speaker, will the gentleman yield?

Mr. BARTLETT. I am glad to yield to the gentleman from New York.

Mr. CONABLE. I would like to ask if grandparents receive visitation rights, would that make four more parties to divorce actions in some cases?

Mr. BIAGGI. Mr. Speaker, will the gentleman yield?

Mr. BARTLETT. I would yield to the gentleman from New York.

Mr. BIAGGI. There are some States, California is one of them, and I think Michigan is the other, that provide the opportunity for all parties of interest to sit and participate in the resolution of the custody of children.

This is not the focus of this legislation because in the end what we are seeking is for the National Conference of Commissioners on Uniform State Laws to develop a model law to be applied to all 50 States. Whether the gentleman's concern is addressed in that model law remains to be seen. But that is not the focus of this bill.

Mr. CONABLE. If the gentleman will yield further, I am a little concerned about that aspect also. Are we not going to create an expectancy that is not going to be met unless there are some other steps taken in the process? It does seem to me that we are inexorably moving toward creating more and more litigation in this country as we create more and more rights. I am quite concerned about the proliferation of litigation that already is damaging our society to a substantial extent.

Mr. BARTLETT. Reclaiming my time, I think the opposite would occur. That is, if a model act were then developed after passage of this act, and if States began to adopt that model act, I think this act would result in fewer cases of litigation and less litigation as regards visitation rights, and it would become more uniform from State to State. This does not mandate any State adopt any visitation act.

Mr. CONABLE. But any right has to be asserted in court or there is no other way of enforcing it.

Mr. BARTLETT. Further reclaiming my time, in fact 42 States, as the gentleman from New York has suggested, have already adopted some sort of law. The law in each State tends to be widely different from laws of other States and is creating a situation which does add to litigation costs and does subtract from the rights of children and grandparents and adds to the costs.

Mr. CONABLE. I thank the gentleman for his explanation. I must say I have some reservations about this step as a further complication in divorce actions.

Mr. BIAGGI. Will the gentleman yield again?

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

Mr. BIAGGI. I would like to continue to respond to the concern of the gentleman from New York. The fact of the matter is we are hoping that what will be built into model legislation is a conciliation period, a conciliation process, a mediation process because we have found as a result of testimony that we have obtained, that where we do have mediation or conciliation steps that 70 percent of the matters are resolved without litigation.

Many States do not have this at the moment. Where it does exist, it reduces the litigation rather than increase it.

Mr. BARTLETT. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BIAGGI. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. HUGHES).

Mr. HUGHES. Mr. Speaker, first let me congratulate my chairman, the distinguished Member from New York (Mr. BIAGGI) for bringing House Concurrent Resolution 45 to the floor of the House. As he indicated, this first came to my attention as a result of the sad tale told me by the Max Chasens family of Atlantic County.

I have been here about 9 years. I have sat through a lot of hearings, but I want to tell you that I probably have never sat through a more emotional hearing than that one. I do not think there was a person in the room who did not have tears in their eyes when the various witnesses told their stories.

We are not talking about telling the States how to develop legislation. This resolution recognizes the fact that domestic relations of all kinds, including visitation rights, are inherently for the States to decide.

What it does provide for, however, is some Federal leadership in trying to develop the uniformity that will provide the kind of humanitarian approach I think we all seek for this most important issue.

We are talking about not just grandparents rights, but children's rights, the rights of children and/or grandparents to share love, companionship,

experience, family experiences in particular, in years that are important to both the child and the grandparents.

So I want to commend my colleague from New York. I think the approach the committee has taken is the proper one. It encourages the National Conference of Commissioners on Uniform State Laws to develop uniform State laws, and it requests of Health and Human Services that kind of technical assistance to those Commissioners that will enable us to provide that kind of uniformity.

So again, congratulations, and I urge my colleagues to support this most important initiative.

Mr. BIAGGI. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. LANTOS).

Mr. LANTOS. Mr. Speaker, first I want to commend my colleague, the distingusihed chairman of the committee, for bringing this to our attention. I think it is important we realize that we are dealing with a national tragedy.

There are millions of grandparents in this Nation who represent the only heritage between the grandchildren and their heritage, and they are deprived in many instances of having any contact whatsoever with the grandchildren.

We have had instances in California where one couple had two children, a little girl 1-year-old and a little boy 2-years-old. The mother died and the grandparents brought up these two children. The father moved back to the east coast, remarried, and then decided that they wanted nothing ever again to do with the grandparents who for 3 long years represented the parents and the grandparents to these two small children.

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I was anguished at the tragedy of the grandparents. The anguish of the grandparents was beyond words, but the anguish of the grandchildren was worse, because they were not only deprived of the love and attention of their grandparents, they did not understand why their grandparents suddenly abandoned them. This piece of legislation will begin the long process of undoing a terrible wrong. We are creating new rights, we are giving rights to the last disenfranchised segment of the American public, grandparents, and grandchildren. So, finally, they too will have a standing necessary in a court of law so they can continue their loving relationship.

Mr. BIAGGI. Mr. Speaker, I yield 1½ minutes to the gentleman from Nevada (Mr. REID).

Mr. REID. Mr. Speaker, I want to commend Congressman BIAGGI for his successful efforts in bringing national attention to the need for uniform laws concerning visitation rights of grandparents with their grandchildren.

We live in a mobile complex society with children, parents, and grandparents in different States with varied laws that impede rather than promote family contact. My home State has a grandparent visitation rights law—yet several States touching our borders do not. It is time we present uniform legislation that is a model for all States to follow in promoting rather than inhibiting family relationships.

In the domestic relations cases I handled as an attorney before I was elected to Congress, I found the estranged relationship of the parents often transferred to the children, causing confusion, pain, loneliness, and an undeserved sense of guilt.

The grandparent relationship often provided the only continuing stable family contact in an otherwise confusing, and all too often hostile environment for children. Grandparents soothed the wounds that the separation of parents had inadvertently inflicted on their children. Grandparents were often the only family members who devoted their energies to meeting the special needs of children during this experience. Grandparents frequently provide the only continuous relationship a child has with his family.

To rob a child of grandparents; indeed, to rob a grandparent of the joy of a continuous relationship with a child is to deny a child his heritage and to take from grandparents the object of their love and their link to the future.

From my personal and professional experience, from all that social science and history has taught us, it is eminently clear how important a continuous family relationship is to the healthy development of children. That is why I am an original cosponsor and that is why I urge you to support this legislation.

Mr. BIAGGI. Mr. Speaker, I yield 30 seconds to the gentleman from West Virginia (Mr. RAHALL).

Mr. RAHALL. Mr. Speaker, divorce is never easy on those who are affected most by a divorce—the children who are deprived of growing up in a normal family environment. These children are often caught in the middle of a messy divorce, having to take sides against a parent they may truly love and come to depend on. Many children turn to their grandparents in times of divorce as they truly represent a stable family situation which children can relate. However, sometimes children are not permitted to see their grandparents in the aftermath of a divorce.

I rise today in support of House Concurrent Resolution 45, the Uniform Grandparent Visitation Act. This sense of the Congress resolution expresses the belief that relationships between children and their grandparents should be allowed to develop and continue in spite of a divorce or separation on the part of the children's parents. Relationships between children and their grandparents can fill a very important void in a child's life in the aftermath of a divorce and I feel that it is essential that there be a uniform standard in all States that would set the guidelines for the cultivation of this relationship. Some 42 States have some sort of guideline established but it is time to establish a national guideline that will spell out clearly the right of children and their grandparents to visit and spend time together when it is clearly in the best interest of the child and the grandparents. This body as a whole should take it upon itself to express our belief in the adoption of such guidelines.

Mr. BIAGGI. Mr. Speaker, I yield 2 minutes to the gentlewoman from Maryland (Ms. MIKULSKI).

Ms. MIKULSKI. I thank the chairman. I also thank the chairman for his leadership in this legislation.

I am here today to voice my strong support as a cosponsor of House Concurrent Resolution 45, the grandparent's visitation rights resolution. This is an issue that has the potential to affect every home and every family in this country. And I am proud to say that it came to national attention through the good work of a Maryland woman, Mrs. Gerrie Highto.

In my home State, Senator Rosalie Abrams first introduced legislation in 1975 to deal with the issue of grandparents who had been denied the right to see their own grandchildren because of a divorce or a separation in the family. That crucial issue was buried in legislation in Annapolis. However, the voice of the family was lost until one Maryland grandmother, Mrs. Gerrie Highto, took her personal anguish and, with her husband, turned it into a grassroots movement. Through the good work of Senator Abrams and Mrs. Highto who are here, the Maryland grandparents' visitation rights bill passed in 1982 in Maryland.

Now is the time for Congress to speak. I know that every one of you in this room has memories of that relationship with your grandparents. To this day I still cherish the memory of standing beside by grandmother at a neighborhood ethnic bakery shop. I remember the shop that she ran, the good smells, comfortable sense of love that I had being with her. She showed me how a woman can be a shrewd businesswomen, a wife, a mother, and serve her community.

Many years later when I was running for Baltimore City Council and went door-to-door as I knocked on those doors they would say to me, "Barbara, if you are half as good as your grandmother's doughnuts, you will be OK."

I treasure that legacy as a sense of pride and belonging. I treasure those memories and I believe that every child should have memories like that as well and every grandparent should have a right to make those memories with those we love and I am honored to support this profamily piece of legislation.

Mr. BIAGGI. Mr. Speaker, I yield 1 minute to the gentleman from Puerto Rico (Mr. CORRADA).

Mr. CORRADA. Mr. Speaker, I rise in support of House Concurrent Resolution 45, expressing the sense of Congress that a uniform State act should be developed and adopted which provides grandparents with visitation rights. I commend the gentleman from New York (Mr. BIAGGI) for the leadership he has taken in bringing this issue to the forefront, and urge my colleagues to support his efforts.

It is an unfortunate fact that under civil law, grandparents have no more legal right of access to their grandchildren than do perfect strangers, unless they are named the child's legal guardian. In many instances of divorce, separation, or death of a parent, the child is deprived of the comfort and security a grandparent can provide simply because the parent, in an emotional decision, chooses to withhold visitation rights. This benefits neither the child nor the grandparent, and in many cases further strains an already touchy situation.

House Concurrent Resolution 45 addresses this situation by suggesting that a uniform State act be developed and implemented which would objectively and fairly set out standards for determining grandparental access in such instances. Congress, through this resolution, cannot mandate enactment of the uniform act by State legislatures, nor can it precondition receipt of Federal funds on its adoption. We can, however, make it known that Congress believes it to be in the best interest of the child to maintain a relationship with the grandparent in times of family instability, and that in all possible cases this fact should be considered by the courts in determining access to the child.

I urge my colleagues to join me in supporting House Concurrent Resolution 45.

Mr. BIAGGI. Mr. Speaker, I have no further requests for time. I yield myself such time as I may consume.

In closing, I would like to urge my colleagues to support and vote for this bill if it is in fact, brought to a vote on the morrow. Clearly, it is an emotional issue. It is one that has arisen primarily because we are talking in terms of a different type of society than we knew in past generations where the relationship between grandparents and grandchildren was a given right and to even comtemplate the thought of a breach of that relationship would be heresy.

Today we are looking at a society where the dissolution of marriages is equivalent to 50 percent, 1 out of 2 are being divorced. Couple that with those parents who die and you have a very exacerbated situation. The number of children involved in that type of dissolution is estimated to be about 1 million.

So, clearly the magnitude of this problem is slowly emerging. It all started with a single letter, a single hearing, which shows you the advantage of those hearings and the processes that we have here in the Congress. What we have done, in fact, is we have given hope to thousands of grandparents, thousands, who are suffering a cruel fate, who are suffering because they have been told that they can no longer visit their grandchildren. I am not saying this legislation will be the alpha and omega, panacea to all the evils, but clearly it is a very significant initial step.

Hopefully that will be followed by the State legislatures throughout the country, and it will implement the kind of legislation that will make available and provide for the visitation rights of the children.

Where we had despair, we have given hope. If this resolution accomplishes nothing else it certainly merits the attention and support of the Congress of the United States. I urge all of my colleagues to vote for this legislation.

I yield back the balance of my time.

The SPEAKER pro tempore. Does the gentleman from Texas (Mr. BARTLETT) wish to yield any more time?

Mr. BARTLETT. Yes, Mr. Speaker.

The SPEAKER pro tempore. The gentleman is recognized.

Mr. BARTLETT. Mr. Speaker, I yield myself an additional minute.

I would again commend the gentleman from New York for this bill. I point out to my colleagues that all this bill does is to facilitate the development of uniform State law, it does not impose any of those laws. In fact, it is well known in the legal community that uniformity is needed. I quote from a letter from the National Conference of Commissioners on Uniform State Laws, when the conference states in their letter to Mr. BIAGGI:

> You are exactly right in pointing out there is a wide variety of State statutes and this is an area where uniformity of law among the States would help to achieve substantial justice.

I commend my colleague from New York and would yield to him such time as he may consume.

Mr. BIAGGI. I thank the gentleman for yielding.

Mr. Speaker, I would like to take this opportunity to thank the gentleman for his cooperation and his interest. I know he was not given much leeway, very little flexibility and discretion because he has received a mandate from his father in connection with grandparents' rights. I am sure this resolution nor any other law would ever be necessary, but clearly the bitter illustrations that many grandparents have witnessed over the years has cast a doubt in the minds of some. And when you move along in years you become a little more susceptible to doubt and you would like to make certain that those joys that are so precious to you remain available.

I know the gentleman will happily return and tell his father, "Dad, I complied with your request," not only as the gentleman's father but as a grandparent, and, even more importantly perhaps from a political perspective, as a constituent who must be heard.

I thank the gentleman.

Mr. BARTLETT. The gentleman is correct. This is an instructed vote from my father, the grandfather of 12, who instructed me to support the gentleman from New York in his efforts. I yield back the balance of his time.

● Mr. RATCHFORD. Mr. Speaker, I rise in support of House Concurrent Resolution 45, visitation rights for grandparents. This legislation, which urges the National Conference of Commissioners on Uniform State Laws to develop a Grandparents Visitation Act for adoption by the 50 States, is sorely needed. At present, although 42 States have laws allowing grandparents to petition a court for visitation rights, State legislation fails to grant equal protection to all grandparents in similar circumstances. The relationship between a child and his grandparents can be very important and beneficial for all of the people involved. From his grandparents a child receives the gift of self-worth, of shared experiences, of heritage and love and continuity. And from a grandchild, older people receive the same. The preservation of this special relationship despite divorce, separation, death of parent or stepparent adoption is one important way in which we can help foster stability in American families. I strongly urge adoption of this resolution.●

● Mrs. LLOYD. Mr. Speaker, today we are addressing a family need, the right of grandparents to petition a court for visitation rights. While the resolution we will consider itself does not, and cannot, establish Federal statutory protections, it does make clear the desire of this Congress that each of our States adopts a Uniform Grandparent Visitation Right Act. Although only 8 of our States have no provision, the other 42 differ widely in what circumstances justify the right to petition and how the right, once granted, will be protected. The families of this Nation need uniformity and this resolution, by calling for the development of a model State act providing grandparents with the right to petition, will

establish the means by which uniformity can be achieved.

This resolution is the result of expert testimony which demonstrated the hardship experienced by both grandparents and grandchildren after the dissolution of a marriage. In passing it we express our recognition of the need for continued contact between the two. I am pleased to be a cosponsor and urge its passage.●

● Mr. BONKER. Mr. Speaker, I rise in strong support of House Concurrent Resolution 45, the Grandparent's Visitation Act introduced by Representative BIAGGI. This legislation expresses the sense of the Congress that all 50 States should adopt a uniform policy for visitation between grandparents and grandchildren and authorizes the National Conference Commissioners on Uniform State Laws to develop such a policy.

While this measure does not carry full legal authority, it strongly urges States to adopt a uniform standard which will provide grandparents with the right to petition for visitation privileges following marital dissolution, death, or separation while also providing for interstate recognition and enforcement of any court orders issued.

Fortunately, the Washington State laws are already in compliance with this resolution's intent. But, it is essential that our neighboring States have similar laws, for many children move with a parent or guardian from one State to another after the visitation orders have been made.

This resolution would also encourage the Department of Health and Human Services, through the National Center for Child Abuse and Neglect, to assist States in developing model guidelines for determining the "best interests of the child," taking into consideration the ability of the grandparents to contribute to the child's need for continuity of care.

Since over 1 million children annually see their parents divorce, and 75 percent of all older Americans are grandparents, I feel it is important that Members of Congress do all that they can to protect the interests of these individuals who in many cases bear a heavy impact as "innocent bystanders" in a divorce situation.●

● Ms. FERRARO. I rise in strong support of the visitation rights for grandparents resolution which is before us today. I would also like to congratulate our colleague from New York for a job well done.

As a member of the Select Committee on Aging I participated in the hearing the Subcommittee on Human Services held on this important issue. At that time the subcommittee heard testimony from many distinguished witnesses on the importance of the grandparent/grandchild relationship.

Twenty-two years ago when I had my first child I thought I had achieved the ultimate as far as my family life was concerned. My mother then said, wait until you are a grandmother. Well, I have not experienced that yet, however, I am looking forward to that day.

Unfortunately, for too many older Americans, the right to see their grandchildren has been callously taken from them. These actions not only affect the grandparent—but the children also. Let me read from a letter I received from a grandmother on what happens to the children.

In so many cases with divorced children unforeseen hostility with one of the parents destroys family relationships and prevents needed contact and supportive warmth. Particularly at that time of disruptions children require as much reassurance and cohesiveness as possible, and grandparents who nuture and give of their experience and wisdom are a vital factor.

Families are an intergral part of society's salvation.

The letter was signed, Mr. Chairman, by grandparents of four—two we are devoted to and loved by; two we are fighting for visitation rights.

Grandparents have love, affection and warmth to offer their grandchildren. However, a lack of uniformity of State laws regarding visitation rights is denying many the opportunity to share these things with their grandchildren.

For this reason I strongly urge my colleagues to support the resolution before us today.●

● Mr. GILMAN. Mr. Speaker, I rise in strong support of House Concurrent Resolutioin 45 which epxresses the sense of Congress that the National Conference of Commissioners on Uniform State Laws should develop a model State act for providing grandparents adequate visitation rights to their grandchildren when a marriage is dissolved. As a sponsor of this measure, I am pleased to see the swift consideration by both the committees of referral as well as the House of Representatives.

Although recent statistics show that more married couples are remaining together, prior information indicated a high degree of divorce among Americans. The couples who have chosen not to stay together have often resolved, or attempted to resolve, the questions of custody and visitation rights for parents. What has received less prominence is the effect of divorce on the wonderful relationship between grandparent and grandchild.

It cannot be denied that the relationship between parent and child, while a rewarding one, has its difficult moments. But, the bond between grandparents and grandchildren is indeed a magical one, and must not be allowed to be so easily dissolved as a legal marriage. This sense of the Congress resolution urges the National Center for Child Abuse and Neglect to work with the States in developing guidelines for determining what would constitute the best interest of the child when determining visitation rights. It is important to not that a majority of States have some statutes relating to the visitation rights of grandparents. However, the circumstances vary widely, and I am concerned that without some national attempt to institute uniform visitation rights, those who derive the most benefit will lose the most. These children learn about the many wonders of life from a perspective they would otherwise be deprived of, and their wonderment only enriches the lives of their grandparents. Accordingly, I urge passage of this resolution, Mr. Speaker, and ask my colleagues to join in this effort.●

The SPEAKER pro tempore. All time has expired.

The question is on the motion offered by the gentleman from New York (Mr. BIAGGI) that the House suspend the rules and agree to the concurrent resolution (H. Con. Res. 45).

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BIAGGI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks in the RECORD on the concurrent resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

NATIONAL WILDLIFE REFUGES REAUTHORIZATIONS

Mr. BREAUX. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1723) to authorize appropriations through fiscal year 1986 for the Great Dismal Swamp, Minnesota Valley, Sailors' Snug Harbor, and San Francisco Bay National Wildlife Refuges, as amended.

The Clerk read as follows:

H.R. 1723

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

SECTION 1. GREAT DISMAL SWAMP NATIONAL WILDLIFE REFUGE.

Section 4(4) of the Act entitled "An Act to establish the Great Dismal Swamp National Wildlife Refuge", approved August 30, 1974 (Public Law 93-402, 88 Stat. 802), is amended to read as follows:

"(4) $34,100,000 for the period beginning October 1, 1977, and ending September 30, 1986, of which not to exceed $22,000,000 shall be available for land acquisition and

not to exceed $12,100,000 shall be available for purposes other than land acquisition.".

SEC. 2. MINNESOTA VALLEY NATIONAL WILDLIFE REFUGE.

Section 10 of the Minnesota Valley National Wildlife Refuge Act (Public Law 94-466, 90 Stat. 1996) is amended—

(1) by amending subsection (a) by striking out "$14,500,000" and inserting in lieu thereof "$24,900,000", and by striking out "September 30, 1983" and inserting in lieu thereof "September 30, 1986"; and

(2) by amending subsection (b) by striking out "$6,000,000" and inserting in lieu thereof "$9,800,000", and by striking out "and ending September 30, 1986" and inserting in lieu thereof "which shall be available until expended".

SEC. 3. SAN FRANCISCO BAY NATIONAL WILDLIFE REFUGE.

Section 5(1) of the Act entitled "An Act to provide for the establishment of the San Francisco Bay National Wildlife Refuge", approved June 30, 1972 (Public Law 92-330, 86 Stat. 400), is amended by striking out "September 30, 1983;" and inserting in lieu thereof "September 30, 1986;".

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The SPEAKER pro tempore. Is a second demanded?

Mr. FORSYTHE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Louisiana (Mr. BREAUX) will be recognized for 20 minutes, and the gentleman from New Jersey (Mr. FORSYTHE) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Louisiana (Mr. BREAUX).

Mr. BREAUX. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the legislation before the House, H.R. 1723, would extend for 3 years the current authorizations for the acquisition of three national wildlife refuges. These refuges include: Great Dismal Swamp, Minnesota Valley, and San Francisco Bay. In addition, amendments to the bill offered during subcommittee markup would increase the authorization for appropriations for land acquisition and development at the Great Dismal Swamp and the Minnesota Valley National Wildlife Refuges.

The three refuges being considered for reauthorization today are worthy components of the National Wildlife Refuge System. In addition to conserving important wildlife species and their habitats, these refuges provide a much needed wildlife-oriented public use area as well as interpretation and educational programs to inform the public of the importance of maintaining fish and wildlife resources. Great Dismal Swamp, for example, is an extensive forested wetland and lake system in Virginia and North Carolina which provides habitat for abundant fish and wildlife populations. It is particularly noted for its unusual bird populations with over 75 species nesting in the swamp. The Fish and Wildlife Service estimates that a total of 113,000 acres will be necessary to insure conservation of the area. The cost of the remaining lands would require an increase in the amount of the authorization to $22 million in order to complete acquisition of the refuge. In addition, the projected habitat improvement and public use development needs necessary to maintain the quality of wildlife habitat and to provide wildlife education and recreation to the public will also require an increase in authorization to $12.1 million. H.R. 1723, as amended in subcommittee, would increase the development and acquisition authorizations for Great Dismal Swamp to these levels.

The Minnesota Valley National Wildlife Refuge contains extensive marshlands that are known for the vast populations of waterfowl which rely upon them for production, migration, and wintering grounds. Approximately 2,850 acres of private lands remain to be acquired within the refuge. The estimated cost of these lands is approximately $12 million, exceeding the current authorization level by $10.4 million. H.R. 1723 would raise the authorization for land acquisition to this level.

Development of the interpretive center and other facilities recommended by the master plan for the Minnesota Valley NWR has been delayed because no funds have been appropriated. Due to inflation, the cost of building the center will be higher than originally anticipated. The proposed legislation as amended increases the authorization for development from $6 million to $9.8 million.

H.R. 1723, as amended, does not reauthorize the establishment of Sailors' Snug Harbor as a National Wildlife Refuge. A study completed by the Heritage Conservation and Recreation Service concluded that Sailors' Snug Harbor is an area of local and State significance and recommended that it be congressionally deauthorized. The area has not been donated to the Department of the Interior as the original legislation authorized. Instead, Sailors' Snug Harbor has continued to function successfully as a community environmental education and cultural center under the management of Snug Harbor Cultural Center, Inc., a public nonprofit corporation.

In summary, Mr. Speaker, these refuges being considered for reauthorization today not only provide habitat for wildlife, but also, because of their proximity to large population centers, provide millions of citizens the opportunity to develop a greater appreciation of the importance of wildlife. If we are to continue our support for the preservation of these important refuge areas, an increase of authorization levels and extension through fiscal year 1986 is necessary. I urge my colleagues to join me in supporting this bill.

Mr. FORSYTHE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1723 will extend the authorization period for the Great Dismal Swamp, Minnesota Valley, and San Francisco Bay National Wildlife Refuges for 3 years. In addition, the authorization for appropriations for land acquisition and development at Great Dismal Swamp and Minnesota Valley would be increased to reflect increased costs resulting from inflation and the delays brought on by the use of a "willing-seller" policy, unavoidable delays in settlement, and lower than planned appropriation requests. The additional acquisition and development funds will provide not only valuable direct benefits, but in most cases are necessary to protect or effectively utilize the habitat already acquired. No additional acreage has been authorized.

All three of these refuges provide extremely valuable waterfowl habitat as well as habitat for a diverse population of fish, wildlife, and plant species. All are also within easy driving distance of major metropolitan areas and, therefore, provide a much enhanced accessability to our national resources for millions of people.

I concur with the assessment of the gentleman from Louisiana, that these refuges should be authorized with sufficient additional funding to carry out the remaining acquisition and development needs and therefore urge my colleagues to join me in supporting this legislation.

Mr. BREAUX. Mr. Speaker, I yield 2 minutes to the distinguished chairman of the full committee, the gentleman from North Carolina (Mr. JONES).

Mr. JONES of North Carolina. Mr. Speaker, I rise in support of H.R. 1723, a bill to authorize appropriations through fiscal year 1986 for the Great Dismal Swamp, Minnesota Valley, and San Francisco Bay National Wildlife Refuges.

In addition to extending the authorization for these three refuges until September 30, 1986, H.R. 1723 increases the authorization levels for appropriations for the Great Dismal Swamp and Minnesota Valley National Wildlife Refuges. In testimony before the Subcommittee on Fisheries and Wildlife Conservation and the Environment, the Department of the Interior indicated that these increases in authorization levels are necessary to complete land acquisition and development of these refuges to the extent originally intended by Congress. However, the administration currently is not requesting an increase in such authorization levels. If an increase in au-

thorization levels is not achieved, any future progress that we hope to make in refuge land acquisition would be precluded.

The Great Dismal Swamp, located partially within my district, is an excellent example of the devastating impact that the administration's decision not to request an increase for authorization levels will have on our refuge system. Of the 113,000-acre refuge, 10,850 acres remain to be acquired. In addition, and in need of urgent consideration, is a one-third interest in 4,700 acres which is outstanding and undergoing probate. Unless this one-third interest is acquired expeditiously, the courts have indicated that a partition of property will be necessary. In all likelihood, this will result in the drainage of the partitioned wetlands for agricultural use and, because of the topography of the refuge and the central strategic location of the lands in question, the consequent drainage of a large portion of the existing refuge.

I do hope that my colleagues will recognize the urgency of the situation and support H.R. 1723 which provides the necessary authorization levels for the acquisition and protection of these two valuable refuges. As the representative of the first District of North Carolina, where the Great Dismal Swamp is partially located, as well as the chairman of the Merchant Marine and Fisheries Committee, I wholeheartedly support H.R. 1723 and urge all of the Members of the House to vote in favor of its passage.

● Mr. FRENZEL. Mr. Speaker, included in H.R. 1723, the Great Dismal Swamp authorization, is a provision to extend the authorization for the Minnesota Valley National Wildlife Refuge. This extension would provide $24.9 million to complete acquisition of the 9,500 Minnesota Valley refuge acres, as well as $9.8 million for land development at the refuge. I rise in support of this authorization.

Since the original authorization 7 years ago, commendable progress on the refuge has been made. The U.S. Fish and Wildlife Service has purchased or leased 5,000 acres, and protected about half of the 8,000 recreational acres. All progress has been representative of the cooperative efforts between the Federal and State governments and local citizens. But further progress on land acquisition is needed.

It should be noted that the friends of the Minnesota Valley Refuge would like to increase the refuge size to 12,000 acres and that I support much of the addition. It should also be noted that I also support reducing some of the acreage in the original plan which is highly productive farmland.

The Minnesota Valley National Wildlife Refuge is one of few national refuges located so near a metropolitan area. It provides a stage for the intersection of an urban community with a wilderness community. The refuge is replete with environmental variety, diversity, and excitement. More than 250 species of birds and about 50 species of mammals make their home in the dense vegetation there, all within the not-too-distant sight and sound of the Twin Cities.

With acquisition already more than half complete, completion of the original Minnesota Valley plan should be legislatively assured. The increased and extended authorization in H.R. 1723 would provide only part of the assurance because securing appropriations for this authorization will be exceedingly difficult.

Again, I urge my colleagues to vote on behalf of the people of Minnesota, and vote in support of H.R. 1723, allowing for the extended authorization for the Minnesota Valley National Wildlife Refuge.●

Mr. BREAUX. Mr. Speaker, I have no further requests for time.

Mr. FORSYTHE. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Louisiana (Mr. BREAUX) that the House suspend the rules and pass the bill, H.R. 1723, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to authorize appropriations through fiscal year 1986 for the Great Dismal Swamp, Minnesota Valley, and San Francisco Bay National Wildlife Refuges.".

A motion to reconsider was laid on the table.

MATAGORDA ISLAND EXCHANGE AGREEMENT

Mr. BREAUX. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1935) to ratify an exchange agreement concerning National Wildlife Refuge System lands located on Matagorda Island in Texas.

The Clerk read as follows:

H.R. 1935

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding any other provisions of law providing for the administration by the Secretary of the Interior of the National Wildlife Refuge System through the United States Fish and Wildlife Service, the action of the Secretary of the Interior in entering into the unique exchange agreement (entitled "Memorandum of Agreement between the United States Department of the Interior and the State of Texas for the management of the Matagorda Island State Park and Wildlife Management Area A Unit of the National Wildlife Refuge System in Calhoun County, Texas" and Easements running to the United States and Texas hereinafter referred to jointly as the "Agreement", all of which are dated December 8, 1982) providing for integrated management (during the term of the Agreement) of National Wildlife Refuge System lands and State lands on Matagorda Island in Texas is ratified and approved, except that any amendments hereinafter made pursuant the Agreement shall be consistent with the requirements of the National Wildlife Refuge System Administration Act (16 U.S.C. 668dd-668ee) and other applicable provisons of Federal law adminstered by such Secretary. Nothing in the Agreement or in this Act shall be construed (A) as affecting the continued applicability of the National Wildlife Refuge System Administration Act to the Federal lands covered by such Agreement or the inclusion of such lands within the National Wildlife Refuge System, or (B) as ratifying or authorizing any other such agreements applicable to any other area of the National Wildlife Refuge System.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Louisiana (Mr. BREAUX) will be recognized for 20 minutes, and the gentleman from New Jersey (Mr. FORSYTHE) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Louisiana (Mr. BREAUX).

Mr. BREAUX. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the legislation before the House, H.R. 1935, would ratify and approve an agreement between the Department of the Interior and the State of Texas relating to the management of Matagorda Island, part of which lies within the Aransas national wildlife refuge.

Matagorda Island is a 50,500-acre barrier island off the Texas gulf coast. Approximately 20,000 acres are owned by the State of Texas, 11,500 acres are privately owned, and 19,000 acres are the site of a former Air Force base and owned by the Federal Government, purchased at the beginning of World War II.

Since 1971, the Federal portion of Matagorda has been managed as part of the national wildlife refuge system and is administered as part of the Aransas National Wildlife Refuge. The island is considered prime habitat for migratory birds. Whooping cranes and brown pelicans, both endangered species, use the island at various times of the year.

Management of the Federal lands in Matagorda Island was governed by a memorandum of understanding—MOU—between the Department of the Interior and the Air Force signed in 1971 when the Air Force decided to phase out its operations on the island. The land had been used as a bombing and gunnery range. The MOU provided that the Air Force was agreeable to the inclusion of the island in the Aransas National Wildlife Refuge so long as its primary use by the Air Force was not jeopardized or impeded. It

also provided that the MOU could be terminated by mutual agreement.

Although the National Wildlife Refuge Administration Act Amendments of 1976 generally prohibit the Secretary of the Interior from removing lands from the national wildlife refuge system, a proposal was made early in the Reagan administration that, since Matagorda was brought into the refuge system pursuant to the terms of a cooperative agreement, termination of that agreement would allow it to be removed from the refuge system and turned over to the State of Texas, which had long expressed an interest in the area. This proposal, however, was vigorously opposed by conservation organizations and concerns were expressed by a number of Members of Congress.

Faced with this strong opposition, the Department of the Interior and the State of Texas have developed a memorandum of agreement—MOA—based on the exchange of interests in the State and Federal lands on the island, which retains Federal ownership of the refuge lands and includes them within the national wildlife refuge system. The agreement also provides the Federal Government with a conservation easement on the State-owned lands. The Texas Parks and Wildlife Department is to manage the entire area to protect its wildlife and natural resource values. Management activities must be in accordance with the provisions of the National Wildlife Refuge Administration Act, the national wildlife refuge system manual, and a Matagorda conceptual plan developed by the State of Texas. The Department of the Interior is to monitor the management of the area and the agreement provides for a right of petition by public and private organizations if they believe the agreement is being violated.

Mr. Speaker, there are a number of reasons why I believe this MOA is appropriate and beneficial to both the wildlife refuge system and the wildlife resources involved. First, and foremost, this agreement brings all of the Federal and State land under national wildlife refuge status. The Federal Government will possess a conservation easement on the State lands and the State will manage those lands for the conservation of wildlife. The State lands are the most valuable from the standpoint of both the endangered whooping crane and other migratory waterfowl.

Second, this agreement brings to a successful conclusion a longstanding dispute between the State of Texas and the Department of the Interior regarding Matagorda. It is a dispute that has spanned several administration, both State and Federal, and which has prevented any active management of the area by either the Federal or the State government.

Finally, this agreement, if ratified by H.R. 1935, would do no harm to the concepts that govern our refuge system. Our legislation treats this agreement for what it is—a unique exchange agreement. As such, it will not serve as a precedent for any other such agreement.

Mr. Speaker, I want to assure the Members that we have examined this issue thoroughly. The Committee on Merchant Marine and Fisheries has a long tradition of carefully examining all administrative actions that would affect the integrity of the national wildlife refuge system. We have maintained that tradition. It was only after two extensive hearings on this matter, one in the 97th Congress and one this session, that we decided to proceed with this legislation. We are convinced that, in this instance, because of the unique opportunities for the unified management of this area by the State of Texas, the MOA will be beneficial to the wildlife resources involved. We will examine all future proposals that may affect the refuge system with equal care.

□ 1340

With that, Mr. Speaker, I would also find it certainly appropriate to commend the Members of the delegation from the State of Texas who have been involved in this process by trying to do what they could do bring it to a successful conclusion as contained in this legislation. Particularly, I want to point out the very effective work by our distinguished majority leader, the gentleman from Texas (Mr. WRIGHT), who was working very closely with our committee to try to bring the various competing interests into a position of agreement; also our distinguished colleague, the gentleman from Texas (Mr. PATMAN), who was always involved in trying to urge our committee to take a close look at this particular problem. Our subcommittee visited the area and talked with local people about their concerns, and Mr. PATMAN was instrumental in making sure that the local concerns of the people of south Texas were taken into consideration with regard to this legislation.

Mr. FORSYTHE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to express my support of H.R. 1935 which will ratify an exchange agreement concerning National Wildlife Refuge System lands located on Matagorda Island in Texas which was negotiated by the U.S. Fish and Wildlife Service and the State of Texas with the able assistance of the Audubon Society. As ranking minority member of the Subcommittee on Fisheries and Wildlife Conservation and the Environment and the Committee on Merchant Marine and Fisheries, I am specifically interested in this bill which addresses the problems associated with the management of this resource. The parties to the agreement and our colleagues, Mr. WRIGHT, Mr. PATMAN, Mr. BREAUX, and Mr. DINGELL, are to be commended for resolving the natural resource management questions which have been the source of longstanding dispute.

Matagorda Island is a 50,500-acre barrier island off the Texas gulf coast. About 20,000 acres of bayside wetlands are owned by the State; an additional 19,000 acres are administered by the Fish and Wildlife Service as part of the Aransas National Wildlife Refuge, and the rest are privately owned. Everyone is in agreement that the majority of the most valuable wildlife habitat lies within the State-owned property and that integrated management of the island would greatly benefit the wildlife species found in the area.

Ratifying the memorandum of agreement between the Department of the Interior and the State of Texas provides a workable solution to the past controversy over management of Matagorda Island. H.R. 1935 in no way sets a precedent for similar agreements allowing for States to manage national wildlife refuges, but recognizes the unique situation on Matagorda which justifies integrated management.

Under the memorandum of agreement, the State of Texas will include the State-owned lands in the Aransas National Wildlife Refuge, adopt the National Wildlife Refuge System Manual, and administer all portions of the island in accordance with that manual.

If the memorandum of agreement were made void, the island would remain under split jurisdiction with the Fish and Wildlife Service managing their 19,000-acre portion as part of the Aransas National Wildlife Refuge and the State of Texas managing the 20,000 acres of whooping crane habitat—outside of the wildlife refuge and the requirements of the National Wildlife Refuge System Manual.

In view of the State's willingness to adopt this agreement and in view of the benefits which will accrue to Matagorda Island's migratory and endangered species, including the whoopng crane, brown pelican, peregrine falcon, American alligator, bald eagle, and leather-back and Ridley sea turtles, I urge my colleagues to join me in supporting the legislation.

Mr. BREAUX. Mr. Speaker, I yield 2 minutes to the distinguished chairman of our committee, the gentleman from North Carolina (Mr. JONES).

Mr. JONES of North Carolina. Mr. Speaker, today we are considering some very important legislation, H.R. 1935, which will ratify the memorandum of agreement between the State of Texas and the Department of the Interior regarding the future of Mata-

gorda Island. It is commendable that an agreement has been reached on a very complex issue, that the majority of people involved can support, including my distinguished colleagues, Mr. WRIGHT, Mr. PATMAN, Mr. DINGELL, Mr. BREAUX, and Mr. FORSYTHE, as well as the State of Texas officials, the Department of the Interior officials, the National Audubon Society, and the National Wildlife Federation.

I understand that this agreement, which we seek to ratify, is the result of long and arduous negotiations. I am very glad to see that a workable solution has been reached which will address the unique circumstances surrounding Matagorda Island.

This legislation was reported out of the Subcommittee on Fisheries and Wildlife Conservation and the Environment unanimously by voice vote on April 12, 1983, and it was ordered reported out of the Merchant Marine and Fisheries Committee unanimously by voice vote on April 13, 1983.

I urge my colleagues to vote in favor of passage of H.R. 1935.

Mr. BREAUX. Mr. Speaker, I yield 2 minutes to the distinguished majority leader, the gentleman from Texas (Mr. WRIGHT). who was most helpful in working to bring this legislation to the floor.

Mr. WRIGHT. Mr. Speaker, I rise in support of this legislation. It does not cost anything. It simply ratifies an agreement entered into between the State of Texas and the Department of the Interior for integrated management of all of the publicly owned lands on Matagorda Island. It is the prime habitat for some of our migratory waterfowl—endangered species—such as the whooping crane and the brown pelican.

This legislation is supported, as has been pointed out, by such organizations as the National Audubon Society and the National Wildlife Federation, and I think it is the kind of agreement that is exemplary, demonstrating how the Federal Government and a State government can work together for the preservation and protection of an area such as this.

Mr. BREAUX. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. Mr. Speaker, it is always a source of pride for me to rise on the floor to observe the very capable work done by my dear friend, the gentleman from Louisiana (Mr. BREAUX) the chairman of the subcommittee, and my good friend, the gentleman from New Jersey (Mr. FORSYTHE) the senior minority member of the committee. I have had the privilege over the years of working with these two fine Members when I was on that subcommittee, and I want to say that the good work that they do is a source of continuing pleasure and pride to me, and I commend them.

I also wish to commend our distinguished majority leader, the gentleman from Texas (Mr. WRIGHT) for the leadership he has shown in this matter, and my boyhood hunting companion, the gentleman from Texas (Mr. PATMAN) and, of course, the good works of our friend, the gentleman from North Carolina (Mr. JONES), are always very obvious to us all.

Mr. Speaker, this is a unique and a desirable undertaking here. It is an action which recognizes the continuing force and impact of the Wildlife Refuge Administration Act. It preserves and protects the public lands of the United States and sees to it that they are administered well.

It also recognizes that the refuges belonging to the people of the United States and cannot be dissipated or given away. The agreement is a good one. The legislation is excellent and it has been brought before the House in a most expeditious fashion by my distinguished friends on the committee. I hope the other body passes it just as expeditiously.

H.R. 1935 is an important bill for several reasons.

First, it ratifies an agreement between the Secretary of the Interior and the State of Texas (that without such ratification could well be of questionable legality) in a way that protects the integrity of the National Wildlife Refuge System. I do not believe that present law authorizes an exchange and agreement by the Secretary of the Interior of this nature. Several environmental groups have, in fact, challenged that exchange in a lawsuit. While I agree with the principle of that challenge, I do not think it will serve any useful purpose in this case. Indeed, I think this bill is a far better solution. It is supported by the National Audubon Society and other environmental organizations.

Thus, even though I question the exchange, I support this unique agreement because it is designed to resolve a longstanding problem that clearly needed resolution. I commend the Interior Department, the National Audubon Society, and the State of Texas for working out this agreement.

The bill ratifies and approves that unique exchange. That ratification does not, however, endorse the Interior Department's claim of April 12, 1983, that this exchange was authorized by the National Wildlife Refuge System Administration Act (which I sponsored and helped enact years ago as chairman of the former Fisheries and Wildlife Subcommittee). Because that authority is not granted by that law, this bill is needed to ratify the actions of the Interior Department and to approve those actions. It does not, as suggested by the Interior Department, merely endorse the exchange and agreement.

I note that the report of the Committee on Merchant Marine and Fisheries concludes that H.R. 1935 will moot the lawsuit. I do not quarrel with that view. I think it should have that result. In any event, I believe that result would be the best one.

Second, the bill makes it clear that the lands covered by this agreement, including the State lands, shall continue to be a part of the National Wildlife Refuge System and be subject to the provisions of the National Wildlife Refuge System Administration Act. Thus, the bill sets a clear congressional policy that the Federal refuge lands now in the system shall stay in the system and be subject to the laws applicable thereto regardless of any action by the Interior Department.

Third, the bill makes it clear that this ratification and approval is not a precedent for any other such agreement by the Interior Department. This is a very important provision because of suggestions that this agreement might be the basis for other exchanges and agreements involving other refuges such as the Flint Hills refuge in Kansas. It is not to be the forerunner of such future actions.

Last, the bill provides that if any amendment is made to the agreement, it must be consistent with applicable Federal law. The bill deliberately does not mention State or local law in this context. Only Federal law administered by the Secretary of the Interior applies.

Mr. Speaker, in 1971, the then Secretary of the Interior—who was a former and able Member of this body—entered into an historic memorandum of understanding (MOU) with the Air Force to set aside 35,240 acres of the Matagorda Air Force Range in Texas to be used "as a part of the Aransas National Wildlife Refuge" under the conditions of the MOU. Since then, there have been repeated efforts to dispose of this valuable area to the State of Texas. The Subcommittee on Oversight and Investigations initiated, with the help of the General Accounting Office (GAO), an investigation into proposals in this administration to achieve that objective. Fortunately, it was aborted.

In order to provide a more detailed history of this investigation, including the GAO opinions, I am appending to these remarks the MOU and some significant correspondence. I want to stress that I, together with Chairman BREAUX, will continue to be vigilant in our efforts to halt attempts by this administration to dispose of refuge areas by exchange or otherwise.

The correspondence follows:

MEMORANDUM OF UNDERSTANDING BETWEEN THE DEPARTMENT OF THE AIR FORCE AND THE DEPARTMENT OF THE INTERIOR FOR USE OF PROPERTY AT MATAGORDA AIR FORCE RANGE, TEX.

This Memorandum of Understanding is between the Department of the Air Force (hereinafter referred to as Air Force), and the Department of the Interior (hereinafter referred to as Interior).

Whereas, Air Force administers the Matagorda Air Force Range on approximately 35,240 acres on Matagorda Island, Calhoun County, Texas, and

Whereas, Interior administers the Aransas National Wildlife Refuge in Aransas County, Texas, to provide habitat for the whooping crane, a species which is threatened with extinction, and other wildlife. The whooping crane also utilizes lands on Matagorda Island administered by the Air Force as part of its wintering habitat, and

Whereas, the Endangered Species Preservation Act (16 U.S.C. 668 aa) states "that it is the policy of the Congress that the Secretary of the Interior, the Secretary of Agriculture, and the Secretary of Defense, together with the heads of bureaus, agencies, and services within their departments, shall seek to protect species of native fish and wildlife, including migratory birds, that are threatened with extinction, and insofar as is practicable and consistent with the primary purposes of such bureaus, agencies, and services, shall preserve the habitats of such threatened species on lands under their jurisdiction," and

Whereas, Interior is the agency of the U.S. Government responsible for conservation and management of the national migratory bird resource, including whooping cranes, and has a primary responsibility for protecting species that are threatened with extinction, and

Whereas, Interior has expressed a desire to administer an area on Matagorda Island as a national wildlife refuge to meet its responsibilities for the whooping crane, and

Whereas, Air Force is agreeable to such use, under such conditions as will not interfere with the primary mission and use by Air Force of the property,

Now therefore, Air Force hereby grants to Interior, a permit upon, and makes available to the said Interior, for the purpose and subject to the terms and conditions hereinafter set forth, all those lands and water described in Exhibit "A" attached hereto and made a part hereof.

Interior shall use said lands as a part of the Aransas National Wildlife Refuge, under the following conditions:

1. Interior shall have the right to enter upon and use the lands for refuge purposes, including the production of wildlife food crops, for the protection and management of wildlife and fish populations, including the harvest and control of such wildlife or fishes. Such entry must be approved in advance by the Officer in Charge of the Matagorda Air Force Range, or his designated representative, so that it may be properly coordinated with Air Force activities for the safety of personnel.

2. Interior is authorized, under limitations hereafter described, to construct, operate, and maintain subimpoundments, water control structures, field office, storage and maintenance buildings and related facilities. It is understood that no residences are to be permitted on the area.

3. Interior shall not have the right to prohibit employees or permittees of Air Force from entering upon, or over, the said lands, for program purposes to do any and all things necessary in the operation and use of, or for controlling the Range.

4. The use and occupation of said premises shall be without cost or expense to Air Force, under the general supervision and subject to the approval of the officer having immediate jurisdiction over the premises, and subject also to such rules and regulations as he may prescribe from time to time.

5. Interior will construct no facilities on the said premises until the plans therefore have been reviewed by the officer of Air Force having immediate jurisdiction over the premises, and he determines that such facilities will not interfere with Range operations. Also, that no alterations in facilities which may affect such operations will be made without prior approval of said officer.

6. Air Force will take into consideration Interior's utilization of said refuge area, in order to insure compatibility of Air Force activities with wildlife management, wherever practicable.

7. Interior shall, at its own expense and without cost or expense to Air Force maintain and keep in good repair and condition any structures or premises used under this authorization.

8. This permit may be terminated in whole or in part hereof under the following circumstances:

a. By mutual agreement between the Secretary of the Interior and the Secretary of the Air Force.

b. At the option of the Air Force in the event Interior fails to use the said premises in accordance with the terms and conditions of this permit. In such event, Air Force shall give notice of the items of non-compliance addressed to the Refuge Manager, Aransas National Wildlife Refuge and Interior shall have 90 days to take corrective action.

9. Fixtures, equipment, facilities, or other property of the Interior constructed or maintained on the said premises shall be and remain property of Interior and may be removed at any time prior to the termination of this agreement. And property of the Interior not removed from the premises within three months after any termination of this agreement shall become the property of the Air Force.

10. Nothing in this Memorandum of Understanding shall limit, restrict or interfere with the rights of Air Force to continue to be responsible for the management of wildlife activities on the Air Force property, subject only to the peculiar requirements for whooping crane preservation, as worked out with representatives of Interior.

11. All notices by Air Force to Interior concerning this permit will be addressed to the Refuge Manager, Aransas National Wildlife Refuge, Bureau of Sport Fisheries and Wildlife, P.O. Box 68, Austwell, Texas 77950, and conversely, all notices by Interior to Air Force will be addressed to Commanding Officer, Matagorda Air Force Range, Port O'Connor, Texas 77982.

This permit shall become effective on the last date of execution as indicated below.

In witness whereof, the parties hereto have hereunto subscribed their names as of the dates indicated.

Date: November 20, 1971.

Department of the Air Force,

——— ———,

——— ———.

Date: November 1, 1971.

Department of the Interior,

ROGERS C. B. MORTON,

Secretary of the Interior.

DEPARTMENT OF THE INTERIOR,

Washington, D.C. January 2, 1981

Hon. WILLIAM P. CLEMENTS, Jr.,

Governor of Texas,

Austin, Tex.

DEAR GOVERNOR CLEMENTS: As you are aware, we have been working for several years to resolve the future administration of the former Matagorda Air Force Base. Both the Fish and Wildlife Service and the State of Texas have applied for the excess property. I have discussed the matter with both you and former Governor Briscoe, and staff people from both of our organizations have worked together to develop reasonable approaches.

Our mutual objectives to maintain the natural character of Matagorda Island seem to be entirely compatible. The State wishes to manage the northeastern 11,000 acres for recreation, and the Fish and Wildlife Service desires to manage the southwestern 8,000 acres, together with the adjoining marshes owned by the State, as a wildlife refuge. The issue has always hung up on the legalities of transfer.

The legal basis seems clear and since it is Federal land, it must be transferred for Federal programs as first priority. In addition, it is being administered as a part of the National Wildlife Refuge System and, therefore, without an Act of Congress, a conveyance to the State could invite an injunctive action. Therefore, we are asking the General Services Administration to immediately transfer the entire property to the Fish and Wildlife Service. This will set the stage for subsequent actions to attain our mutually desirable objectives in accord with earlier undertakings.

The preferred method would be to develop a land exchange whereby the Fish And Wildlife Service would convey title to the State of the northeastern area on equal value basis subject to the necessary conditions, restrictions and reverters in exchange for the conveyance of the State tidelands for the refuge. We are ready to effect this exchange as soon as questions of valuation and details of the transfer documents can be worked out.

We remain anxious to cooperate with the State in attaining our mutual objectives. I have asked the acting Fish and Wildlife Service Regional Director, Jerry Stegman, to be available to the State of Texas to work out details of the transfer documents, and would appreciate your appointing someone to work with Mr. Stegman so that we may both move forward with this very desirable project.

Sincerely,

CECIL D. ANDRUS,

Secretary.

GENERAL SERVICES ADMINISTRATION,

Washington, D.C.

Hon. JAMES G. WATT,

Secretary of the Interior,

Washington, D.C.

DEAR MR. SECRETARY: We have deferred disposal of Government-owned land on Matagorda Island since 1975 pending agreement between the Department of the Interior (DOI) and the State of Texas over the future ownership and management of this unique and valuable property.

In 1979, after protracted negotiations, the General Services Administration (GSA), DOI, and the State appeared to reach an agreement providing for the transfer by GSA of approximately 8,000 acres to DOI; conveyance of 11,000 acres to the State; and conveyance of 16,000 acres of tidelands by

the State to DOI. However, the formal tripartite agreement covering this proposal, which DOI sent to the State in the summer of 1979, was not signed.

We recently received a copy of a letter dated January 2, 1981, from former Secretary Andrus to Governor Clements indicating that DOI now plans to request transfer of the entire 19,000 acres and exchange the 11,000 areas for the State-owned tidelands. Such a proposal was advanced several years ago by DOI. We explained then that transfers of excess real property by GSA to other Federal agencies are made for direct program uses only, not for exchange purposes. We must continue to adhere to this policy since such a proposal would contravene the intent of our transfer authority.

I hope you will understand that we cannot continue to withhold disposal of this property. If the proposal set forth in the proposed tripartite agreement is not a workable solution to the problem, we can proceed to transfer the 8,000 acres to DOI for use as part of the National Wildlife Refuge System. The remaining 11,000 acres not needed by DOI for this purpose could then be determined surplus to Federal requirements and made available to the State for acquisition through your Department as a public park and recreational area. If the State is unwilling to accept the perpetual use restrictions and other necessary conditions required by DOI in connection with such a conveyance, the State could be given an opportunity to purchase the property directly from GSA at its estimated fair market value. This arrangement would isolate the issue of the tidelands, which we understand the State does not plan to develop, for mutual resolution by DOI and the State.

We would appreciate your reviewing this matter with Governor Clements and advising us of your position within the next 30 days, if possible. We look forward to working closely with you and your Department on this and other important matters of mutual concern.

Sincerely,

RAY KLINE.

DEPARTMENT OF THE INTERIOR,
Washington, D.C., May 26, 1981.

Mr. RAY KLINE,
Acting Administrator of General Services, General Services Administration, Washington, D.C.

DEAR MR. KLINE: I agree with the position stated in your March 5 letter that the disposition of Matagorda Air Force Range on Matagorda Island, Texas, has been pending far too long. I urge you to transfer as soon as possible the 19,000 acres of excess Federal property to the Department of Interior as specified in our application. The land should be transferred for Federal use as a first priority.

The need for the entire 19,000 acres has been justified in our application based on this barrier island's national and international contribution to migratory birds and endangered species. We have made no reference in our transfer application to a need for any portion of this excess land for use as a future land exchange. After the property is actually transferred to the Department of the Interior, I will work directly with Governor Clements to consummate some type of agreement assuring the future preservation of the nationally significant natural resources present on the island and also to accommodate the State's desire for providing the local people in Texas a source of compatible park and recreational uses. The prompt resolution of this longstanding issue would be in the best interest of all parties concerned.

Sincerely,

DONALD PAUL HODEL,
Under Secretary.

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., May 25, 1981.

Mr. RAY KLINE,
Deputy Administrator of General Services, General Services Administration, Washington, D.C.

DEAR MR. KLINE: As you have been advised, my letter to you dated May 26, 1981, regarding the disposition of Matagorda Air Force Range on Matagorda Island, Texas, is under further review within the Department of the Interior.

I understand this has been a long-standing issue between GSA and the Department of the Interior, and we do wish to expedite a resolution. However, I feel it necessary to reevaluate the issues surrounding the disposition of these 19,000 acres, in light of a recent proposal by Governor Clements.

I apologize for any inconvenience this confusion may have caused you or your Agency. We will be in touch with your office immediately upon reaching a decision in this matter.

Sincerely,

DONALD PAUL HODEL,
Under Secretary.

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., May 29, 1981.

Hon. WILLIAM E. CLEMENTS, Jr.,
Governor of Texas, Austin, Tex.

DEAR GOVERNOR CLEMENTS: Thank you for your letter of April 23 concerning the transfer of the Matagorda Air Force Base. I first want to assure you of my full intent to carry out the offer of cooperation in my January 23 letter.

You detailed the very lengthy and complicated negotiations that have preceded this Administration. I also appreciate very much your offer to have Perry Bass, Chairman, Texas Parks and Wildlife Department, and your General Counsel, David Dean, meet with us and the General Services Administration, and we will be following up in that regard.

While I am pleased that my January 23 letter evoked your request for the transfer of Federal lands on Matagorda Island for wildlife management and recreation purposes, and am inclined to transfer management responsibilities to States where possible, there are, as you know, matters of policy and law which must be reviewed before I can make this commitment. To expedite the matter, I am asking Assistant Secretary for Fish and Wildlife and Parks, Mr. G. Ray Arnett, to review this matter on the ground and discuss it with you or with your staff and other interested parties. I am also asking our Solicitor to review the various matters of law associated with such a transfer. Finally, I am very pleased with your expression of intent to emphasize comprehessive conservation and management of this property and would eagerly solicit any State proposals in that regard.

I am hopeful that these reviews and any further information you may share will enable me to be responsive to your request.

Sincerely,

JIM WATT,
Secretary.

SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS OF THE COMMITTEE ON ENERGY AND COMMERCE,
Washington, D.C., July 13, 1981.

Mr. MILTON J. SOCOLAR,
Acting Comptroller General, General Accounting Office, Washington, D.C.

DEAR MR. SOCOLAR. Enclosed is a copy of my letters to the Interior Department and the General Services Administration concerning the proposed disposal of certain Federal areas which are of significant value for tourists, as well as fish and wildlife protection.

I request that your agency initiate an examination of the handling of these matters by the DOI and the GSA, including a review of the legal status of the Matagorda area and the authority of the GSA to dispose of this area. Please arrange for GAO staff to discuss these various issues with our Subcommittee staff. For this purpose, please contact our Counsel, Mr. Finnegan, at 225-3147.

As is the case in all investigations by GAO requested by me, please do not provide draft or final copies of your report or opinion to these agencies. I will do so at an appropriate time. You should, of course, ensure that factual information is accurate and timely.

With best wishes,

Sincerely,

JOHN D. DINGELL.

SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS OF THE COMMITTEE ON ENERGY AND COMMERCE,
Washington, D.C., July 13, 1981.

Hon. JAMES G. WATT,
Secretary, Department of the Interior, Washington, D.C.

DEAR MR. SECRETARY: As you know, tourism is of vital importance to the Nation. It is a matter of significant importance to this Committee, particularly its interstate character and its energy implications, and we are initiating an examination of the impact of tourism on Federal areas.

Many Federal areas under your jurisdiction attract vast numbers of tourists annually. These include the National Park and National Wildlife Refuge Systems. Such tourist attractions are beneficial to the States and communities where they are located. I am concerned, however, about recent news media reports of possible transfers of significant Federal areas or portions thereof to the States. Most recently, I note an increased interest on the part of the Department and the General Services Administration to resolve a dispute concerning an application by the State of Texas for significant portions of national wildlife refuge lands on Matagorda Island. Also, I understand a list of other refuge lands was recently developed by the DOI for possible disposal.

As you know, the Air Force and former Secretary Rogers Morton entered into a cooperative agreement and permit on November 20, 1971, under which the DOI would administer the Matagorda area. Such an agreement is in accord with the provisions of 16 U.S.C. 670b.

The National Wildlife Refuge System Administration Act of 1966 provides that all lands administered by the Secretary of the Interior as a wildlife refuge are automatically designated as part of the National Wildlife Refuge System. In addition, the Act provides that each area "included within the System on January 1, 1975, or thereafter," by various means, including a cooperative agreement with any Federal department or

agency, "shall continue to be a part of the System until otherwise specified by Act of Congress. . .".

The 1971 DOI-Air Force cooperative agreement and permit specifies that "Interior shall use said lands as part of the Aransas National Wildlife Refuge." Former Assistant Secretary Reed, in a January 9, 1973 letter to the General Services Administration, confirmed that the area was "incorporated" into the Aransas Refuge. That agreement was in force on January 1, 1975 and, to my knowledge, has never been terminated.

I understand that in September 1975, the Air Force apparently sought to declare the area excess to its needs. However, that Air Force action did not terminate the joint Air Force-DOI agreement, and it was never finalized.

On November 17, 1975, the DOI requested that this area be transferred to the DOI pursuant to 16 U.S.C. 667b-667d. In my judgment such an application was not required, since the National Wildlife Refuge System Administration Act provided at that time that the area cannot be disposed of by any agency, including the GSA, without a specific Act of Congress.

Reportedly, the State of Texas, in January 1976, also applied for all of the area pursuant to 40 U.S.C. 484. Such an application appears to be in conflict with the above cited provisions of law.

I am aware that this matter has been a subject of continued discussions between the DOI, GSA, and the State for a number of years. Your predecessor, Secretary Andrus, noted this in a January 2, 1981, letter to Governor William P. Clements, Jr., but the Secretary said:

"The legal basis seems clear and since it is Federal land, it must be transferred for Federal programs as first priority. In addition, it is being administered as a part of the National Wildlife Refuge System and, therefore, without an Act of Congress, a conveyance to the State could invite an injunctive action. Therefore, we are asking the General Services Administration to immediately transfer the entire property to the Fish and Wildlife Service. This will set the stage for subsequent actions to attain our mutually desirable objectives in accord with earlier undertakings.

"The preferred method would be to develop a land exchange whereby the Fish and Wildlife Service would convey title to the State of the northeastern area on equal value basis subject to the necessary conditions, restrictions and reverters in exchange for the conveyance of the State tidelands for the refuge. We are ready to effect this exchange as soon as questions of valuation and details of the transfer documents can be worked out."

I agree with the Secretary's contention that this area is part of the System and cannot be disposed of, but I do not agree that such a land exchange would be legal.

I understand that on January 23, 1981, you wrote to the Governor of Texas and other Governors inviting them to discuss problems with you. Subsequently you asked the Governors to identify "small" parcels of federal lands that local governments might acquire for community needs. In an April 23, 1981, reply, Governor Clements, noting the long history of the negotiations concerning Matagorda, said:

"It is the position of the State of Texas that the property is 'surplus' property under the Federal Property and Administrative Service Act, 40 USCA 471 et seq. GSA also takes the position that the property is 'surplus' and not 'excess.' Had it been determined 'excess' property, it would have been transferred to another federal agency long ago. As 'surplus' property, the land can be sold under this act at its estimated fair market value to any party, including the State of Texas, or it can be transferred to Texas under 16 USCA 667b through the DOI."

In a May 29, 1981, letter to the Governor, you quite properly declined to make a commitment concerning this matter. You noted that there are important questions of policy and law that must be resolved.

I agree. Indeed, I believe that the GSA particularly and past DOI officials have spent too much time negotiating without first sorting out the legal issues. This is obvious, since it apparently took until July 1977 for the DOI to first discover the 1971 cooperative agreement and the provisions of the National Wildlife Refuge System Administration Act cited above. In a July 6, 1977 letter, the then Secretary told GSA that a "point of law has come to our attention" and advised the GSA of the law. Apparently, the GSA has ignored the law and is proceeding as if their statutes are the only applicable law. There are, in fact, several other statutes that are pertinent. Thus, your caution is warranted.

I welcome and encourage the examination of the law and policy by your Solicitor. At the same time, however, I am asking the General Accounting Office to examine these matters, including the legal issues, and to provide a report thereon to our Subcommittee. In addition, our Subcommittee staff will also be conducting an investigation of the handling of the matter by the GSA and the DOI.

I, therefore, request that no action on the request by the State of Texas be taken by the DOI or the GSA until this investigation is complete. More than six years have lapsed, a few more months will not be consequential.

In addition, I request that the DOI respond by July 31, 1981 to the following:

1. Please provide a copy of the 1971 agreement between the DOI and the Air Force.

2. I understand that on May 26 and 29, 1981 the Under Secretary of the Interior wrote to Mr. Ray Kline, Deputy Administrator of the General Services Administration, regarding the disposition of this area. Please provide a copy of those letters.

3. Please provide a copy of all letters, memoranda, notes, reports, and other documents in the DOI files, including the files of the Fish and Wildlife Service in Washington and in the field and of the Solicitor, concerning the disposition of this area and covering the period when the FWS first requested the area in 1975 to the present.

4. I understand that Assistant Secretary Ray Arnett will evaluate the area later this week and report to you. Please provide a copy of that report, together with a copy of the Solicitor's opinion concerning the legal issues.

5. Please provide a table showing visitor use by month at Matagorda and other areas of the National Wildlife Refuge System for FY 1979 and 1980.

6. Please provide information showing the budget for management of the System for FY 1979 thru FY 1982 and for Matagorda.

7. Please indicate what, if any, actions pursuant to the National Environmental Policy Act of 1969 have been taken by the DOI and the GSA concerning the proposed Matagorda disposition. If none, please explain why.

8. Please provide a separate table in chronological order of all actions taken by the DOI concerning the 1975 FWS application and the 1976 Texas application.

9. I understand that at the request of a Senate Committee a list of refuge areas for disposal was hastily prepared. Please provide that list, explain how it was prepared, explain why each area is a candidate for disposal, provide the legal basis for such disposal, taking into consideration the laws cited herein, and state whether or not you support the disposal of each area on the list.

Please provide a copy of your response to the above matters to the GAO.

Sincerely,

JOHN D. DINGELL,
Chairman.

GENERAL SERVICES ADMINISTRATION, FEDERAL PROPERTY RESOURCES SERVICE,
Washington, D.C., July 24, 1981.

Hon. JOHN D. DINGELL,
Chairman, Subcommittee on Oversight and Investigations, Committee on Energy and Commerce, House of Representatives, Washington, D.C.

DEAR MR. DINGELL: Thank you for your letter of July 13, 1981, concerning the disposition of Matagorda Island, Texas.

As requested in your letter, the General Services Administration will postpone action on Matagorda Island for a reasonable time to allow your subcommittee to review the circumstances involved in this case. Meanwhile, we are reviewing the questions raised in your letter. We are also searching our files to identify and reproduce the documents you have requested.

Because our regional office in Fort Worth, Texas, will have to search its files and identify and reproduce documents, as well, we will not be able to provide a complete response by July 30, 1981, as you requested. You will receive a final reply within 4 weeks.

Sincerely,

ROY MARKON,
Commissioner.

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., August 4, 1981.

Hon. JOHN D. DINGELL,
Chairman, Subcommittee on Oversight and Investigation of the Committee on Energy and Commerce, House of Representatives, Washington, D.C.

DEAR MR. DINGELL: Thank you for your letter of July 13, 1981, to Secretary Watt concerning the disposition of lands on Matagora Island, Texas.

As you stated, some 19,000 acres of the approximately 33,000 acres on Matagorda Island which were utilized by the Air Force as a bombing range are managed as a part of the National Wildlife Refuge System by virtue of a 1971 cooperative agreement between the Department of the Interior and the Air Force. In 1975, the lands were declared excess to the Air Force's needs, and since that time the General Services Administration (GSA) has been attempting to make some final disposition of the property.

Although the 19,000 acres on Matagorda Island became part of the Refuge System as a result of the cooperative agreement with the Air Force, title to the lands was never transferred to the Department of the Interior and they still are under the control of GSA. The National Wildlife Refuge System Administration Act provides that lands made or managed as a part of the Refuge

System via a cooperative agreement may be removed from the System by either an Act of Congress or pursuant to the terms of the cooperative agreement. 16 U.S.C. § 668dd(a)(3)(B)(iii).

The cooperative agreement with the Air Force[1] provides for termination upon mutual agreement of the parties. If the agreement is terminated, the lands would automatically be removed from the Refuge System and would be available for disposition by GSA either to the State of Texas or this Department. Regardless of what disposition is to be made, the cooperative agreement would have to be terminated.

In conjunction with GSA, we are now beginning to prepare an environmental assessment which will discuss the various alternatives for disposal of the Island, including transferring it to the State of Texas, and transferring title to the Fish and Wildlife Service (FWS). In addition, the necessary Endangered Species Act section 7 consultations will be carried out to insure that any selected action e.g., termination of the cooperative agreement and disposal of the property, does not jeopardize the continued existence of any endangered species or result in the destruction or adverse modification of critical habitat.

Inasmuch as these procedures need to be followed regardless of what disposition is made of the Island, we are proceeding with the assessment and section 7 consultations. When those actions have been completed, and a decision has been made as to what course of action to pursue, I will inform you of that decision prior to its implementation. As we discussed, whatever decision is ultimately reached will be in accord with all applicable laws. If you wish, I would be pleased to have members of my staff and the Solicitor's Office meet with your staff and/or the GAO on this matter.

The following documents and information are provided in response to your nine specific requests.

1. A copy of the 1971 agreement between DOI and the Air Force.

2. A copy of the May 26 and May 29, 1981, letters from Under Secretary Hodel to Ray Kline, Acting Administrator of GSA.

3. All letters, memoranda, notes, reports, and other documents in the DOI files, including the FWS field office and the Solicitor's Office concerning the disposition of Matagorda Island from 1975 to the present. Some of the documents we are submitting to you we have declined to provide in response to Freedom of Information Act (FOIA) requests. These materials, which are marked "FOIA", constitute staff recommendations and drafts which are part of the deliberative, decisionmaking process and as such are exempt from disclosure under section (b)(5) of the FOIA. Therefore, we would appreciate your maintaining the confidentiality of these documents.

4. The only report of my trip to Matagorda Island is that contained in my memo to the files. There is no Solicitor's opinion per se. There are numerous documents, reflecting the Solicitor's view, which are provided in response to your third request. The Solicitor's Office is currently reviewing the matter.

5. A table showing visitor use at Matagorda and other areas of the Refuge System for FY 1979 and 1980 is provided.

6. Information showing the budget for management of the Refuge System for FY 1979–FY 1982 and for Matagorda is provided.

7. An environmental assessment which was prepared by the FWS in January 1976 for the then FWS proposal for acquisition of the entire 19,000 acres on Matagorda is provided. The Service and GSA will be preparing a new assessment analyzing alternatives which were not considered in the 1976 assessment.

8. DOI has not taken any final action on the 1975 FWS application or the 1976 Texas application. The documents enclosed in response to your request number 3 detail all of the events which have occurred. In addition, there is enclosed a Matagorda Chronology: Jan. 20, 1981–present.

9. A list of the refuge areas considered for disposal and explanation thereof is provided.

I trust the foregoing is responsive to your request.

Sincerely,

G. RAY ARNETT,
Assistant Secretary for Fish and Wildlife and Parks.

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SOLICITOR,
Washington, D.C., August 18, 1981.

MEMORANDUM

To: Assistant Secretary for Fish and Wildlife and Parks.

From: Associate Solicitor, Convervation and Wildlife.

Subject: Possible transfer of Matagorda Island to the State of Texas.

By copy of his May 29, 1981, letter to Governor Clements of Texas, the Secretary asked this office to discuss the legal considerations involved in a possible transfer of Matagorda Island to the State of Texas. This memorandum responds to that request.

Before any transfer of Matagorda can be made, the cooperative agreement with the Air Force,[1] pursuant to which the Island has been managed as part of the Refuge System, must be terminated. Because the cooperative agreement brought the Island into the National Wildlife Refuge System, termination of the agreement would result in the lands' removal from the System. This would comport with the provisions of the National Wildlife Refuge System Administration Act, 16 U.S.C. § 668dd(a)(3), which require that land brought into the Refuge System pursuant to a cooperative agreement can only be disposed of by an Act of Congress, or pursuant to the terms of the cooperative agreement. The terms of the agreement with the Air Force do not provide for the disposal of Matagorda Island; there is provision, however, for termination of the agreement by mutual agreement of the parties. It is not reasonable to argue that because the agreement does not provide for disposal of the lands, they must forever be a part of the Refuge System. If, for example, when the Air Force was in possession of the Island it had become necessary to terminate the agreement due to some exigency requiring exclusive Air Force control of the lands, the argument that the lands remained in the System notwithstanding the agreement's termination would have defeated entirely the mutual termination clause of the agreement.

In making a decision to terminate the cooperative agreement and dispose of the lands (whether to Texas or FWS), it will be necessary to prepare an environmental assessment (and if the assessment so indicates, an EIS), and conduct a Section 7 Endangered Species Act consultation.

We recommend that FWS and GSA prepare a joint assessment for the action of terminating the agreement and disposing of the Island.

If the disposition is to be a transfer to the State of Texas, in our view there are two viable methods for accomplishing a transfer in which the State would not have to pay for the property:

1. 16 U.S.C. 667b. This statute, commonly known as P.L. 80-537, provides that real property under the jurisdiction of, and no longer required by, a federal agency and which "can be utilized for wildlife conservation purposes by the agency of the State exercising administration over the wildlife resources of the state wherein the real property lies" may be transferred without cost to the state agency "if the management thereof for the conservation of wildlife relates to other than migratory birds."

It is our understanding that the migratory birds which utilize Matagorda Island, principally the whooping crane and brown pelican, are found largely on State owned marshlands northwest of the Island (on the bay side) or on State owned tidelands southeast of the Island (on the Gulf side)

One question which has been raised with regard to this statute is whether the State of Texas would be permitted to use the area for recreational purposes if it is transferred for wildlife conservation purposes. We see no reason why recreational uses that are compatible with wildlife conservation cannot be allowed. The analogy to the Refuge Recreation Act, 16 U.S.C. 460K-460K-4, and the National Wildlife Refuge System Administration Act, 16 U.S.C. 668dd, is apparent; under those two statutes the Secretary is authorized to allow recreational and other uses of a refuge when those uses are found to be compatible with the purposes for which the refuge was established.

Public Law 80-537 itself provides that a transfer to a State shall be subject to the condition that the property be used for wildlife conservation purposes and if not so used (or if needed for national defense purposes) shall revert to the United States.

Any deed for the property from GSA to the State would contain ample provisions to ensure that the property continue to be used for wildlife conservation purposes, and that any recreational uses that are permitted be compatible with wildlife conservation.

The transfer would be accomplished by the Administrator of General Services who would place in the deed various restrictions on the property's use.

A review of the legislative history of P.L. 80-537 indicates that its principal purpose was to turn lands over to states for wildlife conservation.

And what we are asking is that lands suitable for wildlife purposes be turned over first to the States if they can use it.

I[f] they want it, turn them over to the States.

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[1] The Air Force has vacated Matagorda Island and GSA is currently the caretaker of the property. GSA has succeeded to the Air Force's interest in the cooperative agreement and the Island has continued to be administered as part of the Refuge System pursuant to the terms of the cooperative agreement.

[1] In 1975, the Air Force declared Matagorda Island excess to its needs. Since that time, the General Services Administration (GSA) has had physical custody of the property, and has succeeded to the Air Force's interest in the cooperative agreement.

If there is anything that the State wants for the development of upland birds in wildlife, they get the choice of this land, and they develop it under their own State authority.[2]

In addition, the then Director of the Fish and Wildlife Service, Albert M. Day, stated that the legislation was largely "for the benefit of the States".[3]

Prior to 1972, P.L. 80-537 provided that real property which "is chiefly valuable for use for such [wildlife conservation] purpose" [emphasis added] may be transferred to a state or the Interior Department.

In 1972, P.L. 80-537 was amended to delete the word "chiefly" from the phrase. The phrase now reads "and (2) is valuable for use for any such [wildlife conservation] purpose. . . ." The reasons for the 1972 amendment lie in the fact that the word "chiefly" resulted in applying the section so that if there were any other purpose for which the land could be used, it was allotted for such other purposes. Hence, wildlife conservation purposes took a back seat to all other possible uses of the land. By elimination of the word "chiefly" it was hoped that wildlife purposes would stand on an equal footing with all other possible uses of the land when put before the Administrator of General Services for his decision on the matter. See Senate Report No. 1108, 92d Cong., 2d Sess. reprinted in [1972] U.S. Code Cong. & Ad. News 3366.

The text of the report on the 1972 amendment speaks primarily to the acquisition of land by the states, and not the Department of the Interior. In the Summary of the Legislation section, the report states: "The purpose of this legislation is to make more accessible to the States surplus Federal lands that are valuable for wildlife conservation purposes." [1972] U.S. Code Cong. & Ad. News at 3366. Again, this evidences the intent expressed in 1948 by Senator Wherry that the legislation was primarily for the benefit of the states.

While the legislative history of P.L. 80-537 and its 1972 amendment is clear on the primacy of transfer to states if excess property can be utilized for wildlife conservation purposes, there is no indication of what degree of recreational use can be permitted. As discussed earlier, we see no reason why compatible recreational uses of such lands cannot be permitted. Any recreational use would need to be strictly regulated, and provisions should be placed in the deed of transfer to require reverter to the United States should any abuses occur which would interfere with the use of the property for wildlife conservation purposes.

2. 40 U.S.C. § 484(k)(2). This provision of the Federal Property and Administrative Services Act (GSA's disposal authority for excess and surplus property) allows for transfer of surplus real property to the Secretary of the Interior when the Secretary recommends that such property is needed for use as a public park or recreation area. The Secretary of the Interior is in turn authorized to sell or lease the transferred property to a state for public park or recreational purposes. In fixing the sale or lease price, the Secretary takes "into consideration any benefit which has accrued or may accrue to the United States from the use of such property by any such State . . . ."[4]

Thus, the Secretary of the Interior could determine that use of the property as a park or recreation area would be of such benefit to the United States that it could be transferred to the State of Texas at a 100 percent discount.

Further, section 484(k)(2) requires that the deed of conveyance for the property provide that the property be "used and maintained for the purpose for which it was conveyed in perpetuity", and in the event that the property ceases to be so used it shall, at the option of the United States, revert to the United States.

If it is determined that Matagorda Island should be transferred to Texas via section 484(k)(2), we would recommend that, in addition to the requirement in the deed that the property continue to be used as a park or recreation area in perpetuity, a requirement be inserted that the area be managed for wildlife conservation purposes as well.

In conclusion, it is our opinion that Matagorda Island can be transferred to the State of Texas pursuant to either 16 U.S.C. § 667b or 40 U.S.C. § 484(k)(2).

Further, before any decision is reached as to the disposition of the property, the necessary environmental assessment and Endangered Species Act section 7 consultations must be completed.

Any further questions on this matter may be directed to Mr. David Fisher of this office at x2172.

J. ROY SPRADLEY, Jr.

GENERAL SERVICES ADMINISTRATION,
Washington, D.C. September 28, 1981.

Hon. JOHN D. DINGELL,
Chairman, Subcommittee on Oversight and Investigations, Committee on Energy and Commerce, House of Representatives, Washington D.C.

DEAR MR. DINGELL: This is in further reply to your letter of July 13, 1981, concerning the disposition of Matagorda Island, Texas. As we noted in our letter of July 24, 1981, the General Services Administration (GSA) has continued to postpone action on Matagorda Island in accordance with your request to allow your subcommittee time to review this case.

In responding to your request we will answer the inquiries raised in your letter in the order presented.

1. We were unable to separate the chronology of actions taken by GSA into two distinct areas, one dealing exclusively with the Department of the Interior (DOI) application and the other dealing with the application of the State of Texas. However, we are providing a chronology of GSA actions with regard to both applications. (See Attachment 1.)

2. We have enclosed copies of all documents noted in the chronology which are pertinent to the GSA actions with regard to the above noted applications. (See Attachment 2.)

3. When GSA was advised by DOI on June 7, 1977, and July 6, 1977, concerning the National Wildlife Refuge System issue, we responded to DOI on November 3, 1977. (See Attachment 3.)

4. You have requested the legal basis for GSA continuing to entertain the application of the State of Texas in light of the requirements of law applicable to this area which you outlined in your attached July 13, 1981, letter to Secretary Watt.

It is our position that Matagorda Island is available for transfer or disposal by GSA due to the unconditional Report of Excess filed by the Department of the Air Force with GSA in September 1975. The Memorandum of Understanding signed by DOI and Air Force in November 1971 did not place the property in question in the National Wildlife Refuge System, nor was it intended by either party, or contemplated by either party at the same time to have such an effect. More specifically:

(a) The Memorandum of Understanding does not constitute a "cooperative agreement" as that term is used in Section 3 of P.L. 94-223. The authority recited in the Memorandum of Understanding for the Secretary of the Interior to administer the subject property is the Endangered Species Act of 1966 (P.L. 89-669). This act was amended by P.L. 90-406 and further amended by P.L. 91-135 in 1969. The Memorandum of Understanding was signed by DOI and Air Force in November 1971. P.L. 89-669, P.L. 90-406, and P.L. 91-135 do not provide for any express authority for cooperative agreements between Federal agencies, but only refer to agreements between States and DOI for administration and management of endangered species.

The cooperative agreements contemplated in Section 3 (b) of P.L. 89-669 were to provide a mechanism whereby the States could administer or manage areas established for endangered species purposes not the administration of the areas by DOI instead of the States. The Air Force did not contemplate management of the wildlife and endangered species on Matagorda Island nor did it request such duties, but rather intended that DOI be granted limited access to the Island on a permit basis to perform such services.

(b) The Memorandum of Understanding of November 1971 was for a temporary license or permit for a secondary use which would not interfere with the primary Air Force mission. The Memorandum of Understanding did not provide for a transfer of custody, accountability, or control over the property or establish DOI as the holding agency instead of Air Force. In point of fact, Section 10 of the Memorandum of Understanding noted expressly that nothing in the Memorandum would limit, restrict, or interfere with the ". . . rights of the Air Force to continue to be responsible for the management of wildlife activities on the Air Force property, subject only to the peculiar requirements for whooping crane preservation . . ." Thus, it is evident that the permit arrangement was restricted and not intended by both parties as a document which would transfer the Federal lands into the National Wildlife Refuge System.

(c) Air Force was not precluded by the permitting procedure from terminating use of the Federal property for its primary mission. The permit was for a secondary use. When the primary reasons for the utilization of the property were no longer considered viable, the property was reported as excess by the Air Force for transfer or disposal pursuant to the terms and conditions of the Federal Property Act. Therefore, the permit conditions were automatically terminated when the unconditional report of excess was received, accepted, and processed by GSA pursuant to 41 CFR 101-47.202-10.

A copy of our response to your letter along with the enclosures have been forwarded to the General Accounting Office

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[2] Acquisition of Land for Wildlife Conservation Purposes: Hearings on S. 1155, H.R. 4018 and H.R. 107. Before a Subcommittee of the Committee on Interstate and Foreign Commerce, 80th Cong. 1st Sess. 16 (1947). [Hereinafter cited as hearings]. Remarks of Senator Wherry.

[3] Id. at 41.

[4] We are informed that HCRS has traditionally handled such transfers to states, and in all recent cases the transfers have been made at no cost to the states involved.

per your request. If we may be of further assistance to you, please let us know.

Sincerely,

PAY KLINE,
Deputy Administrator.

HOUSE OF REPRESENTATIVES, SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS OF THE COMMITTEE ON ENERGY AND COMMERCE,
Washington, D.C., January 27, 1982.

Hon. G. RAY ARNETT,
Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, Washington, D.C.

DEAR MR. ARNETT: On August 26, 1981 I requested your response by September 14 to a number of questions concerning Matagorda Island, the national home of the whooping crane and other wildlife. Subsequently, your staff requested a delay and indicated that you wanted to meet with me to discuss the issues concerning the Matagorda controversy. Several attempts to meet proved unsuccessful. However, I have not received the requested reply which I still require.

While I welcome the opportunity to meet with you to discuss these issues (and I understand from discussions with our staffs yesterday that you still desire such a meeting), I must insist, as my staff indicated I would, on your providing a full reply to my letter prior to that meeting. The reply should include a copy of all documents, including draft copies, of any environmental assessment developed thus far and the basis for determining that an EIS is required. Again, until the legal issues are resolved, I believe it would be wasteful to prepare an EIS.

The reply should also include all letters, memoranda, notes, reports, etc., concerning Matagorda Island in your Albuquerque, New Mexico office which were not included in your earlier reply.

Also, I am familiar with the August 18, 1981 memorandum of the Associate Solicitor for Conservation and Wildlife which states that before the Department can transfer this National Wildlife Refuge System area to Texas, the cooperative agreement "must be terminated" and that such a termination "would result in the lands' removal from the System". The memorandum notes that the Air Force declared the Island "excess to its needs" in 1975 and that the GSA "has had physical custody of the property and has succeeded to the Air Force's interest in the cooperative agreement." It failed to mention that the Corps of Engineers, not GSA, issued permits for the area to the FWS.

There is, of course, nothing in the 1971 agreement that provides for such succession by the GSA or the Corps. If it legally occurred at all, it occurred as a result of the surplus property laws that were invoked when the Air Force declared the island excess. However, subsequent to that declaration, Congress enacted the Game Range Act which clearly placed the area in the National Wildlife Refuge System. At that point the Surplus Property laws would no longer apply. I, at least, fail to see any legal basis for asserting that they should apply. The later and specific Act of Congress applies. Such an interpretation or understanding does no harm to the Air Force, because that agency declared it excess to its needs and now merely wants to get rid of it. This could be done by an amendment to the original cooperative agreement providing for the transfer of the Air Force's administrative interest in the island to the Fish and Wildlife Service and deleting the termination clause which is no longer necessary. I presume that title to this area is in the United States and that the Air Force is merely the custodian for the United States. The Associate Solicitor's memorandum fails to discuss the availability of this possibility. The Associate Solicitor's memorandum also fails to show the legal basis for concluding that the Surplus Property laws apply in the same manner as in 1975 when the Air Force made its declaration. I have asked GAO to address these issues, as well as the issue of amending the agreement as I suggest.

In a September 28, 1981 letter to me, the GSA, in replying to my request for the legal basis for GSA continuing to entertain the application of Texas for this Island failed to provide that basis, but did say:

The Island is available for transfer or disposal by GSA due to the "unconditional" Report of Excess (which the GSA has not provided to me) by the Air Force in September, 1975;

The cooperative agreement "did not place the property in question in the National Wildlife Refuge System", nor was it intended by either party, or contemplated by either party at the same time, to have such an effect;

The cooperative agreement is not a cooperative agreement;

The cooperative agreement was for a secondary use which would not interfere with the primary Air Force mission;

The agreement provides that it does not limit, restrict, or interfere with the rights of the Air Force to continue to be "responsible for the management of wildlife activities on the Air Force property, subject only to the peculiar requirements for whooping crane preservation, as worked out with representatives of Interior" (which, despite the GSA contention, appears to be a limitation on the Air Force) and thus "it is evident that" the agreement "was restricted and not intended by both parties as a document which would transfer the Federal lands into the National Wildlife Refuge System"; and

The Air Force was not precluded from terminating use of the island for its primary mission and that the agreement was "automatically terminated when the unconditional report of excess was received, accepted, and processed by GSA".

All of the GSA contentions which totally ignore the Game Range Act are absurd and presumably were written with no consultation with the GSA lawyers who I hope are more capable than the GSA letter shows.

To my knowledge, no one contends that the 1971 agreement placed the area in the Refuge System, although it specifically states that: "Interior shall use said lands as a part of the Aransas National Wildlife Refuge" which is part of the System and which indicates some "intent" by the parties to include the area in the System. Nevertheless, the later Game Range Act put to rest this issue. It placed the area in the System, the intent of the parites in 1971 notwithstanding.

The fact that the Interior's use was possibly secondary to the Air Force (although that is not entirely clear from the agreement) is irrelevant. To my knowledge, no one contends that the agreement should be terminated because of a superior Air Force need. Indeed, the Air Force has declared it does not need the area. Further, unlike other Defense Department agreements for such wildlife areas with Interior, no provision was made in the 1971 agreement for termination on defense or national security grounds. By its very terms, termination requires "mutual agreement". If one party balks, no termination could result.

Finally, the mere declaration of excess did not, and could not, terminate the agreement which by its very terms required "mutual agreement" between the parties. Such laws do not provide for such unilateral action. Furthermore, to my knowledge, the declaration has never been fully processed by GSA as witnessed by the lengthy record of discussions between GSA and Interior since 1975. Most importantly, the 1976 law intervened, halted, and mooted that process.

The Interior Associate Solicitor also states:

"The terms of the agreement with the Air Force do not provide for the disposal of Matagorda Island; there is provision, however, for termination of the agreement by mutual agreement of the parties. It is not reasonable to argue that because the agreement does not provide for disposal of the lands, they must forever be a part of the Refuge System. If, for example, when the Air Force was in possession of the Island it had become necessary to terminate the agreement due to some exigency requiring exclusive Air Force control of the lands, the argument that the lands remained in the System notwithstanding the agreement's termination would have defeated entirely the mutual termination clause of the agreement.

"In making a decision to terminate the cooperative agreement and dispose of the lands (whether to Texas or FWS), it will be necessary to prepare an environmental assessment (and if the assessment so indicated an EIS), and conduct a Section 7 Endangered Species Act consultation.

"We recommend that FWS and GSA prepare a joint assessment for the action of terminating the agreement and disposing of the Island."

I agree that the 1971 agreement does not provide for disposal of the Refuge area. I also do not contend that because the agreement is silent on disposal, that the agreement requires this area "must forever be a part of the Refuge System". The 1976 Game Range Act requires the area be "forever" a part of the "Refuge System" except where the agreement provides for termination and such termination occurs as provided by the agreement. However, the Air Force is not seeking termination, rather the GSA and Texas are. They are not parties to the agreement. I know of no legal basis for GSA to seek such termination, particularly where the Surplus Property laws are inapplicable by reason of the Game Range Act.

As I have already pointed out, the "mutual agreement" provision in the termination clause does, in fact, enable either party to prevent termination. That was the obvious purpose of the clause and probably was requested by the Interior Department in 1971. Interior need not terminate.

The Solicitor fails to address the crucial issue of whether, absent a request by the Air Force for termination to meet its defense needs, Interior is authorized under the laws applicable to Interior, such as the Game Range Act, the National Wildlife Refuge System Administration Act, the Endangered Species Act, the Migratory Bird Treaty Act, and NEPA, to exercise the termination clause. Clearly, none authorize Interior to give away a valuable part of the Refuge System needed for national wildlife purposes to satisfy GSA's apparent desire to satisfy Texas. Certainly, 16 U.S.C. 667b and 40 U.S.C. 484(k)(2) do not provide such au-

thority. I have also asked the GAO to examine this important issue.

Sincerely,

JOHN D. DINGELL,
Chairman.

HOUSE OF REPRESENTATIVES, SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS OF THE COMMITTEE ON ENERGY AND COMMERCE,
Washington, D.C., May 13, 1982.

Hon. JAMES G. WATT,
Secretary, Department of the Interior, Interior Building, Washington, D.C.

DEAR MR. SECRETARY: On August 26, 1981, I wrote to Assistant Secretary G. Ray Arnett requesting his reply by September 14, 1981 to a number of questions concerning Matagorda Island, a national tourist attraction because it is the national home of the whooping crane and other migratory wildlife. It is an area of concern to this Subcommittee because of its important tourist value. When I did not receive a reply five months later, I again wrote to the Assistant Secretary on January 27, 1982.

I still have *not* received even an acknowledgement of either letter. I find that intolerable and unacceptable conduct on behalf of the Interior Department. I request that the Department respond fully to both letters within 15 days after receipt of this letter and provide an explanation as to why Interior officials apparently are unwilling to respond to my inquiry, particularly after being quite responsive initially.

Enclosed is an April 16, 1982 opinion of the Comptroller General of the United States (B-204291) concerning the National Wildlife Refuge System area. I request your review and comment on that opinion.

The GAO opinion holds that:

Despite the General Services Administration's (GSA) contrary contentions, the 1971 Interior—Air Force memorandum of understanding (MOU) "is a 'cooperative agreement' as that term is used" in the National Wildlife Refuge System Administration Act, as amended by the Game Range Act, Public Law 94-223;

Although "not a 'transfer' of Air Force's primary jurisdiction to Interior, the 1971 MOU clearly granted a secondary use for wildlife refuge purposes,";

"Public Law 94-223 legislatively ratified all prior designations of refuge areas by cooperative agreements such as the 1971 MOU," and the GAO sees "no merit in questioning at this late date Interior's and Air Force's authority under the Endangered Species Act of 1966 to execute the 1971 MOU";

One of the "express purposes" of the 1971 MOU was "to administer an area on Matagorda Island as a national wildlife refuge to meet its responsibilities for the whooping crane";

The area subject to the 1971 MOU is part of the National Wildlife Refuge System;

GAO rejects "GSA's argument of an implied termination" of the 1971 MOU effective when GSA received in September 1975 the Air Force's report of excess property;

"Interior and the Air Force may . . . agree to terminate the 1971 MOU, subject of course, to compliance with the applicable requirements of NEPA and ESA";

The Endangered Species Act, the National Environmental Policy Act of 1969, the Migratory Bird Treaty Act, Public Law 94-223, and the National Wildlife Refuge System Administration Act of 1966, do not, according to GAO, limit the Interior "Secretary's authority to initiate the termination of cooperative agreements under the provisions of Public Law 94-223", but obviously could limit final termination;

GSA's disposal authority "relates solely to the Air Force's retained interest in Matagorda Island that was reported to GSA as excess in September 1975", but that interest is subject to Interior's interest;

Until the MOU is terminated or an Act of Congress removes it from the System, "GSA has no authority to dispose of Interior's interest in Matagorda Island";

The GSA "cannot declare excess real property 'surplus' and dispose of it outside the Federal Government unless the Administrator, GSA, specifically determines that the excess property" is not required by other Federal agencies; and

If Interior were to proceed to renew or merely update its earlier request for the Air Force's excess interest in Matagorda under Public Law 80-537, the GAO does not think the GSA "could determine" the area "is not required" for Interior's responsibilities.

The GAO said: "By enacting Public Law 94-223, Congress legislatively sanctioned Interior's prior designation of properties included in the National Wildlife Refuge System pursuant to cooperative agreements. In other words, Congress has in our view limited the Administrator's discretion to determine that the excess Air Force interest is 'surplus' to Interior's needs so long as Interior continues to retain its interest in the subject property."

This GAO view that the GAO is powerless to act so long as Interior retains its interest in the Island, pursuant to the 1971 MOU and that the GSA could not dispose of the Air Force interest if the Fish and Wildlife Service claims that interest, is important. It goes to the heart of the matter. It supports fully my contention that the GSA role in this matter is non-existent or unimportant. The determining agencies are Interior and FWS. Until they decide to "give away" this national area, nothing bad happens. The whooping crane continues to receive the protection intended by Congress. The Migratory Bird Treaty is complied with. Unfortunately, both seem to be bent on a "give away" program apparently to appease the GSA and Texas. I find that totally incomprehensible and contrary to the national interest.

The GAO opinion makes it quite clear that the 1971 cooperative agreement is valid and was not affected by the Air Force's 1975 declaration of excess. It also makes it clear that the area is by statute a part of the National Wildlife Refuge System and that, at present, the GSA cannot dispose of the area of Matagorda covered by the 1971 cooperative agreement while the MOU is in effect.

This portion of the GAO opinion raises the question why Interior is seemingly moving rapidly to rid itself of its statutorily protected interest in this National Wildlife Refuge System area. The fact that GSA wants to give away this endangered species sanctuary to Texas and that Texas wants it should have no bearing on the issue. Interior can retain its interest, tell GSA to so inform Texas, and obtain the Air Force interest as well. The February 3, 1982, Fish and Wildlife Service-General Services Administration notice (prepared—not by either agency—but by a lawyer in the Solicitor's Office who has no responsibility for Matagorda or for endangered species, like the whooping crane, or for the disposal of the excess Air Force interest in Matagorda) fails to explain why Interior believes it important to rid itself of Matagorda. The notice weakly states: "The purpose of this proposed action is to preserve the existing natural character of the 19,000 acres of federal land of Matagorda Island through appropriate management by the Texas Parks and Wildlife Department as described in its 'Matagorda Island Conceptual Plan' dated October 22, 1980."

However, that purpose, together with the purpose for which the MOU was executed in 1971, can be served adequately without conveying title to the Area to Texas. The FWS has been doing this for years. The GAO opinion strengthens its ability to do this because it recognizes that the area is protected by Federal law.

Similarly, Assistant Secretary Arnett's August 4, 1981, letter to me fails to explain why Interior should "initiate" termination of the 1971 MOU or why it wants to transfer this area to Texas. Yet, he is quite clear that "disposal" of Matagorda to Texas is upper-most in his mind. A cynical person might believe some private understanding between the Governor of Texas and this Administration. I hope that is not the case. But, so long as the Administration fails to explain adequately to the public why it feels compelled to give away this nationally important whooping crane area, one cannot ignore that possibility.

The GAO opinion concludes that Congress, in enacting Public Law 94-223, did not preclude termination of cooperative agreements covered by the law in accordance with the "terms of the agreement". The GAO cites legislative history to show that Interior recommended language in Public Law 94-223 aimed at recognizing the termination provisions of cooperative agreements, like the 1971 MOU.

I do not quarrel with that. The history is generally clear. However, the reason why Interior made that recommendation is not revealed in the legislative history or in the GAO opinion.

I was a Member of the House Subcommittee that considered H.R. 5512 in the 94th Congress. Interior recommended that language to appease other Federal agencies and State agencies with which Interior had agreements. Those agencies did not want Congress to "lock up" these areas as part of the System and thus override their original or primary defense or other purpose in the area. However, it was never intended by me or others on the Committee in agreeing to that provision, at that time, that Interior or the Fish and Wildlife Service (which were the agencies negotiating the agreements to obtain the lands for fish and wildlife purposes) would utilize the provision to dispose of an area considered critical for endangered species or needed to protect migratory birds pursuant to this Nation's treaty obligations with Canada and Mexico.

The area is considered critical habitat for the whooping crane and other migratory birds. That is why Interior acquired it in 1971. That prupose has not changed. It is still critical. I note that on March 8, 1982, the Canadian Government, which is a party to the Migratory Bird treaty, expressed concern about the proposed termination. I hope that Canada will enlist the aid of the State Department in halting this travesty. I believe that such action to terminate the MOU violates at least the spirit of our understandings in the 94th Congress and is improper. I strongly oppose such termination, and I have asked GAO to reconsider this aspect of the matter.

Moreover, I believe that Interior is not complying with NEPA, but is improperly

using the EIS process to justify its preconceived notion and decision of what is the "preferred" alternative. I also believe that the FWS-GSA notice failed to inform the public that a portion of the Island has been designated as critical habitat for the endangered whooping crane, that mere continuation of the 1971 MOU will adequately afford preservation of this critical habitat, and that termination is subject to the requirements of the Endangered Species Act. Finally, it is clear to me that the Air Force, not GSA, has a lead role in the termination and in the development of the EIS.

The GAO opinion states that the GAO offers "no opinion concerning the adequacy of Interior's efforts to comply with the requirements of NEPA or ESA." I am asking the GAO to examine those efforts and to provide an opinion concerning the adequacy of such compliance.

Please provide to me a copy of Texas Conceptual Plan of October 2, 1981 and all related documents.

I also request that this letter, the GAO opinion, and my prior letters to Interior and GSA, as well as all replies from such agencies be included in the record of the proceedings under NEPA and the ESA.

Sincerely.

JOHN D. DINGELL,
Chairman.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES, SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS OF THE COMMITTEE ON ENERGY AND COMMERCE,
Washington, D.C., May 13, 1982.

Hon. GERALD P. CARMEN,
Administrator, General Services Administration, Washington, D.C.

DEAR MR. CARMEN: As you know, I asked the General Accounting Office to examine the contention raised in the GSA's September 28, 1981 letter to me concerning the GSA's desire to transfer the national home of the endangered whooping crane to the State of Texas. Enclosed is a copy of the GAO's opinion (B-204291) concerning this matter. I request your review and comment on the opinion.

The GAO opinion makes it quite clear that the 1971 cooperative agreement is valid and was not affected by the Air Force's 1975 declaration of excess. It also makes it clear that the area is by statute a part of the National Wildlife Refuge System and that, at present, the GSA cannot dispose of the area of Matagorda covered by the 1971 cooperative agreement while the MOU is in effect.

Also enclosed is a copy of my letter to Secretary Watt concerning this matter.

I strongly urge that the GSA halt its efforts to encourage disposal of this valuable area to Texas and that you act promptly on the FWS request to transfer the Air Force interest to the FWS.

Sincerely,

JOHN D. DINGELL,
Chairman.

Enclosures.

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., April 16, 1982.

Hon. JOHN D. DINGELL,
Chairman, Subcommittee on Oversight and Commerce, Committee on Energy and Commerce, House of Representatives.

DEAR MR. DINGELL: This responds to your request for our views of certain legal issues involved in the proposed disposal of the Government-owned tract of land on Matagorda Island. In the preparation of this response, we have had the benefit of the views of both the Department of the Interior (Interior) and the General Services Administration (GSA).

Your request presents three major issues. First, is the 1971 Memorandum of Understanding (1971 MOU) between the Department of the Interior and the Air Force a "cooperative agreement" within the contemplation of the National Wildlife Refuge System Administration Act, as amended by the Game Range Act, Public Law 94-223, 90 Stat. 199 (1976) (hereafter collectively referred to as Public Law 94-223)? Second, if it is a "cooperative agreement" within the contemplation of Public Law 94-223, can Interior remove the Matagorda Island property from the National Wildlife Refuge System (NWRS or System) by terminating the 1971 MOU? Based on our review of Public Law 94-223 and its legislative history, we conclude that the 1971 MOU is a "cooperative agreement" under Public Law 94-223 and that Interior may remove the property subject to the 1971 MOU from the System by terminating its use pursuant to the terms of the 1971 MOU.

The third major issue involves the scope of GSA's authority to dispose of Interior's interest in Matagorda Island. By enacting Public Law 94-223, Congress clearly directed that areas of the NWRS are to continue to be a part of the System unless removed pursuant to the terms of Public Law 94-223. Hence, until Interior terminates its use of the Island pursuant to the terms of the 1971 MOU or an act of Congress removes such lands from the System, GSA has no authority to dispose of Interior's interest in Matagorda Island. Conversely, until and unless either of the two actions noted above occurs, any disposal action by GSA with regard to the excess Air Force interest in Matagorda Island will be subject to Interior's interest.

Matagorda Island is a barrier island located in the Gulf of Mexico approximately 35 miles north of Corpus Christi, Texas. The Government's fee interest in Matagorda Island was originally acquired in a condemnation action in the early 1940's for use by the Army Air Corps.[1] From 1943 to 1945 and again from 1949 to 1975 when the Air Force announced the closure of the Island base, the Island was operated as a weapons range.

On November 20, 1971, the Department of the Interior and the Department of the Air force executed a memorandum of understanding permitting Interior to administer Air Force lands on Matagorda Island as a part of the Aransas National Wildlife Refuge, subject to certain specified conditions. Subsequently in January 1973, the Assistant Secretary of the Interior notified the Acting Administrator, GSA, that "the Matagorda Island Air Force Base in Texas * * * has been incorporated into the Aransas National Wildlife Refuge by an agreement with the Air Force." Interior has advised that they continue to manage the Island property as part of the Refuge System.[2]

On or about September 25, 1975, the Air Force reported the Matagorda Island Air Force Base to GSA as excess to its needs. Shortly thereafter, Interior formally requested that the excess property be transferred to it under the authority of Public Law 80-537, 16 U.S.C. §§ 667b-667d (1976).[3] The State of Texas followed suit in January 1976, filing a "Notice of Desire to Acquire Surplus Property" pursuant to section 203(e)(3)(H) of the Federal Property and Administrative Services Act of 1949 (hereafter Property Act of 1949), 40 U.S.C. § 484(e)(3)(H) (1976).

In April 1976, GSA informed the Regional Director, Fish and Wildlife Service (FWS), of its decision to transfer the southwest portion of the Island to FSW. Three days later GSA reassured the FWS Regional Director that since the disposal action could not be consummated until receipt of the Air Force decontamination statement,[4] GSA would consider any further FWS justification to support the transfer of the remaining northern two-thirds of the Government property to FWS pursuant to Public Law 80-537's criteria. FWS supplied additional justification on May 26, 1976.

On April 6, 1977, GSA notified the Regional Director, FWS, that 6,716 acres on the southwest portion of the Island would be transferred to FWS and the remaining 12,276 acres would be conveyed to the State of Texas following preparation of an environmental impact statement. Shortly thereafter, Interior challenged the legality of GSA's proposed disposal action. By letter of June 7, 1977, Secretary Andrus reaffirmed the FWS application for transfer of the entire Matagorda Island tract to FWS. Not to transfer the entire tract, according to Secretary Andrus' letter, would run counter to the overriding policy of the Federal Property and Administrative Service Act of 1949 and GSA implementing regulations to achieve maximum utilization of Federal properties by executive agencies. Absent GAS's specific finding that the entire Matagorda Island tract is "not required for the needs and the discharge of the responsibilities of [the Department of the Interior]," the Secretary questioned the legality of GSA's decision under the Property Act of 1949. The Secretary also pointed out GSA's failure to consult with Interior to assure that disposal of the property would not jeopardize the whooping cranes or their critical habitat, as required by Section 7 of the Endangered Species Act.

It was not until July 6, 1977, that Interior brought Public Law 94-223 to GSA's attention. Since, in Interior's opinion, the 1971 MOU constituted a "cooperative agreement," as that phrase is used in Public Law 94-223, "any land covered by the Memorandum of Understanding must continue to be included within the Refuge System and may not be disposed of except by Act of Congress." Secretary Andrus concluded his letter to Administrator Sampson by "again urg[ing] that the property be conveyed to the Fish and Wildlife Service."

By letter dated November 3, 1977, Administrator Sampson responded to Secretary Andrus' June and July 1977 letters, rejecting Interior's interpretation of the 1971 MOU. As pertinent here, the Administrator commented that:

"Public Law 94-223 has been in existence since February 27, 1976. We are concerned that after the many discussions and efforts by DOI to have this property transferred under Public Law 537, 80th Congress, at such a late date other authority is quoted as a basis for transfer. Further, we are concerned that DOI's interpretation of Public Law 94-223 would appear to negate the intent and purpose of authority given to GSA to dispose of property under Public Law 537, 80th Congress, and section 202(a) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 483(a)), for wildlife purposes. Additionally, we question whether it was the intent of

[1] Footnotes at end of article.

Congress in enacting Public Law 94-223 that it serve as a basis for the permanent transfer of property for wildlife use, such as in the case of Matagorda Island."

A comparison of Administrator Sampson's November 1977 letter to Secretary Andrus, quoted in part above, with the Deputy Administrator's September 28, 1981 response to you indicates that GSA continues to maintain that the 1971 MOU did not place the Matagorda Island property in question in the System, and hence, that all of such property is available for disposal.

As you know, subsequent to the 1977 exchange between Interior and GSA, protracted but ultimately fruitless negotiations ensued among Interior, GSA, and the State of Texas looking toward some final disposition of the property. It was not until the spring of 1981 that the Matagorda Island impasse surfaced again in full public view. Since your letters of July 13, 1981, and August 26, 1981, to the Secretary of the Interior and the Assistant Secretary for Fish and Wildlife and Parks fully explain these events, we proceed now to consider the legal issues presented.[5]

II.

The Game Range Act, Public Law 94-223, 90 Stat. 190 (1976), amended the National Wildlife System Administration Act of 1966, to provide in part that:

"(3) Each area which is included within the System on January 1, 1975, or thereafter, and which was or is—

* * * * *

"(B) so included * * * pursuant to a cooperative agreement with any State or local government, any Federal department or agency, or any other governmental entity, shall continue to be a part of the System until otherwise specified by Act of Congress, except that nothing in this paragraph shall be construed as precluding—

* * * * *

"(iii) the disposal of any lands within any such area pursuant to the terms of any cooperative agreement referred to in subparagraph (B) of this paragraph." 16 U.S.C. 668dd (a)(3).

We agree with the Department of Interior that the 1971 MOU is a "cooperative agreement" as that term is used in Public Law 94-223.

Public Law 94-223's legislative history clearly indicates that one of the Act's main purposes was to sanction legislatively the prior designation of all refuge areas by the various means employed.[6] One of the means employed to establish a refuge was, and still is, by cooperative agreement between the Department of the Interior and any landholding Federal department or agency. According to the Department of the Interior representative testifying at the House Subcommittee Hearings, under these "cooperative agreements," while the lands subject thereto are administered as part of the System, this is only a "secondary use" with "primary jurisdiction" remaining in the land-holding agency.

Turning to the 1971 MOU between the Departments of the Air Force and the Interior, we believe it contains all the attributes of a "cooperative agreement," as suggested by Public Law 94-223's express language and its legislative history. The MOU's "cooperative" purpose is evidenced by a sequential reading of the agreement's "whereas" clauses. To provide for their mutual desire to protect the habitat of the endangered whooping crane, the Air Force granted Interior a permit to "use said lands as a part of the Aransas National Wildlife Refuge" "under such conditions as will not interfere with the primary mission and use by Air Force of the property." In other words, Interior obtained a secondary use of Matagorda Island as a wildlife refuge for an endangered species, subject to the primary jurisdiction of the land-holding agency. Clearly this is the type of agreement Congress had in mind when it enacted Public Law 94-223.

We have examined GSA's arguments to the contrary, but do not find them persuasive. In its September 28, 1981, letter to you, GSA questions whether the Endangered Species Act of 1966, Public Law 89-669, 80 Stat. 926 (1966), recited in the 1971 MOU's third "whereas" clause, as amended prior to the execution of the 1971 MOU, "provide[s] for any express authority for cooperative agreements between Federal agencies * * *." Since, in our view, Public Law 94-223 legislatively ratified all prior designations of refuge areas by cooperative agreements such as the 1971 MOU, we see no merit in questioning at this late date Interior's and Air Force's authority under the Endangered Species Act of 1966 to execute the the 1971 MOU.[7]

GSA next contends that the 1971 MOU was for a permit for a restricted secondary use and was "not intended by both parties as a document which would transfer the Federal Lands into the National Wildlife Refuge System." Our prior discussion of Public Law 94-223 and its legislative history addresses the first part of this point. To reiterate, clearly Congress was aware that Interior might hold only a secondary interest in properties subject to cooperative agreements, yet Congress included these areas within the System. And the express terms of the 1971 MOU indicate the clear understanding of both the Air Force and Interior that the secondary use granted to Interior was to "use said lands as a part of the Aransas National Wildlife Refuge." Although not a "transfer" of Air Force's primary jurisdiction to Interior, the 1971, MOU clearly granted a secondary use for wildlife refuge purposes.

GSA also argues that the permit conditions were "automatically terminated when the unconditional report of excess property was received, accepted, and processed by GSA pursuant to 41 C.F.R. 101-47.202-10." As we noted earlier, GSA received Air Force's report of excess property at the end of September 1975. However, GSA apparently did not consider Air Force's report final until the required decontamination report was received in September 1976. Although Public Law 94-223 was signed into law on February 27, 1976, it was by its terms applicable to "[e]ach area * * * included within the System on January 1, 1975." Thus even if we were to agree with GSA on this point, the area would still be a part of the System and still subject to the terms of Public Law 94-223, since any "automatic termination" of the 1971 MOU would have occurred after January 1, 1975. Finally, if the permit was automatically terminated when GSA received the report of excess property in September 1975, we fail to understand why on July 22, 1977, GSA requested the Air Force to transfer its "rights" under the 1971 MOU to GSA.[8] Accordingly, we reject GSA's argument of an implied termination.

III.

The second major issue is whether Interior can remove the subject Matagorda Island property from the System by terminating the 1971 MOU. In this regard, Public Law 94-223 provides that areas included within the System on January 1, 1975, shall continue to be a part of the System until otherwise specified by act of Congress, except that this provision of the Act shall not be construed as precluding:

"(iii) the disposal of any lands within any such area pursuant to the terms of any cooperative agreement * * *." 16 U.S.C. 668dd(a)(3) (iii).

The 1971 MOU does not mention or provide for the "disposal" of the Matagorda Island property. However, it does provide that it may be terminated in whole or in part by mutual agreement of the Secretary of the Interior and the Secretary of the Air Force. The Air Force also could terminate the permit unilaterally if, after notification of noncompliance, Interior "fails to use the said premises in accordance with the terms and conditions of this permit."

Interior maintains that any areas included within the System by cooperative agreement "may be removed from the System either by an Act of Congress or pursuant to the terms of the cooperative agreement." Letter to The Honorable John D. Dingell from Assistant Secretary for Fish and Wildlife and Parks, G. Ray Arnett, dated August 4, 1981. You subsequently advised the Assistant Secretary of your disagreement with this construction of Public Law 94-223, emphasizing that Public Law 94-223 used the term "disposal," not "termination," and that the 1971 MOU speaks only of the latter.

Nonetheless, in your recent letter of January 27, 1982, to Assistant Secretary of the Interior Arnett, you appear to concede that Interior may, but need not, terminate the 1971 MOU:

"I agree that the 1971 agreement does not provide for disposal of the Refuge area. I also do not contend that because the agreement is silent on disposal, that the agreement requires this area 'must forever be a part of the Refuge System.' The 1976 Game Range Act requires the area be 'forever' a part of the 'Refuge System' except where the agreement provides for termination and such termination occurs as provided by the agreement. However, the Air Force is not seeking termination, rather the GSA and Texas are. They are not parties to the agreement. I know of no legal basis for GSA to seek such termination, particularly where the Surplus Property laws are inapplicable by reason of the Game Range Act.

"As I have already pointed out, the 'mutual agreement' provision in the termination clause does, in fact, enable either party to prevent termination. That was the obvious purpose of the clause and probably was requested by the Interior Department in 1971. Interior need not terminate."

In this same letter of January 27, 1982, you also suggest that "absent a request by the Air Force for termination to meet its defense needs, Interior is [not] authorized under the laws applicable to Interior, such as the Game Range Act, the National Wildlife Refuge System Administration Act [collectively referred to herein as Public Law 94-223], the Endangered Species Act, the Migratory Bird Treaty Act and NEPA, to exercise the termination clause." Here however, the Air Force as the landholding agency disavowed any interest in the property for defense purposes when it declared Matagorda Island as excess to its needs. Hence, the only object of the termination is to allow GSA to dispose of the area to Texas, which object is, in your opinion, inconsistent with the overall purpose of the

statutes cited in your recent letter as well as the purpose of Public Law 94-223's "disposal" provision.

Although Public Law 94-223 speaks only of "disposal," we believe Congress' use of this term embraced the act of termination as well. As reported out of the House Committee on Merchant Marine and Fisheries, H.R. 5512 provided, in language identical to Public Law 94-223, for the "disposal of any lands within any such area pursuant to the terms of any cooperative agreement * * *." H.R. Rep. No. 94-334 at 2 (1975). The House Report's discussion of H.R. 5512's legislative background suggests that the above language was added by voice vote of the full Committee at the urging of the Department of the Interior. *Id.* at 3, 4, 10, 13. The Committee's section-by-section analysis explained that under this language,

"* * * lands included within the System pursuant to a cooperative agreement could likewise *be disposed of or the use of such lands terminated* pursuant to the terms of a cooperative agreement." *Id.* at 10 (emphasis added); see also S. Rep. No. 94-593 at 7 (1976) (identical statement).

This exception from congressional approval was suggested by the Department of the Interior:

"* * * If the intent of H.R. 5512 is to cover all of the National Wildlife Refuge System, we suggest the amendment proposed in section 2 of the bill be clarified and an exception be made for lands administered as part of the System but under the primary jurisdiction of another landowning agency. As previously stated, many refuges in the System are operated under cooperative agreement with another landowning agency. Termination of such refuges should continue to be based upon the terms of the agreement. * * *." Letter to Leonor K. Sullivan, Chairman of the House Committee on Merchant Marine and Fisheries, from the Assistant Secretary of the Interior, Royston G. Hughes, dated May 14, 1975, reprinted in H.R. Rep. No. 94-334 at 13 (1975). See also House Subcommittee Hearings at 42 (to the same effect).

Interior recommended that H.R. 5512 be amended to provide that "those lands within the System pursuant to an agreement with any Federal * * * governmental entity may be removed from the System in accordance with the terms of such agreement." *Id.*

Although H.R. 5512 as reported to the House used the word "disposed" rather than "removed," the House Report's explanation quoted above clearly indicates that "disposal" encompasses termination of the use of lands pursuant to the terms of a cooperative agreement. We have found nothing in Public Law 94-223 or in its legislative history that refutes both the House and the Senate's clear explanation of the intended meaning of this provision.

Your second contention raises the issue whether Interior may seek to terminate the 1971 MOU pursuant to its "mutual termination" provision absent an Air Force request to terminate in order to meet its defense needs. We believe Interior and the Air Force may so agree to terminate the 1971 MOU, subject, of course, to compliance with the applicable requirements of NEPA and ESA.

As you know, prior to the Game Range Act amendments to the NWRSAA of 1966, Interior used cooperative agreements to establish units of the System, and Congress was so aware. See House Subcommittee Hearings at 41-42 quoted in footnote 6 above. There were apparently no restrictions under the NWRSAA of 1966 limiting the authority of the parties to such agreements to agree to terminate the cooperative agreements.

Although you argue that it was the general purpose of the Game Range Act amendments, Public Law 94-223, and the specific purpose of the Act's "disposal" provision to so restrict the Secretary's authority, we do not agree. Clearly, one of the general purposes of Public Law 94-223 was to limit the Secretary's previously unfettered authority to remove areas from the System without congressional approval. However, the purpose of the explicit exception in favor of cooperative agreements was not to limit the Secretary's authority to remove areas from the System, but rather to preserve the rights of the parties to cooperative agreements to remove areas from the System without congressional approval. Or, in the words of the Department of Interior, "Termination of such refuges *should continue* to be based upon the terms of the agreement." H.R. Rep. No. 94-334 at 13; and see House Subcommittee Hearings at 41-42 quoted in part above.

Both the House and the Senate Reports' explanation of the change to be made by the proposed amendments support this view. The House Report's section-by-section analysis explains that areas included within the System on January 1, 1975, pursuant to law, executive or secretarial order, public land withdrawal, donation, purchase, exchange, or pursuant to a cooperative agreement with any Federal or State agency, "would continue to be a part of the System until otherwise specified by an Act of Congress." H.R. Rep. 94-334 at 10. The Report continued:

"However, Congressional approval would not be required in three situations. First, transfers or disposals of acquired lands could still be made provided the Secretary—with the approval of the Commission—determined that such lands were no longer needed and the appropriate price for such lands is collected pursuant to the requirements of paragraph (2) of this subsection. Second, lands could still be exchanged for lands of equal value pursuant to the requirements of subsection (b)(3) of this section of the Act. *And third, lands included within the System pursuant to a cooperative agreement could likewise be disposed of or the use of such lands terminated pursuant to the terms of a cooperative agreement.*

"Also, it should be pointed out that in rewriting section 4(a) of the Act, the second sentence of the subsection was eliminated. Under present law, the Secretary could modify or revoke public land withdrawals affecting lands in the System whenever he determined it was in the public interest to do so. By eliminating this sentence from the subsection as rewritten by this legislation, it makes it clear that public land withdrawals which are or become a part of the System shall continue to be a part of the System and such public land withdrawals could not be modified or revoked except by an Act of Congress. The Committee considers this change to be technical in nature only and necessary to conform to the legislation. This change will in no way change the Secretary's authority to issue a public land withdrawal to put lands in the System but it will make sure any disposals of such land will be by an Act of Congress.

"However, Congressional approval would not be required for such lands to be exchanged for other lands pursuant to the requirements of subsection (b)(3) of this section of the Act, *nor would Congressional approval be required for such lands to be disposed of pursuant to a cooperative agreement if such lands were included in the System pursuant to a cooperative agreement.*" *Id.* at 10-11 (emphasis added); see also S. Rep. No. 94-593 at 7-8 (identical statement).

Turning to the 1971 MOU, it simply provides that the Secretary of the Interior and the Secretary of the Air Force may mutually agree to terminate.[10] Nor does Public Law 94-223[11] or its legislative history indicate that Congress intended to limit Interior's discretion to terminate beyond the terms contained in the cooperative agreement.

Similarly, we do not agree that, absent an Air Force request to terminate the 1971 MOU, Interior is precluded from seeking termination of the 1971 MOU because of Public Law 94-223, the Endangered Species Act (ESA), 16 U.S.C. § 1531 *et seq.*, the National Environmental Protection Act (NEPA), 42 U.S.C. § 4321 *et seq.*, and the Migratory Bird Treaty Act, 16 U.S.C. § 703 *et seq.*[12] Our examination of these statutes discloses no limitation on the Secretary's authority *to initiate* the termination of cooperative agreements under the provisions of Public Law 94-223. Nor do we think it is appropriate for us to imply such a limitation simply from the goals and purposes of these statutes, particularly in light of the unequivocal grant of authority to terminate "pursuant to the terms of any cooperative agreement."

This is not to say, however, that the Secretary of the Interior does not have legally enforceable duties under NEPA and ESA. With respect to NEPA, Interior has begun preparation of an environmental impact statement on the proposed removal of the Matagorda Island property from the System. 47 Fed. Reg. 5048 (February 3, 1982). Moveover, under section 7(a)(2) of the ESA, the involved Federal agencies must insure that any agency action is "not likely to jeopardize the continued existence of any endangered species * * * or result in the destruction or adverse modification of [critical] habitat of such species," unless the agency obtains a statutory exemption to undertake the proposed action.[13] 16 U.S.C. § 1536(a)(2), (h) (Supp. III, 1979). And, under section 7(a)(1) of the ESA, the Secretary has an affirmative duty to utilize other programs administered by him in furtherance of goals of the ESA—the conservation of endangered species and their habitats. 16 U.S.C. § 1536(a)(1), 1531(b).[14] The record supporting any action to terminate the 1971 MOU should be sufficient to demonstrate compliance with these requirements. *Connors* v. *Andrus*, 453 F. Supp. 1037 (W.D. Tex. 1978); *Defenders of Wildlife* v. *Andrus*, 428 F. Supp. 167 (D.D.C. 1977). The ESA "citizen suit" provision, 16 U.S.C. § 1540(g), provides a vehicle to obtain judicial review of the Secretary's compliance with the ESA.

Accordingly, we conclude that Matagorda Island can be removed from the System pursuant to the termination provisions of the 1971 MOU subject, of course, to compliance with the applicable requirements of NEPA and ESA. We offer no opinion concerning the adequacy of Interior's efforts to comply with the requirements of NEPA or ESA.

IV.

The third major issue you raise involves the scope of GSA's authority to make some final disposal of Matagorda Island. GSA maintains that the 1971 MOU is not a "co-

operative agreement" within the contemplation of Public Law 94-223, so Matagorda Island is available for transfer or disposal pursuant to the terms of the Federal Property and Administrative Services Act of 1949. Interior's position is that GSA succeeded to the Air Force's interest in the cooperative agreement although Interior continues to administer the Island as part of the NWRS. According to Interior, "[r]egardless of what disposition [by GSA] is to be made, the cooperative agreement would have to be terminated."

Your August 26, 1981, letter to the Assistant Secretary for Fish and Wildlife and Parks disputes Interior's explanation of GSA's interest in the Matagorda property. Instead, you contend that since enactment of Public Law 94-223, GSA has had no interest in or authority over the Matagorda Island property:

"If the object of the termination is to allow GSA after termination to dispose of the area to the FWS, such an action would appear to be a costly and useless exercise. The FWS now has the area as a result of the 1971 agreement and the 1976 statute. It does not need a new action to confirm the obvious.

"If the object is to allow GSA after termination to dispose of the area to Texas, I stress that the NWRS Administration Act precludes GSA's role * * *."

Accordingly, you asked for our opinion on GSA's authority over the property.

Until Interior terminates its use of the Island pursuant to the terms of the 1971 MOU or an act of Congress removes the Island property from the System, GSA has no authority to dispose of Interior's interest in Matagorda Island. This proposition flows directly from Public Law 94-223's requirement that each area of the System continue to be a part of the System until disposed of pursuant to the terms of that Act. GSA's disposal authority relates solely to the Air Force's retained interest in Matagorda Island that was reported to GSA as excess in September 1975 of course, any GSA disposal of the excess Air Force interest is subject to Interior's interest unless Interior terminates its interest under the 1971 MOU or Congress removes these lands from the System.

In our view, the basic complicating factor is that by operation of the 1971 MOU and Public Law 94-223, the jurisdiction over Matagorda Island was divided between two Government agencies—the Air Force and Interior. The division occurred in 1971 when the Air Force granted Interior a secondary use of the Island as a refuge for the whooping crane while retaining its primary jurisdiction over the Island. As our earlier discussion of the legislative history of Public Law 94-223 shows, Congress was fully aware that for certain areas of the System, Interior had only a limited interest, a secondary use, in certain lands administered as part of the System but otherwise under the primary jurisdiction of another agency or governmental entity. Congress' solution was not to transfer total jurisdiction from the land-holding agencies to Interior, but to confirm the prior designations and impose restrictions on the removal from the System of the lands subject to Interior's secondary use. Public Law 94-223 was not designed to restrict the transfer or disposal of the land-holding agencies' primary interests and, therefore, we see no reason why the disposal of the excess primary interest cannot be effected under otherwise applicable statutes (such as Public Law 80-537 and the Federal Property and Administrative Services Act of 1949) subject, of course, to Interior's interest and the constraints of Public Law 94-223.

Interior formally requested transfer of the Air Force's excess interest in the Matagorda Island property pursuant to Public Law 80-537, 16 U.S.C. §667b. Public Law 80-537 provides as follows:

"Upon request, real property which is under the jurisdiction or control of a Federal agency and no longer required by such agency, (1) can be utilized for wildlife conservation purposes by the agency of the State exercising administration over the wildlife resources of the State wherein the real property lies or by the Secretary of the Interior; and (2) is valuable for use for any such purpose, and which, in the determination of the Administrator of General Services, is available for such use may, notwithstanding any other provisions of law, be transferred without reimbursement or transfer of funds (with or without improvements as determined by said Administrator) by the Federal agency having jurisdiction or control of the property to (a) such State agency if the management thereof for the conservation of wildlife relates to other than migratory birds, or (b) to the Secretary of the Interior if the real property has particular value in carrying out the national migratory bird management program. * * *

GSA apparently considers an Interior request under Public Law 80-537 to be essentially the same as a State agency request for "surplus property" under the Property Act of 1949. See 15 Fed. Reg. 1350 (March 14, 1950); GSA Property Management and disposal Service Handbook 4000.1, Excess and Surplus Real Property, ch. 3, para. 41 (April 19, 1977); *cf.* 41 C.F.R. 101-47.4905 (1980). Accordingly, an Interior request for real property under Public Law 80-537 is given equal consideration with State and local government requests for the same property. As we noted earlier, GSA has taken the position in the past that only approximately 6,716 acres of the Island qualify for transfer to Interior under Public Law 80-537.

However, under the Property Act, GSA cannot declare excess real property "surplus" and dispose of it outside the Federal Government unless the Administrator, GSA, specifically determines that the excess property is "not required for the needs and the discharge of the responsibilities of all Federal agencies." 40 U.S.C. § 472(g) (1976). Were Interior to proceed under the Property Act of 1949, we do not think the Administrator could determine that the excess Matagorda Island property is "not required for the needs and the discharge of [Interior's] responsibilities," in view of Public Law 94-223. By enacting Public Law 94-223, Congress legislatively sanctioned Interior's prior designation of properties included in the National Wildlife Refuge System pursuant to cooperative agreements. In other words, Congress has in our view limited the Administrator's discretion to determine that the excess Air Force interest is "surplus" to Interior's needs so long as Interior continues to retain its interest in the subject property. Accordingly, should Interior wish to avail itself of the Federal Property and Administrative Services Act's clear priority of Federal agencies to "excess" property, Interior should amend its request to conform to GSA's policies and procedures under the Property Act of 1949.[15]

Sincerely yours,

MILTON J. SOCLAR
(For Comptroller General
of the United States).

FOOTNOTES

[1] The Government acquired 18,992 acres of land on Matagorda Island in fee and leased an additional 16,500 acres, more or less, of marshlands on the bay side of the Island from the State of Texas. The Government's leasehold estate reverted to the State of Texas in March of 1976.

[2] Interior's authority to administer and manage the Matagorda Island property is derived from two sources. First and foremost, of course, is the 1971 MOU. The second source is the annual permit granted by the Corps of Engineers on behalf of the Air Force to Interior's Fish and Wildlife Service to use, manage and maintain the Matagorda Island tract on a nonreimbursable basis for the Air Force.

[3] Public Law 80-537, 16 U.S.C. §§ 667b-667d, is set out in pertinent parts hereafter.

[4] In accordance with 41 C.F.R. 101-47.401-4, holding agencies are responsible for the expense and supervision of decontamination includes the complete removal or destruction by flashing of explosives of property that has been subjected to contamination with any sort of hazardous materials. Any report of excess property covering contaminated property shall state the extent of such contamination, the plans for decontamination, and the extent to which the property may be used without further decontamination. 41 C.F.R. 101-47.202-7.

[5] Interior and GSA recently published notice of their intent to prepare an environmental impact statement on the disposition of the Matagorda Island property. 47 Fed. Reg. 5048 (February 3, 1982). The notice describes the proposed three-step Federal action driving the impact statement as (1) the express termination of the 1971 MOU, (2) withdrawal by Fish and Wildlife Service of its November 1975 request for transfer of the Island to it, and (3) GSA's conveyance of title to the State of Texas. *Id.*

[6] As introduced, Section 2 of H.R. 5512 would have amended section 4(a) of Public Law 89-669, the National Wildlife Refuge System Administration Act of 1966 (NWRSAA of 1966), 16 U.S.C. § 668dd(a) (1976), to provide as follows:

"Each area designated by law, Executive order, or secretarial order as an area of the National Wildlife Refuge System and included in the System on January 1, 1975, or thereafter shall continue to be a part of the System until otherwise specified by Act of Congress * * *." See H.R. 5512, 94th Cong., 1st Sess. (1975) contained in wildlife Refuge and Organic Act: Hearings Before the Subcommittee on Fisheries and Wildlife Conservation and the Environment of the Committee on Merchant Marine and Fisheries, House of Representatives on H.R. 5512 and others, 94th Cong., 1st Sess. at 18-19, Ser. No. 94-12 (May 15, 1975) (hereafter House Subcommittee Hearings).

During hearings before the House Subcommittee on Fisheries and Wildlife Conservation and the Environment as well as in the formal Department of the Interior letter report to the full House Committee, see H.R. Rep. No. 94-334 at 12, Interior advised that certain changes would be necessary to section 2 of H.R. 5512 as introduced in order "to legislatively sanction the previous designation of refuge areas by the various methods employed." House Subcommittee Hearings at 41. Interior's representative at the Hearings explained the reason as follows:

"Establishment of units of the National Wildlife Refuge System can be accomplished in a variety of ways, including public land withdrawals, *cooperative agreement with another land owning agency such as NASA, AEC, and the Department of Defense,* specific act of Congress, donation, exchange, and purchase in fee or easement.

* * * * *

"If the intent of H.R. 5512 is to cover all of the National Wildlife Refuge System, we suggest section 2 of the bill be rewritten by deleting reference to areas established by 'law, Executive order, or secretarial order.'

"We also suggest that an exception be made for lands administered as part of the system but under the primary jurisdiction of another land-owning agency.

"A number of refuges in the system, such as Seal Beach Refuge in California and Merritt Island Refuge in Florida, *are operated under cooperative agreements with another land-owning agency as a secondary use. Termination of such refuges should continue to be based upon the terms of the cooperative agreement."* House Subcommittee Hearings at 41-42 (italics added).

When ordering H.R. 5512 reported to the House, the Committee on Merchant Marine and Fisheries adopted an amendment incorporating Interior's suggestion. H.R. Rep. No. 94-334 at 3, 4.

[7]Although GSA questions whether the Endangered Species Act of 1966, as amended prior to execution of the 1971 MOU, provides for any express authority, section 1(b) of the Endangered Species Act, as recited in the 1971 MOU, may reasonably be said to impliedly authorize such agreements. See also section 2(b) of the Endangered Species Act of 1966, 80 Stat. 927, October 15, 1966.

[8] GSA's recognition of the 1971 MOU's continued legal vitality is also suggested by its consent to the Corps' grant of annual permits to FWS to use, manage and maintain the Matagorda Island tract on a nonreimbursable basis for the Air Force. Moreover, GSA has apparently acquiesced to Interior's management of the Island since the Air Force originally reported the Matagorda Island base as excess to its needs in September 1975.

[9]At the end of the House Report's discussion concerning the requirements to remove areas from the System, the report notes as follows:

"The Committee would like to point out that it strongly supports plans and programs in wildlife refuges designed to mutually benefit both Federal and State fish and wildlife management programs, such as cooperative hunting and fishing, law enforcement, habitat improvement, etc., in which public benefits are shared; however, the Committee feels that to transfer total management responsibilities over an area to another Federal or State agency is tantamount to a transfer of jurisdiction and control over the land and is the type of transfer that would be covered by this legislation, which requires an Act of Congress before such transfer could take place. The Committee, in carrying out its oversight responsibilities in this regard, expects the United States Fish and Wildlife Service to keep the Committee fully informed of any plans it has that may border on transfers of this nature."

This observation is ambiguous at best since the report had already recognized that transfers under the Act did not in all cases require an Act of Congress. Indeed, it would appear anomalous to assume that Congress did not realize that the termination of a use pursuant to the terms of a cooperative agreement, explicitly discussed and recognized three and four paragraphs earlier, would permit the transfer of jurisdiction and control of the land without an Act of Congress.

[10] Interior takes the position that GSA has succeeded to the Air Force's interest in the 1971 MOU. Hence, only the agreement of GSA and Interior is needed to terminate the 1971 MOU. In our view, Air Force's agreement is required. Although Air Force declared the property excess to its needs in September 1975, Air Force continues to be the landholding agency. See 41 C.F.R. 101-47.103-7, 101-47.202-9, 101-47-402. GSA apparently acts only as disposal agent for the Air Force, 41 C.F.R. 101-47.103-6. As we observed earlier, GSA requested that the Air Force transfer its "rights" under the 1971 MOU to it. The record before us discloses no such transfer.

[11] Public Law 94-223 authorizes the Secretary of the Interior to transfer, dispose or exchange System lands without congressional approval in two other limited situations. However, in these two situations, Congress limited the Secretary's authority to exchange System lands or to transfer or dispose of acquired lands subject to his finding that the lands are "suitable for disposition" or "are no longer needed for the purposes for which the System was established," respectively. 16 U.S.C. § 668dd(a)(3) (i and ii). Public Law 94-223 does not limit the Secretary's authority to remove lands from the System by terminating cooperative agreements even to this extent.

[12] A similar argument was made and rejected in *Sierra Club* v. *Hickel*, 467 F.2d 1048, 1051 (6th Cir. 1972), *cert. den.* 411 U.S. 920 (1973). There, the Sierra Club challenged the Secretary of the Interior's authority to exchange System lands with two utilities pursuant to the NWRSAA of 1966. The court held in part that since the Secretary may exchange lands "under his jurisdiction which he finds suitable for disposition," the NWRSAA of 1966 bestowed unreviewable administrative discretion on the Secretary to exchange lands. The dissent argued that the Secretary's action was reviewable to determine whether the exchange was compatible with the general duties imposed on the Secretary by the Migratory Bird Acts, the Endangered Species Act of 1966, and NEPA. See 467 F.2d at 1057-1059.

[13] One of the express purposes of the 1971 MOU was "to administer an area on Matagorda Island as a national wildlife refuge to meet its responsibilities for the whooping crane." The whooping crane was first listed as an endangered species in February 1967. 32 Fed. Reg. 4001 (1967). See also 50 C.F.R. § 17.95(b) (1980), designating a portion of Matagorda Island as critical habitat for the whooping crane.

[14] Interior apparently acknowledges its responsibilities to comply with the ESA. Letter of the Assistant Secretary of the Interior for Fish and Wildlife and Parks to The Honorable John D. Dingell dated August 4, 1981.

[15] Transfers under Public Law 80-537 are without reimbursement or transfer of funds. 16 U.S.C. § 667b. On the other hand, under the Property Act, GSA may require reimbursement from Interior for transfers of excess real property in an amount equal to 50 percent of the appraised fair market value of the property requested unless Interior avails itself of one or more of the five exceptions to GSA's reimbursement requirement. 41 C.F.R. § 101-47.203-7(f)(2)(i, ii).

SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS OF THE COMMITTEE ON ENERGY AND COMMERCE,
Washington, D.C., May 13, 1982.

Hon. CHARLES A. BOWSHER,
Comptroller General, General Accounting Office, Washington, D.C.

DEAR MR. BOWSHER: Thank you for your April 16, 1982 opinion (B-204291) concerning the proposal to transfer Matagorda Island refuge lands valuable as a tourist attraction to Texas. It is quite helpful.

Enclosed is a copy of my letters to Secretary Watt and to the Administrator of the GSA concerning this matter.

1. Your opinion is helpful. However, I am concerned about your conclusion that Interior can "initiate" termination of the reconsideration of this matter.

Your opinion does not address the issue I tried to raise earlier with Interior. That issue is: Whether Interior can initiate termination at its whim when, as in this case, the area is still needed for the national purposes for which Interior executed the agreement in 1971 and the other party to the MOU is not seeking termination to reclaim the area for defense or other purposes recognized in the MOU.

As I state in my letter to Secretary Watt, I was a Member of the Merchant Marine and Fisheries Committee in the 94th Congress when the Interior Department amendment was suggested. That suggestion was made, however, to avoid a possible fight on the Floor over inclusion of the MOU areas in the System, particularly when we realized that they covered State areas, as well as Defense Department areas. If they could be terminated only by an Act of Congress, we would have, in effect, taken control over these areas away for States or other Federal agencies. That was not desirable. Thus, we agreed to Interior's suggestion.

At no time did we intend that Interior dispose or terminate its interest where the purposes for which the agreement was executed have not been fulfilled, as in the case of Matagorda. This point is made in your footnote 9 in which you dismiss the Committee's comments as "ambiguous." Admittedly, a strict reading of the statutory provision would allow Interior to terminate. However, the GAO interpretation is too narrow. The GAO opinion admits that "one of the general purposes of Public Law 94-223 was to limit the Secretary's previously unfettered authority to remove areas from the System without Congressional approval." That was the objective of the law which amended the Refuge System Administration Act.

The opinion then states that the "purposes of the explicit exception in favor of cooperative agreements" was to preserve the "rights of the parties" to remove areas without Congressional blessing. However, that was not an "exception" from the general policy. The Game Range Act policy was to prevent disposals by Interior of Refuge System areas. This language was not an exception to that policy. Rather, it was a recognition of the fact that the cooperative agreements specifically provided that Interior's use was secondary and that Congress did not intend to abrogate that understanding. Thus, Congress specified that if the agreement provided for disposal, Congress intended that such a provision not be overridden. That does not mean that Congress intended that Interior be able to terminate at a whim. The general Game Range Act policy should prevail in regard to Interior. So long as the area is still needed for the purpose for which the agreement was executed, Interior should not be viewed as authorized to initiate termination. Your opinion fails to consider this.

To our knowledge, no official at Interior claims that the purpose for which the area was obtained under the MOU has been fulfilled. Until that determination is made, I believe that Interior is not authorized to initiate termination.

2. The GAO opinion states that the GAO has not examined "the adequacy of Interior's efforts to comply with the requirements" of NEPA or ESA. I request that you do so, taking into consideration particularly my comments above about Interior's obligations under treaties with Canada and Mexico concerning migratory birds.

In this regard, my review of the Interior Federal Register notice of February 3, 1982 raises questions about Interior's predisposition concerning this matter and about the adequacy of the alternatives being considered.

I also request your examining the Air Force's role as joint lead agency under NEPA as opposed to the GSA.

Your early reply to the above matters will be appreciated.

Sincerely,

JOHN D. DINGELL,
Chairman.

SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS OF THE COMMITTEE ON ENERGY AND COMMERCE,
Washington, D.C., May 25, 1982.

Hon. JOHN B. BREAUX,
Chairman, Subcommittee on Fisheries and Wildlife Conservation and the Environment, Committee on Merchant Marine and Fisheries, Washington, D.C.

DEAR JOHN: Thank you for inviting me to testify before the Subcommittee on Fisheries and Wildlife Conservation and the Environment during its May 26 oversight hearing on Matagorda Island. Unfortunately, I will be unable to testify before the Subcommittee because of conflicts in my schedule.

As you are aware, on July 13, 1981, as Chairman of the House Oversight and Investigations Subcommittee, I requested a General Accounting Office (GAO) evaluation of the legal issues involved in the proposed transfer of Matagorda Island by the Department of the Interior to the State of Texas. Pursuant to my request, I have received the Legal Opinion from the GAO, and have transmitted the Opinion to Secretary of the Interior James Watt. I would appreciate, therefore, my letter to Secretary Watt being included in the hearing record to facilitate a more comprehensive under-

standing of the issues involved in this conflict.

Thank you very much for your cooperation.

With every good wish,

Sincerely,

JOHN D. DINGELL,
Chairman, Subcommittee on Oversight and Investigations.

MAY 10, 1982.

Hon. JAMES G. WATT,
Secretary, Department of Interior, Washington, D.C.

DEAR MR. SECRETARY: On August 26, 1981, I wrote to Assistant Secretary G. Ray Arnett requesting his reply by September 14, 1981 to a number of questions concerning Matagorda Island, a national tourist attraction because it is the national home of the whooping crane and other wildlife. When I did not receive a reply five months later, I again wrote to the Assistant Secretary on January 27, 1982.

I still have not received even an acknowledgement of that letter. I find that intolerable and unacceptable conduct on behalf of the Interior Department. I request that the Department respond fully to both letters within 15 days after receipt of this letter and provide an explanation as to why Interior officials apparently are unwilling to respond to my inquiry, particularly after being quite responsive initially.

On February 3, 1982, the Fish and Wildlife Service and the General Services Administration "as joint lead agencies" issued a notice that these agencies jointly "intend to gather information necessary for the preparation of an Environmental Impact Statement (EIS) for the disposition of 19,000 acres of federal property located on Matagorda Island, Texas" (47 F.R. 5048).

I believe that the notice is improper and misleading, particularly in light of the enclosed April 16, 1982 opinion of the Comptroller General of the United States (B-204291). I request your review and comment on that opinion.

That opinion holds:

Despite the General Services Administration's contrary contentions, the 1971 Interior-Air Force memorandum of understanding (MOU) "is a 'cooperative agreement' as that term is used" in the National Wildlife Refuge System Administration Act, as amended by the Game Range Act, Public Law 94-223;

That it is GAO's view that "Public Law 94-223 legislatively satisfied all prior designations of refuge areas by cooperative agreements such as the 1971 MOU," and sees "no merit in questioning at this late date Interior's and Air Force's authority under the Endangered Species Act of 1966 to execute the 1971 MOU";

That although "not a 'transfer' of Air Force's primary jurisdiction to Interior, the 1971 MOU clearly granted a secondary use for wildlife refuge purposes,";

That the area subject to the 1971 MOU is part of the National Wildlife Refuge System;

That GAO rejects "GSA's argument of an implied termination" of the 1971 MOU when GSA received in September 1975 the Air Force's report of excess property;

That "Interior and the Air Force may . . . agree to terminate the 1971 MOU, subject of course, to compliance with the applicable requirements of NEPA and ESA";

That the Endangered Species Act, the National Environmental Policy Act of 1969, the Migatory Bird Treaty Act, Public Law 94-223, and the National Wildlife Refuge System Administration Act of 1966, do not, according to GAO, limit the Interior "Secretary's authority to initiate the termination of cooperative agreements under the provisions of Public Law 94-223";

That one of the "express purposes" of the 1971 MOU was "to administer an area on Matagorda Island as a national wildlife refuge to meet its responsibilities for the whooping crane";

That any termination of the MOU by Interior must be subject to "compliance" with the ESA and NEPA;

That GSA's disposal authority "relates solely to the Air Force's retained interest in Matagorda Island that was reported to GSA as excess in September 1975", but that interest is subject to Interior's interest;

That until the MOU is terminated or an Act of Congress removes it from the System, "GSA has no authority to dispose of Interior's interest in Matagorda Island";

That the GSA "cannot declare excess real property 'surplus' and dispose of it outside the Federal Government unless the Administrator, GSA, specifically determines that the excess property" is not required by other Federal agencies; and

That if Interior were to proceed to renew its earlier request for the Air Force's excess interest in Matagorda under Public Law 80-537, the GAO does not think the GSA "could determine" the area "is not required" for Interior's responsibilities.

The GAO said:

"By enacting Public Law 94-223, Congress legislatively sanctioned Interior's prior designation of properties included in the National Wildlife Refuge System pursuant to cooperative agreements. In other words, Congress has in our view limited the Administrator's discretion to determine that the excess Air Force interest is 'surplus' to Interior's needs so long as Interior continues to retain its interest in the subject property."

The GAO opinion makes it quite clear that the 1971 cooperative agreement is valid and was not affected by the Air Force's 1975 declaration of excess. It also make it clear that the area is by statute a part of the National Wildlife Refuge System and that, at present, the GSA cannot dispose of the area of Matagorda covered by the 1971 cooperative agreement while the MOU is in effect.

This portion of the GAO opinion raises the question why Interior is seemingly moving rapidly to rid itself of its statutorily protected interest in this National Wildlife Refuge System area? The fact that GSA wants to give away this endangered species sanctuary to Texas and that Texas wants it should have no bearing on the issue. The February 3, 1982 FES-GSA notice (prepared—not by either agency—but by a lawyer in the Solicitor's Office who has no responsibility for Matagorda or for endangered species, like the whooping crane, or for the disposal of the excess Air Force interest in Matagorda) fails to explain why Interior believes it important to rid itself of Matagorda. The notice merely states:

"The purpose of this proposed action is to preserve the existing natural character of the 19,000 acres of federal land on Matagorda Island through appropriate management by the Texas Parks and Wildlife Department as described in its 'Matagorda Island Conceptual Plan' dated October 22, 1980."

However, that purpose, together with the purpose for which the MOU was executed in 1971, can be adequately served without conveying title to the area to Texas. The FWS has been doing this. The opinion strengthens its ability to do this because it recognizes that the area is protected by Federal law.

The GAO opinion concludes that Congress, in enacting Public Law 94-223, did not preclude termination of cooperative agreements covered by the law in accordance with the "terms of the agreement". The GAO cites legislative history to show that Interior recommended language in Public Law 94-223 aimed at recognizing the termination provisions of cooperative agreements, like the 1971 MOU. I do not quarrel with that. The history is generally clear. However, the reason why Interior made that recommendation is not revealed in the legislative history or in the GAO opinion.

I was Chairman of the Subcommittee that considered H.R. 5512 in the 94th Congress. Interior recommended that language to appease other Federal agencies and State agencies with which Interior had agreements. Those agencies did not want Congress to "lock up" these areas as part of the System and thus override their original or primary defense or other purpose in the area. However, it was never intended by me or others on the Committee at that time, in agreeing to that provision, that Interior or the Fish and Wildlife Service (which were the agencies negotiating the agreements to obtain the lands for fish and wildlife purposes) would utilize the provision to dispose of an area considered critical for endangered species or needed to protect migratory birds pursuant to this Nation's treaty obligations. In my judgment, the GAO has not considered this aspect of the matter in stating that Interior may "initiate" termination of the 1971 MOU, subject to NEPA and the ESA. I am asking the GAO to reconsider its opinion in this regard.

I want to make it very clear that I strongly oppose termination of the 1971 MOU, so long as the area is considered critical habitat for the whooping crane and other migratory birds. I note that on March 8, 1982, the Canadian Government, which is a party to the Migratory Bird Treaty, expressed concern about the proposed termination. I hope that Canada will enlist the aid of the State Department in halting this travesty. I believe that such action to terminate the MOU violates at least the spirit of our understandings in the 94th Congress and is improper.

Moreover, I believe that Interior is not complying with NEPA, but is improperly using the EIS process to justify its preconceived notion and decision of what is the "preferred" alternative. I also believe that the FWS-GSA notice failed to inform the public that a portion of the island has been designated as critical habitat for the endangered whooping crane, that mere continuation of the 1971 MOU will adequately afford preservation of this critical habitat, and that termination is subject to the requirements of the Endangered Species Act. Finally, it is clear to me that the Air Force, not GSA, has a lead role in the termination and in the development of the EIS.

The GAO opinion states that the GAO offers "no opinion concerning the adequacy of Interior's efforts to comply with the requirements of NEPA or ESA." I am asking the GAO to examine those efforts and to provide an opinion concerning the adequacy of such compliance.

Please provide to me a copy of Texas Conceptual Plan of October 22, 1981 and all related documents.

Sincerely,

JOHN D. DINGELL,
Chairman.

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., June 30, 1982.

Hon. JOHN D. DINGELL,
Chairman, Subcommittee on Oversight and Investigations, Committee on Energy and Commerce, U.S. House of Representatives, Washington, D.C.

DEAR MR. DINGELL: Thank you for providing me the opportunity to respond to your concerns about Matagorda Island expressed in your previous letters to Assistant Secretary Arnett and your May 13, 1982, letter to me.

With respect to the April 16, 1982, General Accounting Office (GAO) opinion B-204291, I was pleased to see that the GAO agreed with the opinion of my Associate Solicitor, Conservation and Wildlife, contained in his memorandum of August 18, 1981, to Assistant Secretary Arnett, a copy of which I understand you already have.

As you are aware, at oversight hearings held by the House Subcommittee on Fisheries and Wildlife Conservation and the Environment on May 26, 1982, Assistant Secretary Arnett announced a modified proposed action for consideration in the Environmental Impact Statement (EIS) on the disposition of Matagorda Island. The proposed action calls for withdrawal of the State of Texas application to the General Services Administration (GSA) for the property and transfer by GSA of the 19,000 acres of federal property on the island to the Fish and Wildlife Service (FWS).

In an exchange of conservation easements, the State of Texas would grant FWS an easement on its 20,000 acres of tidelands, and FWS would grant the State an easement on the 19,000 acres of federally owned uplands. A cooperative agreement between FWS and Texas would provide for State management of the entire 39,000 acres of publicly owned land on the island in accordance with the terms of the exchanged easements and the State's conceptual plan (a copy of which is enclosed), with strict oversight by FWS. Under the proposal, the 20,000 acres of State tidelands would be added to the National Wildlife Refuge System, making the entire 39,000 acres of public land on the island a part of the Refuge System.

The FWS and GSA are currently writing an EIS which analyzes the various alternatives for disposal of the island, including the proposed action outlined above. A scoping meeting was held in Corpus Christi, Texas, on March 8, 1982, to receive public input on alternatives and impacts to be considered in the EIS. The draft EIS is expected to be available in late June, and a public hearing on the draft will be held. The FWS will also conduct its Endangered Species Act section 7 consultation. Our current schedule calls for publication of the final EIS and a decision on disposal before the end of 1982.

In accordance with your request, we will include your correspondence and the GAO opinion in the record of proceedings.

Sincerely,

JAMES G. WATT,
Secretary.

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., July 21, 1982.

Hon. JOHN D. DINGELL,
Chairman, Subcommittee on Oversight and Investigations, Committee on Energy and Commerce, House of Representatives, Washington, D.C.

DEAR MR. DINGELL: This is in further response to your recent letter, which included a copy of the General Accounting Office's (GAO) opinion (B-204291), concerning the disposition of Matagorda Island, Texas.

The General Services Administration (GSA) was not contacted by GAO for input concerning the GSA position on transfer of Matagorda Island nor has GSA been requested to provide any comment on the GAO opinion since its completion. However, we do wish to note our disagreement with the GAO assertion that the Administrator of General Services cannot determine property surplus if another Federal agency states it has a further need for that real property. It is GSA's position that, while the Department of the Interior (DOI) has the responsibility for determining what property is "suitable" for wildlife conservation, the responsibility for determining what property is "available" for wildlife conservation is committed to the discretion of the Administrator of General Services by statute.

Since the time of your initial inquiry into these matters, DOI has indicated it has changed its position on the disposal of Matagorda Island and now is considering requesting a conveyance to DOI instead of supporting a conveyance to the State of Texas. GSA does not oppoose the transfer of those portions of Matagorda Island for which DOI can demonstrate a legitimate program need. The basis of the GSA objections to the GAO opinion relative to the "cooperative agreement" and its present status are academic, as the transfer is not opposed.

We trust this information is helpful.

Sincerely,

CARROLL JONES,
Commissioner,
Federal Property Resources Service.

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., September 23, 1982.

Hon. JOHN D. DINGELL,
Chairman, Subcommittee on Oversight and Commerce, Committee on Energy and Commerce, House of Representatives.

DEAR MR. CHAIRMAN: This responds to your letter of May 13, 1982, requesting our further consideration of the proposed transfer of Matagorda Island. In particular, you ask that we reconsider our earlier conclusion (B-204291, April 16, 1982) that, subject to compliance with the applicable requirements of the National Environmental Policy Act (NEPA), 42 U.S.C. §4321 *et. seq.*, and the Endangered Species Act of 1973 (ESA), 16 U.S.C. § 1531 *et seq.*, Matagorda Island can be removed from the National Wildlife Refuge System (NWRS or System) pursuant to the termination provision of the 1971 Memorandum of Understanding (MOU). You also asked that we examine the adequacy of Interior's efforts to comply with NEPA and ESA.

It is your position that absent a determination by the Secretary of the Interior that Matagorda Island is no longer needed for the purpose for which the 1971 MOU was executed, Interior is not authorized to terminate the cooperative agreement. Your letter explains your position as follows:

"Your opinion does not address the issue I tried to raise earlier with Interior. That issue is: Whether Interior can initiate termination at its whim when, as in this case, the area is still needed for the national purposes for which Interior executed the agreement in 1971 and the other party to the MOU is *not* seeking termination to reclaim the area for defense or other purposes recognized in the MOU.

"As I state in my letter to Secretary Watt, I was a Member of the Merchant Marine and Fisheries Committee in the 94th Congress when the Interior Department amendment was suggested. That suggestion was made, however, to avoid a possible fight on the Floor over inclusion of the MOU areas in the System, particularly when we realized that they covered State areas, as well as Defense Department areas. If they could be terminated only by an Act of Congress, we would have, in effect, taken control over these areas away from the States or other Federal agencies. That was not desirable. Thus, we agreed to Interior's suggestion.

"At no time did we intend that Interior dispose or terminate its interest where the purposes for which the agreement was executed have not been fulfilled, as in the case of Matagorda. This point is made in your footnote 9 in which you dismiss the Committee's comments as 'ambiguous.' Admittedly, a strict reading of the statutory provision would allow Interior to terminate. However, the GAO interpretation is too narrow. The GAO opinion admits that 'one of the general purposes of Public Law 94-223 was to limit the Secretary's previously unfettered authority to remove areas from the System without Congressional approval.' That was the objective of the law which amended the Refuge System Administration Act.

"The opinion then states that the 'purpose of the explicit exception in favor of cooperative agreements' was to preserve the 'rights of the parties' to remove areas without Congressional blessing. However, that was not an 'exception' from the general policy. The Game Range Act policy was to prevent disposals by Interior of Refuge System areas. This language was not an exception to that policy. Rather, it was a recognition of that fact that the cooperative agreements specifically provided that Interior's use was secondary and that Congress did not intend to abrogate that understanding. Thus, Congress specified that if the agreement provided for disposal, Congress intended that such a provision not be overridden. That does not mean that Congress intended that Interior be able to terminate at a whim. The general Game Range Act policy should prevail in regard to Interior. So long as the area is still needed for the purpose for which the agreement was executed, Interior should not be viewed as authorized to initiate termination. Your opinion fails to consider this."

We appreciate your explanation of the rationale behind the statute. Nevertheless, we remain of the view that both the plain statutory language and its legislative history indicate that Congress carved out an exception in favor of cooperative agreements from Public Law 94-223's general mandate that no areas be removed from the System except by act of Congress.

You urge that the Secretary of the Interior, as opposed to the other Federal parties to cooperative agreements, should be prevented from initiating termination of such agreements unless the Secretary first determines that such areas are no longer needed

for the purpose for which the agreement was executed. However, as we pointed out in our earlier opinion, Congress did not explicitly limit the Secretary's authority to terminate cooperative agreements without congressional consent along the lines you suggest although it did do so with respect to the Secretary's authority to dispose of acquired lands without congressional consent. Compare 16 U.S.C. 668dd(a)(3)(iii) with 16 U.S.C. 666dd(a)(3)(i). Thus Congress specifically preconditioned the Secretary's authority to dispose of acquired lands without an act of Congress upon his determination that such lands *"are no longer needed for the purposes for which the System was established."* 16 U.S.C. 668dd(a)(3)(i), (a)(2)(A). Had Congress desired to limit the Scretary's authority to terminate cooperative agreements along the lines you suggest, Congress could have specifically so provided as it did with respect to the disposal of acquired lands.

In our construction of this statute, we have presumed that Congress chooses its words with care. Indeed, that presumption underlies the cardinal rule of statutory construction that absent a clearly expressed legislative intention to the contrary, the plan language of a statute must ordinarily be regarded as conclusive. *Bread Political Action Committee* v. *FEC*, 455 U.S. , 71 L.Ed.2d 432 (1982). Here, the legislative history of Public Law 94-223 does not clearly indicate a legislative intention contrary to our construction, which, we think, accurately reflects the plain language and structure of Public Law 94-223. Nonetheless, should you continue to believe that our construction of Public Law 94-223 has drawn the line too finely on this matter, subsection (a)(3)(iii) of section 668dd, title 16, United States Code, could be amended as follows:

"(A)(3) * * * except that nothing in this part shall be construed as precluding—

"(iii) the disposal of any lands within any such area pursuant to the terms of any cooperative agreement referred to in subparagraph (B) of this paragraph; *provided however, that the Secretary may not agree to dispose of any lands subject thereto unless he determines that such lands are no longer needed for the purpose for which the area was included in the System.*" (New language in italics.)

An amendment along these lines would limit the Secretary's authority to agree to dispose of lands from the System, while at the same time leaving unimpaired a primary land-holding entity's ability to terminate a cooperative agreement unilaterally, i.e., where the Secretary's agreement is not a prerequisite to termination. This would be true not only in cases where the cooperative agreement specifically provides for termination pursuant to the parties' mutual agreement but also where the cooperative agreement does not.

You requested our views on the adequacy of Interior's efforts to comply with the requirements of NEPA, including the General Services Administration's (GSA) role as joint lead agency with the Fish and Wildlife Service (FWS) as opposed to the Air Force, and with ESA. Concerning NEPA, its mandate is "essentially procedural," that is, it is designed to insure a fully informed and well considered decision. *Stryckers Bay Neighborhood, Etc.* v. *Karlen*, 444 U.S. 223, 231 (1980) (per curiam); *Vermont Yankee Nuclear Power Corp.* v. *NRDC*, 435 U.S. 519, 558 (1978). Or, in the words of the Council of Environmental Quality's (CEQ) NEPA regulations, an EIS is to serve as an "action forcing device," providing the means to assess "the environmental impacts of proposed agency actions, rather than justifying decisions already made." 40 C.F.R. 1502.1, 1502.2(g).

At the outset, we wish to make clear that the adequacy of Interior's compliance with NEPA is a matter for judicial resolution. The test is a rule of reason, requiring only a reasonably thorough discussion of the significant aspects of the probable environmental consequences of the proposed action. See *Warm Springs Dam Task Force* v. *Gribble*, 565 F. 2d 549, 552 (9th Cir. 1977) (per curiam). Nonetheless, we offer the following comments in response to specific matters raised in your May 13, 1982, letter, as well as other general observations on the joint FWS-GSA Draft Environmental Impact Statement (DEIS) on the Proposal for Disposition of 19,000 acres of Federal Land in Matagorda Island, Calhoun County, Texas, dated July 6, 1982.

We do not believe that under the present division of jurisdiction over Matagorda Island, GSA's role as joint lead agency with FWS is inappropriate. Present CEQ regulations permit two or more Federal agencies to act as joint lead agencies to prepare an EIS. 40 C.F.R. 1501.5(b). Since GSA must ultimately make a decision with respect to the disposal of the excess Air Force interest in Matagorda Island under the Federal Property and Administrative Services Act, GSA would appear to qualify as a potential lead agency under the applicable CEQ regulations, 40 C.F.R. 1501.5(a). In addition, the Air Force disavowed any practical interest when it excessed the subject property in 1975. And, depending upon the ultimate course of action decided upon, Air Force action may not be required at all. In any event, the EIS on the proposed action is available to the Air Force decisionmakers.

You further suggest that the February 1982 Notice of Intent to prepare an EIS on the proposed disposal of the Matagorda Island property raises questions about Interior's predisposition on this matter. The source of your concern is apparently the notice's proposal to dispose of the subject property to Texas as the preferred alternative. In this regard, CEQ regulations specify that the notice shall briefly describe the proposed action and possible alternative. 40 C.F.R. 1508.22. The identification of one alternative as the preferred alternative may well serve to focus debate and encourage public involvement. Standing alone, it does not necessarily indicate that the environmental information marshalled during the NEPA process will not insure a fully informed and well considered decision consistent with NEPA's mandate. It is also relevant to note that apparently as a result of the EIS scoping process, the DEIS' preferred alternative is now to transfer the excess Federal interest to FWS which would then exchange conservation easements with the State of Texas, although, as with the earlier preferred alternative, day-to-day management of the combined State marshland and Federal land on Matagorda Island would be performed by the Texas Parks and Wildlife Department (TPWD). DEIS at 17-24. Ostensibily at least, the NEPA process has been "action-forcing," as contemplated by the CEQ regulations.

Aside from the above concerns raised in your letter, we question whether the DEIS may reasonably be said to contain adequate detail on several significant factors. First, additional detail concerning Texas' ability to manage this resource would improve the DEIS. In this regard, the DEIS recognizes Texas' ability "to manage properly and maintain this valuable Federal property for the conservation and management of wildlife resources * * * ." DEIS at 8. However, the DEIS does not explain the basis for this conclusion. The achievements or failures of the Texas Parks and Wildlife Department would appear to have a significant impact on an informed choice between the alternatives identified in the DEIS.

The lack of detail concerning Texas' ability to manage this valuable wildlife resource leads to a second concern with the DEIS. Under the present preferred alternative the combined State marshland and beaches plus the Federal island property itself would be managed under the general framework identified in the Matagorda Island Conceptual Plan dated October 22, 1981. As recognized by the DEIS on page 45, the Conceptual Plan does not define limits of public use, population levels of wildlife, game or nongame management programs, parks and wildlife funding, staff levels, means of access, etc. Rather, the proposed Interior-TPWD cooperative agreement contemplates that detailed management will be in accordance with a series of 5-year master plans and annual operations plans. Although the conceptual management framework appears to be adequate, the specific aspects of TPWD's day-to-day management as well as its short-term (5-year) management goals remain open to conjecture. Again greater detail would permit a more informed evaluation whether TPWD's management goals and management processes will be adequate to insure only low-intensity recreational uses compatible with the Island's wildlife and natural resources.

Finally, the DEIS contemplates a reciprocal exchange of conservation easements between the State of Texas and FWS. The exact terms or restrictions of the conservation easements are neither contained nor discussed in the DEIS. This omission is in our opinion quite significant. Again, the EIS would be substantially improved by adding the proposed conservation easements to the EIS and discussing them therein.

In our earlier opinion we concluded that the termination of the 1971 MOU would be subject to the applicable requirements of the Endangered Species Act of 1973. As we pointed out, section 7 of the ESA requires all Federal agencies to insure that their activities or programs do not result in the destruction or adverse modification of critical habitat. 16 U.S.C. § 1536(a)(2) (Supp. III, 1979). Where an agency action may affect an endangered species or its habitat, the agency must initiate a written request for a biological opinion on the identified activity. 50 C.F.R. § 402.04(a)(3). If the Director or Regional Director determines that the proposed activity will promote the conservation of the endangered species in question or that the proposed activity is not likely to jeopardize the continued existence of the endangered species or modify its critical habitat adversely, the requesting agency shall be so notified and additional section 7 consultation shall be unnecessary. 50 C.F.R. § 402.04(e)(2, 3).

A biological opinion dated July 9, 1982, considered "the segment of the preferred alternative relating to the acquisition by the [FWS] of the 19,000 acres of excess Federal property." Memorandum to Regional Director, Region 2, from Chief, Office of Endangered Species, dated July 9, 1982. The Chief, Office of Endangered Species, concluded that the proposed FWS acquisition of the

excess Matagorda Island property "will promote the conservation of [the five] listed species [considered in the opinion] and will not result in the destruction or adverse modification of the whooping cranes critical habitat." Id. at 2.

As the above memorandum recognizes, additional consultation must be undertaken to consider the effect of the reciprocal exchange of conservation easements and the Texas-FWS cooperative agreement on listed species and on the whooping crane's critical habitat. 50 C.F.R. § 402.04(a, e). However, until the terms and conditions of the easements have been finalized, a section 7 consultation on this segment of the preferred alternative would be premature.

Finally, section 7 consultations may be consolidated with and subsumed in the NEPA process. See 50 C.F.R. § 402.04(b); 40 C.F.R. § 1502.25. To this end, the DEIS discussion of the environmental consequence of the various alternatives should be updated to incorporate the required section 7 biological opinions.

Sincerely yours,

HENRY R. VAN CLEVE,
(for Comptroller General
of the United States).

NATIONAL AUDUBON SOCIETY,
New York, N.Y., April 13, 1982.

Hon. JAMES G. WATT,
Secretary, Department of the Interior, Washington, D.C.

DEAR MR. SECRETARY: During the past two months, both the state of Texas and the Interior Department have held public hearings on your proposed action to transfer the federal portion of Matagorda Island out of the National Wildlife Refuge System and convey the property to the state of Texas for park and recreation purposes. Public testimony provided at both hearings overwhelmingly opposed the proposed transfer.

On February 24, 1982, the Texas Senate Natural Resources Interim Subcommittee on Matagorda Island held hearings to investigate the proposed transfer. Out of 16 witnesses, only Mr. Potter from your office and Messrs. Travis and Clark from the Texas Parks and Wildlife Department spoke in favor of transfer to the state's Parks and Wildlife Department. Local citizens were unanimous in opposing the action.

On March 8, 1982, at the Department of the Interior's and the General Services Administration's Scoping Hearings on Matagorda Island, only one witness out of 38 supported the proposed transfer (Mr. James Bell, Director of the Texas Parks and Wildlife Department). With the single exception of Mr. Bell, all other witnesses were unanimous in their opposition to the transfer. This overwhelming demonstration of public sentiment is further substantiated by the editorial in the Corpus Christi the Caller Times on March 13 opposing the transfer.

The statement of State Senator Gonzales Truan, who participated in the earlier State Senate hearings, and who sits on both the Senate Natural Resource and the Appropriations Committees, accurately reflects the majority sentiment of the witnesses present at the scoping hearing.

Senator Truan's statement is so representative that it is worth quoting at length. He stated:

"I am personally concerned as to why there is a proposal to transfer Matagorda to begin with. What is the overriding issue that would prompt the Department of Interior to consider it? Personally, at the Senate Committee hearing, we did not hear any testimony that would give us reasons to transfer the Matagorda property back to the state, because there has been no real criticism of the managing of the island by the Fish and Wildlife Service.

"And I feel personally that the state of Texas has not shown its commitment in the past by its performance, financial commitment, or by its actions to protect the environment.

"I feel the state of Texas is as strapped financially for financial assistance to such projects as you seem to be at the federal level. Here at the state level we have our own financial problems. We have a Governor who is implementing an austerity program to reduce state employment by 25,000 people.

"If we took over responsibility for Matagorda, I don't see any great movement at the state level to increase its budget or the number of employees for Texas Parks and Wildlife Department. That is why I'm concerned for who is pushing for the state to take over Matagorda."

State Representative Arnold Gonzales supported his senate colleague's position and stated, "The state of Texas does not live up to its responsibility for protecting the environment in this state . . . it is not in the best interest of the people of the state for Texas to have management and I strongly object to the transfer."

The hearing records clearly indicate that the people of Texas oppose the transfer of Matagorda from the FMS to the state of Texas. Furthermore, Matagorda is a natural resource of international significance by the strength of the endangered species and migratory birds present. The Government of Canada, in a telegram of March 8 to the U.S. Fish and Wildlife Service, has recorded its concerns over the proposed dispositions of federal property on Matagorda Island and requests that "no actions are taken might reduce the value to cranes and other migratory birds of the state-owned tidelands adjoining the island or that part of the island now be administered as part of the Aransas National Wildlife Areas."

In the face of documented opposition by leaders in the state legislature and private citizens in Texas, numerous national public interest organizations and the government of Canada, the National Audubon Society again questions the purpose and need for the proposed transfer of title of the federal land. The Federal Register notice of 3 February 1982 states: "The purpose of this proposed action is to preserve the existing natural character of the 19,000 acres of federal lands on Matagorda and to implement action which will assure that the integrity of this resource is maintained, forever." Clearly, the proper course of action, is the consideration of a "Preferred Alternative" whereby GSA would transfer primary jurisdiction for the entire 19,000 acres to the FWS for management of the area as a unit of the National Wildlife Refuge System. . . in accordance with Title 50 U.S.C. of the Federal Regulations (50 CFR) which governs the adiminstration of natioanl wildlife refuges." This course of action is consistent with the conclusions reached in the Fish and Wildlife Services's earlier draft Environmental Assessment. The Preferred Alternative, currently under consideration in the Environmental Impact Statement, is at odds with the department's administrative record, public testimony, and as Congressman Dingell has pointed out, with both the U.S. Congress' legislative record and the intent of Congress.

Consequently, Audubon formally requests that a Preferred Alternative detailing "Transfer of title from GSA to FWS in accord with P.L. 80-537 and the November 17, 1975 FWS application to GSA" receive extensive and detailed examination in the EIS process.

Audubon does not object to the management of part of the federal portion by the state of Texas after the transfer of title of GSA to FWS has been effected. However, any consideration of Texas management of the federal portion of Matagorda in the EIS process must address in detail the 11 points enumerated in our testimony of 8 March (Pages 8, 9, Items 8a-k).

The EIS must specifically consider the following:

2(a) The inclusion of details addressing proposed budget allocations, personnel assignments and the divisions of responsibility between park and wildlife staffs in the Texas Parks and Wildlife Department Conceptual Plan;

2(b) TPWD's managment of the physical deterioration of the Air Force Base and the repair of existing dock facilities.

2(c) The termination of a Texas coastal management program under the Coastal Zone Management Act of 1972 (P.L. 92-583);

2(d) TPWD's management of oil and gas exploration on Matagorda;

2(e) TPWD's management of migratory birds and cooperation with the FWS's Category 8 Texas Gulf Coast Wetland Preservation Program;

2(f) TPWD's protection, maintenance and recovery plans for the eight federally listed endangered species which inhabit Matagorda;

2(g) TPWD's administration of Matagorda as a single, ecological unit including bayside wetlands and American Liberty Oil Company Property;

2(h) TPWD's proposed wildlife research for migratory birds and endangered species;

2(i) TPWD's regulation of air traffic over Matagorda and airboats in adjacent bayside wetlands;

2(j) The impact of TPWD's proposed grazing program;

2(k) The impact of TPWD's proposed supplemental feeding program.

Additionally, the EIS should specify that any "State management would be subject to certain conservation restrictions and a mandatory reverter clause. The reverter clause should be structered so that it can be actuated by either FWS or public petition. Any alternative providing for state management should also provide for state donation or lease of the Public School wetlands to the FWS for incorporation as part of Aransas NWR." (NAS Testimony, 8 March, Page 10)

Finally, any alternative considering the joint Federal-State Ownership must provide that the federal portions of Matagorda are adequate to meet the FWS's national and international migratory bird and endangered species responsibilities. As we stated in our testimony, this delineation should anticipate the potential effects of drought on the wildlife habitat and the range expansion of endangered species currently untilizing Matagorda Island. The federally managed portion of Matagorda should also include an ample buffer area to mitigate the potential adverse effects of recreation on the state-managed north portion of the island.

Because the present Draft Environmental Impact Statement is proceeding with the consideration of a Preferred Alternative that is at variance with the administrative

record and all related public proceedings, Audubon formally requests that public hearings be scheduled on the DEIS in a major city in Texas and in Washington, D.C. It is imperative that hearings be held both in Texas and in Washington because of the public controversy engendered by the proposed action and because of the congressional interest in the transfer.

Sincerely,

RUSSELL W. PETERSON,
President.

MEMORANDUM OF AGREEMENT BETWEEN U.S. DEPARTMENT OF THE INTERIOR AND STATE OF TEXAS FOR THE MANAGEMENT OF THE MATAGORDA ISLAND STATE PARK AND WILDLIFE MANAGEMENT AREA

This Memorandum of Agreement (Agreement) is between the United States Department of the Interior (Interior), acting through the U.S. Fish and Wildlife Service (FWS), and the State of Texas (Texas), acting through the Governor, and the Texas Parks and Wildlife Department (TPWD) and the Texas General Land Office (GLO).

Whereas, it is the policy of Interior to recognize the vital role of the States in proper management and conservation of our national resources; and

Whereas, Interior and Texas recognize that Matagorda Island is:

A valuable and delicate State and national resource deserving of careful management and conservation; and

One of the few remaining barrier islands in the Nation which remain essentially in a natural state, and shall be preserved in an undeveloped state, except for any improvements necessary to administer the land as a refuge and wildlife management area and for park purposes; and

Of particular importance for wildlife, especially for the protection of endangered species such as the whooping crane; and

One of the most important waterfowl areas along the Texas gulf coast, and the North American Continent, especially during annual migration and wintering periods; and

A nationally, if not internationally, significant ecosystem that must be preserved; and

A significant recreational and historical area, both to the citizens of Texas and to the Nation; and

Whereas, Interior, by and through FWS, is the Federal agency responsible for carrying out this Nation's migratory bird and endangered species program responsibilities, including providing proper protection and sound integrated management with the State for said wildlife species utilizing Matagorda Island; and

Whereas, Interior, by and through the FWS, has since 1971 managed the 19,000± acres of Federal land on Matagorda Island as part of the Aransas National Wildlife Refuge; and

Whereas, Texas has demonstrated its ability to manage its fish and wildlife resources and maintain the delicate ecosystem of its gulf coast including State wetlands and Gulf lands on Matagorda Island; and

Whereas, GLO, the Texas agency which manages the Texas Coastal Public Lands, including the 24,893± acres of State wetlands and Gulf lands on Matagorda Island, has agreed to lease its land to TPWD to enable TPWD to manage the lands as provided for in this Agreement; and

Whereas, TPWD is the Texas agency responsible for the management of wildlife in the State reservation, as well as for the administration of Texas laws relating to wildlife, fish, oysters and marine life; and

Whereas, Interior wishes to obtain a conservation easement on the 24,893± acres of State wetlands and Gulf lands on Matagorda Island to be managed as a unit of the National Wildlife Refuge System (NWRS) in exchange for a grant of easement to Texas on the 19,000± acres of Federal land; and

Whereas, Texas, by and through TPWD, desires to provide integrated management of all Federal and State lands on Matagorda Island, shown on the map, Exhibit "A" (attached hereto and incorporated by reference in this Agreement) as a park and wildlife management area, under an Agreement with Interior and lease from GLO; and

Whereas, Interior and Texas believe that the wildlife resources on Matagorda Island will benefit from integrated management of the Federal and State lands on Matagorda Island; and

Whereas, Interior and Texas agree there is need to define the respective rights and obligations of each in the integrated operation and management of Matagorda Island; and

Whereas, this Agreement is authorized under the National Wildlife Refuge System Administration Act (16 U.S.C. 668dd-668ee), section 6(b) of the Endangered Species Act (16 U.S.C. 1535(b)), the Fish and Wildlife Coordination Act (16 U.S.C. 661-667c), the Fish and Wildlife Act of 1956 (16 U.S.C. 742a-742j); and as authorized in the Texas Parks and Wildlife Code, and Texas Natural Resources Code Chapter 33, et seq.

Now therefore Interior and Texas hereby agree that:

1. Texas shall, through TPWD, provide integrated management of all publicly-owned land on Matagorda Island, pursuant to this Agreement, the "Matagorda Island Conceptual Plan" (State conceptual plan, attached hereto as Exhibit "B" and incorporated by reference in this Agreement), as approved by Interior, and in accordance with annual operations plans approved by FWS and GLO, as a wildlife refuge, park and wildlife management area in the manner, and subject to the further terms and conditions, as hereinafter prescribed in this Agreement.

2. For the purposes of carrying out their respective obligations and responsibilities under this Agreement, Texas will be represented by the Executive Director, TPWD, and the Texas Land Commissioner, GLO; and Interior will be represented by the Regional Director, FWS, Albuquerque, New Mexico.

3. TPWD shall adopt the management principles, goals and objectives set forth in the NWRS Manual in managing all publicly-owned land on Matagorda Island. Where this Agreement is inconsistent with the NWRS Manual, this Agreement shall govern.

4. The 19,000± acres of Federal land on Matagorda Island managed by TPWD will remain under the primary jurisdiction of FWS as a unit of the NWRS. Primary jurisdiction of the 21,568± acres of State wetlands and 3,325± acres of State Gulf lands will remain with Texas. The Federal conservation easement on the State lands shall be included in the NWRS.

5. TPWD, under the terms and conditions of this Agreement, will provide integrated management of Federal and State lands on Matagorda Island in accordance with the State conceptual plan and annual operations plans (as approved by FWS) by zone (Exhibit "A") as follows:

Zone A.—To be administered as a wildlife management area, excluding camping but including hunting, fishing, and other compatible wildlife-oriented research and recreational uses, subject to restrictions in applicable Federal and State laws, rules, and regulations.

Zone B.—To be administered as a wildlife conservation and park area, providing compatible public use opportunities, subject to restrictions in applicable Federal and State laws, rules, and regulations.

6. Except as otherwise provided in the easement from the State to the United States, Texas shall not use or permit the use, and shall take such measures as may be necessary to prevent the use or occupancy, of the publicly-owned portion of the island, for any purpose which is inconsistent or incompatible with the purposes herein specified and in its State conceptual or annual operations plans for the island. In addition, TPWD shall not authorize any use affecting the Federal lands or Federal conservation easement unless it is determined by FWS, during the annual review of the annual operations plan, to be compatible with the purposes for which the refuge lands were added to the NWRS—to provide habitat for migratory birds, endangered species and other wildlife. TPWD, in managing the State lands specified in the Agreement, shall comply with this compatibility test, except for oil, gas, and mineral exploration and development which are valid existing rights held by third parties or part of the subsurface estate retained by GLO and exempt from refuge compatibility requirements. FWS Refuge System regulations regarding the administering of reserved and excepted mineral rights shall be applicable to the exercise of valid existing mineral rights.

7. Subject to valid existing rights, oil, gas, and other authorized mineral exploration and development will be permitted on the publicly-owned portion of Matagorda Island under applicable Federal and State laws, rules, and regulations necessary to assure protection of wildlife and other natural resources. The State environmental codes in the FWS approved Aransas National Wildlife Refuge Oil and Gas Plan (Exhibit C, attached hereto and incorporated by reference in this Agreement) shall be used as guidelines. Deviation from these guidelines must be recommended by TPWD and GLO and approved by the FWS Regional Director. Response from FWS shall be in writing within 30 days after receipt of such recommendations.

8. Texas shall refer to the FWS Regional Director all applications relative to permits, easements, rights-of-way for pipelines and all other proposed non-wildlife or non-park uses on or affecting the publicly-owned lands, except as provided in Paragraph 7 herein relating to oil and gas exploration and development. With such referral, Texas shall indicate its recommendations as to the application, with a statement that such proposed uses will or will not interfere with the use of the lands for the purposes for which they are made available to the State. FWS retains the authority to grant or deny applications on Federal lands. Applications affecting the Federal easement shall not be granted by Texas unless approved by the FWS Regional Director. Upon receipt of such referral, FWS shall respond in writing within 30 days except for actions requiring preparation of an environmental impact statement. Texas is, however, authorized to issue special use permits, for such daily

operational matters as grazing, seismic, etc., which are consistent with annual operations plans approved by FWS.

9. No causeway, highway, bridge, ferry, public airport, or similar mode of transportation providing land vehicle or aircraft access to the island will be permitted, except that TPWD, GLO, and FWS and their respective agents and assigns, may utilize all modes of transportation necessary for the proper administration of the island. No land vehicle or aircraft will be allowed on the publicly-owned portion of the island except as authorized for administration, management, enforcement, and maintenance of the land as Matagorda Island State Park and Wildlife Management Area, and as a unit of the NWRS.

10. TPWD will obtain use of all buildings, structures, and facilities located on the Federal land including the Port O'Connor dock annex (6.9 acres) and maintain those not disposed of as provided herein. FWS reserves the right to store refuge equipment, at a mutually-agreed site, and use all docks, roads, aircraft runways, and all other access facilities for administrative use in carrying out its Federal responsibilities. All buildings, utilities, and facilities not selected for use by TPWD or FWS will be removed from the site or disposed of as mutually agreeable in accordance with the General Services Administration's rules and regulations covering disposal of excess Federal property. TPWD and FWS, subject to each other's consent, will be permitted to construct, modify, or move any building, structure, or utility system to enable it to meet its intended use as authorized by this Agreement.

11. Grazing may be permitted by TPWD on Federal lands in accordance with the State conceptual plan, annual operations plans and the NWRS Manual. Grazing on State lands will be compatible with the purpose for which the Federal easement was added to the NWRS. TPWD will prescribe in its annual operations plan the conditions under which grazing may be permitted, including livestock type and number, distribution and duration of grazing, and conditions by which livestock numbers will be manipulated in response to changes in range conditions resulting from climatological or other phenomena. FWS and GLO will be responsible for the administration of grazing leases. TPWD will monitor the grazing program and identify adjustments in its annual operations plan required to protect the range and wildlife resources.

12. Nothing in this Agreement shall impair the ability of TPWD to permit hunting and fishing on State lands in accordance with good wildlife management practices and consistent with the Texas Parks and Wildlife Code. All hunting and fishing shall be managed to assure that these activities are not likely to jeopardize the continued existence of any federally listed endangered or threatened species.

13. All monies received from products of the land or other privileges granted on the 19,000± acres of Federal lands (subject to valid existing rights) in this Agreement, shall accrue to FWS for deposit into the National Wildlife Refuge Revenue Sharing Fund. All monies received from products of the land on the State lands (subject to valid existing rights) in this Agreement, shall accrue to GLO for deposit into the appropriate School Fund.

14. No admission fees of any kind shall be charged for entrance into the publicly-owned portion of the island. Fees may be charged to defray actual expenses for special programs and services including transportation to and from recreational areas, and rental of blinds and equipment; all fees so obtained may be retained by Texas.

15. For the 19,000± acres of Federal land on Matagora Island, FWS will make payments to Calhoun County, Texas, in accordance with the Refuge Revenue Sharing Act (16 U.S.C. 715-s).

16. With respect to all of the publicly-owned lands on Matagorda Island, TPWD and FWS shall enter into a Law Enforcement Memorandum of Understanding as provided by section 3(b) of the Fish and Wildlife Improvement Act of 1978, Public Law 95-616 (16 U.S.C. 742 1(b)). TPWD shall assign full-time law enforcement personnel to administer the land subject to this Agreement, and FWS shall, subject to applicable laws and regulations, authorize TPWD law enforcement personnel to enforce Federal fish and wildlife laws.

17. TPWD shall submit to the Regional Director of FWS and the Commissioner of GLO for approval a 5-year master plan by October 1 of the beginning of each 5-year period and an annual operations plan no later than October 1 of each calendar year for the following year to describe its management activities on Matagorda Island. Each 5-year plan shall include a statement of management goals and priorities. Each annual plan shall include staffing levels to achieve these goals. No irreversible commitment of resources by TPWD shall occur before the initial 5-year plan is approved. These documents shall follow the format as required by the Federal Aid in Fish and Wildlife Restoration Program. Annual reports of activities for the preceding year will be submitted in compliance with the above cited Program. FWS and GLO shall make inspections of the area at such times as they elect to ensure that the State's operations are in keeping with master and annual plans.

18. If FWS believes or has reason to believe that TPWD has conducted or permitted an incompatible activity on the Federal lands or affecting the Federal easement, FWS will notify TPWD. TPWD shall immediately cease the activity pending appeal to the Secretary. If TPWD does not cease, FWS, pending the appeal, shall assume management to the extent necessary to prevent the incompatible activity.

If FWS believes or has reason to believe that TPWD has violated any of the conditions set forth in the Agreement that do not constitute an incompatible activity, FWS shall notify TPWD. Such notice shall be in writing and shall set forth the alleged violation of the conditions of the said paragraph. A copy of the notice shall simultaneously be delivered to GLO. Upon receipt of said notice, TPWD shall immediately acknowledge receipt of said notice and respond in writing to the allegations of said notice within thirty (30) days. If TPWD agrees that corrective action is necessary, FWS, GLO, and TPWD shall mutually agree on the number of days and conditions necessary for the correction of said violation or violations. If TPWD does not agree that a violation has occurred and a settlement cannot be reached, TPWD may appeal to the Secretary who will make a final decision after notice and opportunity for a hearing pursuant to the Administrative Procedure Act.

If, after appeal, any violation is found and if said violation is not corrected within sixty (60) days after the final decision on appeal is rendered, or if other appropriate legal proceedings are not initiated within such time period, TPWD shall forfeit any interests and this Agreement shall terminate.

19. Upon receipt of a valid petition from any public or private organization or individual alleging that Texas is using or permitting use of the Federal lands or affecting the Federal easement covered by this Agreement in a manner that violates the terms of this Agreement, FWS shall, within 30 days, investigate the allegation and make a determination whether, pursuant to paragraph 18 of this Agreement, it shall notify Texas of the alleged violation. If FWS determines the petition to be invalid or does not otherwise pursue the petition, petitioner may appeal to the Secretary of the Interior who shall make a final decision after providing opportunity to the petitioner and TPWD to submit comments.

20. In the event this Agreement is terminated, Texas shall have ninety (90) days from the effective date of termination to remove any structure placed on the area by the State and to restore the land affected by such removal as nearly as possible to its original condition considering normal wear and tear. If this Agreement is terminated, Interior will immediately assume direct management of the Federal lands on the island, including any permits or similar agreements which extend beyond said termination date. It is the intention of the parties that this Agreement shall transfer no permanent rights to title, ownership, or control of any Federal or State land, water, facilities, or equipment included in this document.

21. This Agreement and all documents referred to herein, may be amended in the future by mutual consent or agreement of the Executive Director of TPWD, Regional Director of FWS, and GLO Commissioner. In effecting any such amendment, FWS shall comply with the provisions of the National Environmental Policy Act of 1969 (42 U.S.C. 4331 et seq.). FWS shall provide 30 days public notice prior to the effective date of any amendment to this Agreement.

22. This Agreement is entered into for a period of one hundred (100) years, commencing on the date it is fully executed.

In witness whereof, the parties have executed this Agreement on the day, month, and year opposite their signatures thereto:

The United States of America, Department of the Interior:

December 8, 1982.

JAMES G. WATT,
Secretary of the Interior.
ROBERT A. JANTZEN,
Director, Fish and Wildlife Service.

and

The State of Texas:

WILLIAM P. CLEMENTS, Jr.,
Governor, State of Texas.

BOB ARMSTRONG,
Commissioner, General Land Office, and Chairman, School Land Board.
PERRY R. BASS,
Chairman, Texas Parks and Wildlife Commission.

STATE OF TEXAS, GENERAL LAND OFFICE, GRANT OF EASEMENT TO UNITED STATES OF AMERICA, MATAGORDA ISLAND, CALHOUN COUNTY, TEX.

This indenture, made this 8th day of December, 1982, by and between the State of Texas, acting by and through the Governor of the State of Texas, the Commissioner of the Texas General Land Office (GLO), on

behalf of the Public Free School Fund, pursuant to V.T.C.A. Article 5421c-13, and the Chairman of the Texas Parks and Wildlife Commission, acting pursuant to his authority to direct the policy of the Texas Parks and Wildlife Department (TPWD), hereinafter styled "Texas," and the United States of America, acting by and through the Secretary of the Interior and the Director of the U.S. Fish and Wildlife Service (FWS), or their authorized representatives, hereinafter styled "United States."

Witnesseth:

Whereas, some 24, 893± acres of land and water managed by Texas on behalf of the Public Free School Fund in the vicinity of Matagorda Island in Calhoun County, Texas (as described in part 1 of "Exhibit A" attached hereto and made a part of this indenture), is suitable for wildlife conservation and National Wildlife Refuge System (NWRS) purposes;

Whereas, the Secretary of the Interior, acting through the Director of FWS, in the administration of the NWRS, is authorized, pursuant to section 4(b)(3) of Public Law 89-669, as amended (16 U.S.C. 668dd(b)(3)), to acquire lands or interests therein suitable for wildlife conservation and inclusion in the NWRS by exchange for lands or interests therein which are suitable for disposition, when the values of the lands or interests therein exchanged are approximately equal;

Whereas, Texas is authorized pursuant, to V.T.C.A. Article 5421c-13, to trade fee and lesser interests in Public School Land for fee and lesser interests in lands of unique biological, geological, cultural, or recreational value;

Whereas, Texas and the United States desire to exchange easements on the 19,000± acres of Federal land, including the 6.9 acre Port O'Connor dock annex, and 24,893± acres of State land on Matagorda Island in order to promote and enhance the conservation of wildlife, and continue to provide recreational opportunities for the public which are compatible, and do not interfere, with the primary purposes for which the lands are included in the NWRS;

Whereas, GLO desires to lease the Federal easement and the State lands to TPWD to provide integrated management of Matagorda Island; and

Whereas, Matagorda Island is of particular value in carrying out the Nation's migratory bird management program, and for other wildlife conservation purposes, and that such programs and purposes would be aided by the integrated management of Matagorda Island.

1. Now Therefore, for and in consideration of the concurrent conveyance by the United States of an Easement for 100 years to enter and manage the land and water described in part 2 of "Exhibit A," Texas hereby grants and conveys to the United States, its successors, and assigns, subject to the terms and conditions of the memorandum of agreement between the United States and Texas executed on the 8th day of December, 1982 (attached hereto and made a part of this Indenture, hereinafter styled "Agreement"), and the conditions and provisions hereinafter set forth, an Easement for 100 years for the conservation of the land and water described in part 1 of "Exhibit A," for inclusion in the NWRS, including the right of access thereto by authorized representatives of FWS over and across any and all adjoining lands of Texas.

2. Subject, however, to: Texas' express reservation and retention of all interests in the land and water described in part 1 of "Exhibit A," not expressly granted herein, including, but not limited to, all existing rights-of-way, all outstanding mineral rights, other valid existing rights of Texas and the United States, and third parties under patents of record, and rights of third parties under oil and gas leases or other valid existing rights of record.

3. The conveyance hereunder shall be effective on the date of execution of: a) this Grant of Easement by the Governor, the Commissioner of the General Land Office, and the Chairman of the Texas Parks and Wildlife Commission, or their authorized representatives; and b) the concurrent Grant of Easement from the United States to Texas.

4. Texas, for itself and for its successors, assigns, lessees, and any other person claiming under them, covenants and agrees that it will cooperate in the management of the land and water described in parts 1 and 2 of "Exhibit A" as wildlife habitat pursuant to the terms of this Easement, including the Agreement.

5. It is understood and agreed by both parties that this Easement grants no rights and imposes no limitations or restrictions upon Texas or the United States other than those set out herein, including "Exhibit B" attached hereto and made a part of this Indenture.

6. In the event that the Agreement shall be terminated pursuant to paragraph 18 thereof, then all rights, titles, estates, and interests of the United States, its successors, and assigns, conveyed by this Indenture shall automatically and without entry, demand, or action, terminate and be of no further effect.

7. Should the United States' rights, titles, estates, and interests terminate pursuant to the foregoing provision, then Texas' rights, titles, estates, and interests in the Easement conveyed to it by the United States shall automatically and without entry demand, or action, terminate and be of no further effect.

The State of Texas:

WILLIAM P. CLEMENTS, Jr.,
Governor, State of Texas.
BOB ARMSTRONG,
Commissioner, General Land Office, and Chairman, School Land Board.
PERRY R. BASS,
Chairman, Texas Parks and Wildlife Commission.

THE STATE OF TEXAS, COUNTY OF TRAVIS

Know all men by these presents:

This instrument was acknowledged before me on the 8th day of December, 1982, by William P. Clements, Jr., as Governor of the State of Texas.

SPENCER L. REID,
Notary Public.

THE STATE OF TEXAS, COUNTY OF TRAVIS

Know all men by these presents:

This instrument was acknowledged before me on the 8th day of December, 1982, by Bob Armstrong, as Commissioner of the General Land Office, and as Chairman of the School Land Board.

SPENCER L. REID,
Notary Public.

THE STATE OF TEXAS, COUNTY OF TRAVIS

Know all men by these presents:

This instrument was acknowledged before me on the 8th day of December, 1982, by Perry R. Bass, as Chairman of the Texas Parks and Wildlife Commission.

SPENCER L. REID,
Notary Public.

Mr. BREAUX. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. PATMAN), the lead author of the legislation.

Mr. PATMAN. Mr. Speaker, I rise in favor of H.R. 1935, which will ratify an exchange agreement between the State of Texas and the U.S. Department of the Interior. This bill, which I have sponsored along with Mr. WRIGHT, Mr. BREAUX, and Mr. DINGELL, deals in a creative manner with the protection of wildlife on Matagorda Island, bordering on the Gulf of Mexico north of Corpus Christi, Tex.

Under this agreement, the State of Texas, by an easement, has placed the 24,000 acres of State-owned wetlands into the National Wildlife Refuge System, and the Federal Government has, by easement, agreed to the unified management of the State and federally owned lands on Matagorda Island by the State of Texas. This management will be governed by principles which the National Wildlife Refuge System has established, and it will be subject to yearly review by the Fish and Wildlife Service of the Department of the Interior. These lands will complement the Aransas National Wildlife Refuge nearby, an area of some 54,893 acres.

As many of my colleagues know, the State-owned wetlands of Matagorda Island provide nesting and feeding grounds for the magnificent whooping crane and other wildlife species, which also use the federally owned lands for feeding. The Audubon Society and other environmental groups have worked for many years with the State and Federal authorities to protect these rare and endangered species. They have helped to bring about a system which will provide unified management of the whole of the wildlife areas on Matagorda Island.

I am proud to join with the Audubon Society, the National Wildlife Federation, the Texas Conservation Foundation, and a number of other national and State conservation groups in support of this agreement between the State of Texas and the Department of the Interior. Texas has offered a considerable asset to the National Wildlife Refuge System in the form of the easement it granted over its wetlands, and another great asset in its agreement to manage both the uplands and the wetlands, under guidelines set by the refuge system.

As a Texan, I wish to note that I am proud of the professionalism which the Texas Parks and Wildlife Department has consistently demonstrated over the years. The department is well known and well respected throughout the Nation. The commitment of the

personnel and resources which it has available makes it well qualified to protect the wildlife on the island.

Because Matagorda Island is in my district, I have been following the negotiations with great interest, ever since they began in 1976, at which time I was serving in the Texas Senate. I know that there is widespread support for the State's management in my district and in the State.

By ratifying the agreement which has finally been reached, we can eliminate any questions as to the legality of the Interior Department's action, and thus prevent any legal controversy over it. This will allow the skilled professionals in wildlife conservation and management to get on about the business of a unified management of both the State and federally owned portions of Matagorda Island, in a manner consistent with the principles of the National Wildlife Refuge System. I urge my colleagues to support H.R. 1935.

● Mr. CONTE. Mr. Speaker, I rise in support of H.R. 1935, the Matagorda Wildlife Refuge bill as reported by the Committee on Merchant Marine and Fisheries.

As many of you are aware, Matagorda Island, located off the coast of Texas, is one of the Nation's largest barrier islands. It is, perhaps, one of the single-most important areas of wildlife habitat in the country. In fact, it is the winter home of the endangered whooping crane and six other endangered species, the bald eagle, the peregrine falcon, the brown pelican, Kemps ridley, loggerhead, and Atlantic green sea turtles. In addition, the island provides critical habitat for thousands of migratory waterfowl and numerous upland game species. It includes upland game species. It includes some of the best productive habitat for the mottled duck on the Texas coast and is a key wintering habitat for the central flyway.

In the 97th Congress, I introduced a bill designating portions of Matagorda Island as wilderness. The designation would have insured that this magnificent island remained in a natural state for the protection of endangered species, migratory waterfowl, and upland game. H.R. 1935 is a different approach but accomplishes the same basic goal. This bill ratifies an exchange agreement between the Department of the Interior and the State of Texas concerning the joint management of Matagorda Island. The lands under consideration are to be managed by the Texas Parks and Wildlife Department in accordance with the provisions of the National Wildlife Refuge Administration Act, the National Wildlife System manual and a Matagorda conceptual plan developed by Texas. The Interior Department would monitor management of the area. The bill would also allow a check on this agreement. Any public or private organization could petition the Department of Interior if it believes the agreement is being violated.

Mr. Speaker, I urge Members to consider favorably this bill to save Matagorda Island. The issue has been around for a while and now is the time for the House to act—positively.●

□ 1350

Mr. BREAUX. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. FORSYTHE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Louisiana (Mr. BREAUX) that the House suspend the rules and pass the bill, H.R. 1935.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BREAUX. Mr. Speaker, I ask unanimous consent that all Members who wish to do so may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

EMERGENCY HOUSING ASSISTANCE ACT OF 1983

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 142 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 142

Resolved, That at anytime after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1983) to amend certain housing and community development laws to provide emergency mortgage assistance to homeowners and emergency shelter for the homeless, and the first reading of the bill shall be dispensed with. All points of order against the consideration of the bill for failure to comply with the provisions of section 402(a) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived, and all points of order against the bill for failure to comply with the provisions of clause 5, rule XXI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking, Finance and Urban Affairs, the bill shall be considered for amendment under the five-minute rule, and each section of the bill shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore. The gentleman from Massachusetts (Mr. MOAKLEY) is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Missouri (Mr. TAYLOR) and pending that I yield myself such time as I may use.

Mr. Speaker, the resolution provides for the consideration of the bill (H.R. 1983), the Emergency Housing Assistance Act of 1983.

It is a simple 2-hour open rule which provides two waivers of points of order. The 2 hours are controlled by the Committee on Banking, Finance and Urban Affairs and the time is divided in the customary manner.

The rule waives points of order under section 402(a) of the Congressional Budget Act of 1974. The act, in the case of fiscal year 1983 spending, makes May 17, 1982, the cutoff date for committee action. As is customary in such cases, the committee sought the advice of the Committee on the Budget, which recommended that the waiver be granted, on the grounds that the bill is emergency legislation. The letter transmitting the recommendations of the Committee on the Budget follows:

COMMITTEE ON THE BUDGET,
Washington, D.C., March 16, 1983.

Hon. CLAUDE PEPPER,
Committee on Rules, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I understand that the Committee on Rules will consider H.R. 1983 to amend certain housing and community development laws to provide emergency mortgage assistance to homeowners and emergency shelter for the homeless.

The bill, as reported, would violate section 402(a) of the Congressional Budget Act.

Section 402(a) of the Budget Act provides that it shall not be in order to consider any bill which authorizes the enactment of new budget authority for a fiscal year unless that bill has been reported on or before May 15 preceding the beginning of such fiscal year.

Section 110(a) of the bill authorizes the enactment of $760 million in new budget authority for fiscal year 1983 to make assistance payments pursuant to the provisions in the bill. Since the bill was not reported by May 17, 1982, it would be subject to a point of order under section 402(a) of the Budget Act.

However, an informal poll of the members of the Budget Committee indicates that a majority would support a waiver of section 402(a) of the Budget Act in order to permit consideration of H.R. 1983. The Committee's action is based upon the emergency nature of the bill and the need to facilitate House consideration of the legislation, but

such action implies no judgment on the merits or substance of the bill.

With best wishes,
Sincerely,

JAMES R. JONES,
Chairman.

The rule also waives points of order under clause 5 of rule XXI which prohibits appropriations in legislative bills. No appropriation language is contained in the bill. But, numerous provisions of the bill could be considered reappropriations since they would make funds previously appropriated available for other purposes. However, such waivers are routine and noncontroversial in the case of bills of this type. Indeed, it would be impossible to make any changes in any multiyear funding programs without a violation of the rule. The waiver is always required on housing bills and the committee considers it technical.

Mr. Speaker, there is substantial controversy over the bill but I am aware of no concern over the rule. It is open and provides adequate time for a fair debate.

This bill authorizes $760 million to establish a revolving loan fund to assist homeowners in making their home payments and to prevent foreclosures. The bill also provides a $100 million authorization for the community development block grant program's discretionary fund to provide assistance based on identified need to local communities that propose to rehabilitate shelters and provide necessary supportive services on behalf of their homeless population.

The bill's emergency relief program is designed to provide temporary relief through deferred interest loans to homeowners who have suffered a loss of income due to unemployment or underemployment. This bill amends the mortgage relief title of the Emergency Housing Act of 1975, which was supposed to provide this type of assistance to homeowners based on a "triggering mechanism" which would activate the program.

Unfortunately, the mechanism was set too high so that the program was never activated. This bill changes the method by which the amount of assistance is calculated and also establishes a mandatory trigger mechanism in the legislation. The program is activated when the average default rate reaches a certain level as calculated by the Federal Home Loan Bank Board.

Sixteen members of the committee filed minority views saying that they feel that the program contained in the bill is not necessary. They believe that immediate assistance can be provided to people facing foreclosure by directing the supervisory agencies to take appropriate action to facilitate the forebearance by lending institutions holding delinquent mortgages. Their concerns are expected to be addressed in floor amendments.

Mr. Speaker, this is vital legislation and the rule provides a fair method for the House to address this vital concern. I urge the adoption of the rule and reserve the balance of my time.

□ 1400

Mr. TAYLOR. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, House Resolution 142 is a 2-hour, open rule under which the House will consider H.R. 1983, a bill that has the noble purpose of creating a new $760 million Federal program to provide relief to families in risk of losing their homes through mortgage foreclosure.

This bill ought to be called the Mortgage Foreclosure Incentive Act of 1983 because it does not promote forbearance by this Nation's banks and thrift institutions, but rather it creates an incentive to default and will probably lead to additional foreclosures.

As the gentleman from Massachusetts (Mr. MOAKLEY) has noted, this rule contains two waivers of points of order that would otherwise lie against consideration of the bill, provides that each section of the bill will be considered as read, and it provides one motion to recommit.

Mr. Speaker, the first waiver is of section 402(a) of the Budget Act, which requires that bills containing new budget authority be reported by May 15 of the preceding year.

In this situation, the advocates of H.R. 1983 want to create a homeowners emergency relief fund and authorize $760 million in appropriations this year for mortgage assistance. They did not report their bill by May 15 of last year, so this waiver would be necessary if the House is to take up the matter.

The second waiver is of clause 5 or rule XXI, which prohibits appropriations in a legislative bill.

Mr. Speaker, there was no controversy about this rule in the Committee on Rules. The minority members of the Banking Committee appeared in support of an open rule, despite their strong opposition to the bill. Under the general theory that an open rule will permit extensive amendments, I support this rule.

According to testimony we received in the Rules Committee from the gentleman from Connecticut (Mr. MCKINNEY), this bill contains no safeguards on Federal mortgage aid going to a person who has more than one house, or who owns luxury cars. All that is required, according to our testimony, is for a person to be in default for 90 days on his home mortgage, have his mortgage holder fill out an application for assistance and postpone foreclosure by having the Federal Government pay his mortgage.

Mr. Speaker, the bankers of this Nation and the savings and loan officials of this Nation do not want to foreclose on home mortgages that are in temporary, short-term default. Government regulations are the cause of high foreclosure activity in the various regions of the country.

In those areas of the Nation were severe economic conditions are causing widespread unemployment, which in turn generates higher than normal foreclosure rates, there are much better ways to assist people who are in danger of losing their homes.

Mr. Speaker, one of the most effective ways to promote forebearance, that is to postpone any legal action of foreclosure, is to encourage lenders and homeowners to cooperate in arranging terms for a loan extension that the homeowner can afford.

Under this bill, assistance is available only when the homeowner stops making mortgage payments and when the lender moves to foreclose. This will not result in forebearance, and it may very well lead increasing foreclosure rates.

The minority members of the Committee on Banking and Urban Affairs are prepared to offer amendments to this bill, and under this rule they will be permitted to do so.

Mr. Speaker, I urge my colleagues to adopt this rule so we can proceed to clean up this unworkable and unworthy bill.

Mr. Speaker, I yield such time as he may consume to the ranking minority member of the Committee on Banking, Finance and Urban Affairs, the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Speaker, I think the gentleman from Missouri (Mr. TAYLOR) for yielding me this time, and may I say it is with mixed emotions that I support this rule.

I support the rule because it is an open rule, and I do not want to be misunderstood on the issue of wanting to help those who, through no fault of their own, are temporarily out of work and need help with their mortgage payments. My reluctance to support the rule stems from the fact that this is really a bad piece of legislation and should not be brought up on the floor in its present form. I was one of those who was eager to try to produce a workable bill.

Why is it a bad bill? Well, the bill, in the first place, provides for $760 million in new money when we do not have any new money.

Now, that would not be so bad perhaps if it were not for the fact that the agency which is to administer the bill, HUD, says that it is completely unworkable and will surely discourage trying to work out something between the lender and the borrower where mortgage payments are a problem.

This bill got some publicity in my local newspapers back home. The next day my phone rang off the hook in my district office and at home from calls coming in from people calling and wanting to know where they could

sign up for this new Government program that would pay their mortgage payments. Now, I submit that is going to be a part of the problem under this bill.

Who is it going to benefit? Who will get the mortgage payments? Is it on a first-come, first-serve basis?

It was estimated during the course of the hearings that there are some 230,000 to 250,000 people now eligible under the criteria in this bill for mortgage assistance. HUD says it could benefit perhaps 50,000 people. The Congressional Budget Office says it could perhaps benefit up to 70,000.

In any event, is it going to be on a first-come first-serve basis? If it is, I am going to tell my constituents to get in line quick.

Where would the incentive be to work out forebearance or a deferred payment plan?

We found during the course of our hearings on this bill that there is a lot of forebearance going on right now out there in the real world. That should not be discouraged, and I submit that if this bill is enacted into law—and I do not think it will be—it would discourage the forebearance that is going on out there.

The most constructive action we can take is to encourage or facilitate forebearance, and I have a substitute which I will offer at the appropriate time that would do just that.

But really, this bill is bad enough that if any Member feels in good conscience that he cannot support the rule, I would not be overwhelmed with grief.

Why do I say that? Before HUD can implement the program, the administrative quagmire it would get into would have even the best bureaucrat quivering with anxiety.

HUD would have to: First, propose regulations for conventional loans, a field they have not been in up to now; second, develop a handbook to guide central and field offices of HUD; third, train staff; fourth, consult the Federal Home Loan Bank Board to establish a data base; and fifth, monitor national data to determine that the 60-day delinquency rate has been at least 1.3 percent for 3 months or more.

Under that test, people living in the Pittsburgh Federal Home Loan Bank Board district, for example, would have qualified for the bailout for the last 10 years. Once the program triggers, which it would do in all districts today, HUD must, before approving any application for an individual, make a whole list of determinations, some subjective, which I will go into during the general debate.

The most constructive action we can take is to facilitate forbearance by encouraging the Federal regulators to accommodate forbearance to the extent this can be done without endangering the safety and soundness of the lender. I have a substitute which will do just that, and as I said at the outset, because I do not want to be misunderstood on this issue of wanting to help those who, through no fault of their own, need the help, I will reluctantly support the rule.

Mr. TAYLOR. Mr. Speaker, I yield 5 minutes to the ranking minority of the subcommittee, the gentleman from Connecticut (Mr. McKINNEY).

□ 1410

Mr. McKINNEY. Mr. Speaker, normally I have not in my 13-year history in this body wasted the time of the membership by speaking on a rule; but I find that there is so much wrong with this bill that it would be impossible for me either under the general debate time or the amendment time to possibly tell you how bad it is. How, in fact, my good friends, and they are my friends in the Rules Committee, could ever give this turkey that passes for a piece of legislation a rule, I will never understand.

Let me tell you about this bill and what you are going to say to the people of America. You are going to say that Uncle Sam is going to pay above 38 percent of your income for your mortgage if, in fact, you are out of work for conditions beyond your control.

Let us use alcoholism as an example, since it is a disease recognized by the psychiatric community. That is a condition beyond your control; but Uncle Sam is not going to ask you:

> What do you own? Continue your payments on your condominium at Ocean City, Md. Keep your Mercedes and your Cadillac and we will pay your mortgage.

Wonderful idea.

On top of that, Uncle Sam is going to turn around and say, "Well, sorry, fellows, this is first one in, last out of luck."

So whether you take the Democratic estimate of 70 odd thousand or HUD's estimate of 50 odd thousand who will get helped, what, in truth, happens to the needy?

Now, I am being a little facetious, which is an uncommon role for this Member of Congress and I think most of you know it.

I am totally and completely concerned about those people threatened with foreclosure. I was born in January of 1931. My father lost his house in December of 1930 and until I was married and out of the U.S. Air Force, I never lived in a home that was owned by my family, so I am well aware that a lifetime of my father's work, which in fact killed him at 51 in 1941, went down the tubes. I do not want to see that happen.

It is interesting that my family never moved out of their house. They just paid the Mellon National Bank rent because, in fact, the bank could never find a buyer; but every single month and most days of the week, my mother had to leave the front door open so that someone could come and look to buy the house.

Now, what is the problem? This bill has a sad counterpart in the U.S. Senate housing bill which we have not even finished marking up in the subcommittee in this House. It has no real counterpart. If, in fact, it gets passed, it is going to be vetoed. If, in fact it is vetoed, it is not going to be overridden.

The question you have got to ask yourself, if you care, is do you want to help people who are facing foreclosure?

There is a very simple way to help then. It will be the Wylie amendment. I have some disagreements with it, but I am strongly supporting the ranking member of the full committee.

The fact of the matter is that we, the U.S. Government, are in many ways responsible for the foreclosure level in this country. We are responsible because we send our regulatory agencies into the banks, be it the FDIC, the FSLIC, or the Comptroller of the Currency, and we turn around and say, "Classify banks for bad loans."

So when the small commercial banks, the S&L's, the mutuals, the regulator goes in and says, "Your portfolio is in default."

What is default and delinquency? If you do not pay by the 15th, if you do not pay by the 25th, you are delinquent. The number is 25 percent.

We are going to reclassify you, Mr. Banker. We are going to reclassify you for the amount of money it is going to cost you to operate.

The banker turns around and says, "How do I face my Board? I am terrified." He forecloses.

All we literally have to do is pass the Wylie amendment, which says, "Don't reclassify a bank if they forebear."

Now, think about that. We are forbearing for Chase and Citibank and several others by talking about nonpaying assets.

We sat here for the S&L's and talked about certificates of net worth, which are basically worthless, to save them.

The SPEAKER pro tempore. The time of the gentleman from Connecticut has expired.

Mr. TAYLOR. Mr. Speaker, I yield 2 additional minutes to the gentleman.

Mr. McKINNEY. But the banker, the banker who is trying to help the homeowner, is told, "No. You will be reclassified, in fact, if you try to do anything to help."

Now, Mr. Speaker, the rhetoric of H.R. 1330, which at first it was, and H.R. 1, which it was part of before then, and H.R. 1983, which it is now for a political statement, is nonsense.

If in fact you want to help people that are being foreclosed on, help them.

The Wylie amendment could pass this House today. It could pass the Senate Wednesday or Thursday. It could be signed by the President by Friday and people would be helped immediately.

This bill will not give anyone one ounce of help this year and probably not into next year.

On top of that, what am I going to turn around and say to that next person who goes to the window after the 60,000th, the 75,000th, or the 90,000th family out of the 200,000 needing help. When he says, "I need help:" there will be no help for him. He was not first in.

Then let us take another look at this bill. What does this bill do? It says you must be delinquent. You must have been notified of pending foreclosure and, in fact, it is an invitation to the banks and to the financial community to foreclose on the people of this country.

Mr. TAYLOR. Mr. Speaker, I yield 5 minutes to the gentleman from Texas (Mr. BARTLETT), a member of the committee.

Mr. BARTLETT. Mr. Speaker, I rise to join my distinguished and eloquent and compassionate colleagues, the gentleman from Ohio and the gentleman from Connecticut, in talking about this rule and using this rule time to talk about what could become the worst bill of this session.

I rise, as did the gentleman from Ohio, to reluctantly support the rule, but to point out to the House the need for an open rule and the reason that we are going to have to have extended debate, as we should have had in the past on this bill. The amendments, and I found 14 of them filed today under this open rule, with amendment after amendment, will point out conclusively to the Members of this House and the American public the inherent flaws of this bill.

Frankly, I am optimistic that at the conclusion of debate, and whether the debate ends today or sometime later, I am optimistic that this House upon reading the bill and realizing what this legislation does to hurt people in this country, that this House in a bipartisan display of good sense will, in fact, defeat this legislation. Even better, this House should support and adopt the Wylie amendment, which would put into law the forbearance that the regulatory agencies desperately need. As the gentleman from Connecticut stated, that forbearance law could be implemented and enacted today and put into the law by next week and begin helping people immediately.

The open rule is needed. I count 14 amendments, 14 amendments that will seek to try to clean up this bill if, in fact, it can be cleaned up, 14 amendments that will probably make some improvements, including to provide that we use existing remedies under existing law in chapter 13, including that we would use forbearance, that we would just simply target this to those most in need and in unemployment; but the essential flaw of this legislation cannot be cleaned up by amendment. That flaw in this bill would tell every financial institution in America that if you forbear, and provide partial payments and give homeowners a chance to get back on their feet, then the financial institution would not get paid, but if this bill passes and the financial institution does not forbear, but forecloses, instead, the U.S. Government would make those mortgage payments for 3 years and the institution would get paid. In short, with the passage of this bill, a financial institution would not be paid if the institution forbears, but would be paid if the institution forecloses. Thus would be created a cruel irony, a powerful incentive to foreclose.

□ 1420

If this bill passes the financial institution is told all you have to do to foreclose, all you have to do to get your money is to get paid and the Federal Government will pay the financial institution that mortgage payment for 3 years, 36 months, no questions are asked. But only for the first 76,000 that would foreclose, and I would submit to my colleagues on both sides of the aisle that you would see the fastest, the largest, the most depressing, and the cruelest stampede to foreclosures that this Nation has ever seen.

I yield back the balance of my time.

Mr. TAYLOR. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 142 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for consideration of the bill, H.R. 1983.

The Chair appoints the gentleman from Oregon (Mr. AUCOIN) to preside over the Committee of the Whole.

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 consideration of the bill (H.R. 1983) to amend certain housing and community development laws to provide emergency mortgage assistance to homeowners and emergency shelter for the homeless, with Mr. AUCOIN in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

The gentleman from Texas (Mr. GONZALEZ) will be recognized for 1 hour, and the gentleman from Ohio (Mr. WYLIE) will be recognized for 1 hour.

The Chair recognizes the gentleman from Texas (Mr. GONZALEZ).

Mr. GONZALEZ. Mr. Chairman, I yield such time as he may consume to the gentleman from New Jersey (Mr. MINISH).

Mr. MINISH. Mr. Chairman, I rise in support of H.R. 1983, the Emergency Housing Assistance Act. This legislation represents a plea on the part of the American people; it is a plea for Congress to act decisively to protect the most fundamental possession this society affords its members, their home. This is an issue upon which this body cannot afford to equivocate or be hesitant. We must answer the cries of Americans about to lose their homes through foreclosure and vote to pass this bill.

H.R. 1983 responds directly to conditions which are the result of the severe economic recession that has gripped this country for the past 2 years. To qualify for assistance, a homeowner would have to demonstrate that the inability to make mortgage payments resulted from a substantial loss of income due to circumstances beyond their control. This bill does not make assistance available to households where irresponsibility leads to default on mortgage payments. Instead, it is reactive to an unemployment rate which currently stands above 10 percent and a mortgage default rate which has risen to 2.36 percent.

Some Members are inclined to point to statistics recently released by various Government agencies which indicate that our economic downturn may be abating, and suggest that there is no longer a need for an emergency mortgage relief program. While it is certainly the hope of all of us in this Chamber that this country will soon experience a time of economic prosperity, we should not lose sight of the fact that recovery will be a slow process and that the people who are losing their mortgages need help now.

If this Congress is truly committed to assisting homeowners to keep their homes, we should show no reluctance in authorizing the appropriation of the relatively modest sum of $760 million necessary to establish the emergency loan fund. By passing this bill, this Congress would be giving a sign of good faith to the American people. We would be showing them that, by making 18-month emergency mortgage

loans available to those in need, we have faith in their ability to get back on their feet and resume their mortgage payments in that time. More significantly, we would be indicting that we have faith in our ability to make the decisions which will promote economic recovery and get these people back to work within that 18-month period so they can, once again make the wages necessary to carry their mortgages. To not establish the loan fund, we would fail in our responsibility to those who are in danger of losing their homes, and we would be indicting that we do not have confidence in the Government's ability to get our economic situation under control.

Let us not let the American people down. Congress must pass this bill now to assist homeowners in need, and then get on to the business of legislating long-term solutions so that this situation does not repeat itself.

Mr. GONZALEZ. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we Americans like to think of ourselves as people of compassion and good sense. The emergency mortgage assistance bill offers a simple program that is compassionate and grounded in good sense and experience with prior legislation.

Today there are more than 11½ million people out of work in this country. No one, absolutely no one expects any sudden or dramatic drop in that figure.

What that means very simply is that each week there are more Americans who cannot meet their monthly mortgage payments no matter how hard they try. In February, more people fell behind in their mortgage payments than at any time in the past 20 years. Overall, the rate of mortgage delinquencies today stands at 2.36 percent. or double the historic average as rated by the Home Loan Bank Board.

During 1982 there were a little better than 187,000 homes lost to foreclosure or distress proceedings. There is no sign that that number will be any less this year. In fact, they have been greater.

There is every indication that this number is increasing daily. For one thing, more and more people are running out of unemployment benefits and savings. For another thing, lenders are less able, even when willing, to afford forbearance.

Hearing the preceding gentleman speak during the rule, one would think that this is a bit of legislation that was snatched out of the air. Let me say that it is the result of 2 years of hearings, not 1 year, not a half year, but 2 years of hearings and the most intense type of hearings just within the last 6 months.

In this kind of situation with no sign that unemployment is going to lessen to any significant amount, with the distress growing, good sense as well as compassion should tell us that something needs to be done.

This bill offers a sensible, simple program for people who are about to lose their homes. Under this bill, a person with average means, and we have a means test that we intend to include in this bill, will be able to get help. If an individual is facing foreclosure because of inability to meet mortgage payments, and the cause of that inability is an involuntary loss of income due to the recession, that individual can apply for help.

I should like to emphasize that we are talking here about persons whose mortgages are modest, within the FHA loan limit. We are also talking about people whose loss of income is beyond their control.

In short, this bill is addressed to ordinary, responsible citizens who have been victims of the recession.

A person who is eligible for assistance goes to the mortgage lender who helps fill out an application for an emergency loan. Under the terms of that loan, let us remember that this is a loan program, not a grant, not a gift, it is a loan program, under the terms of that loan, the applicant must agree to pay all that he reasonably can on his mortgage, 38 percent of his total income.

The assistance that homeowner gets is this: A loan from the Federal Government to bring the mortgage up to date, plus further assistance to keep that mortgage current for as long as 18 months or, if necessary, at the option of the Government, an additional 18 months.

The loan carries an interest rate equal to the current Treasury rate or 10 percent, whichever is less.

Furthermore, that loan is secured by a lien on the property.

Finally, as soon as the borrower is able, the loan must be repaid. This bill does not call for gifts or gratuities, it calls for loans to help troubled homeowners get across tough times that are beyond their power to control. It is no more or no less than an act of reason and compassion.

There are those will who say that this program is not necessary. The Bankers Association says that this program is not necessary, but that same Bankers Association is calling for a program 20 times the size of this one to bail out their fellow bankers. My friends across the aisle will say that the lenders do not want to foreclose loans and so this bill is really not necessary. But they cannot deny the testimony and the evidence presented to us in open hearings from every geographical section of this country from urban and rural, the densest and the most sparsely settled of our country. They cannot deny that last year alone officially and statistically there were more homes foreclosed than at any time in 50 years. They cannot deny that the story remains the same and grows worse this year.

The undeniable fact is that hundreds of thousands of our fellow citizens need help if they are going to keep their homes.

□ 1430

I cannot think of anything more indefensible for the identification of an American with his soil, his duty, and maintaining the unity of the family. The question facing us today then is simple and stark: Are we going to help them? Good sense tells us that we should. Compassion says we must.

I urge your suppport for this bill.

Mr. ST GERMAIN. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. Mr. Chairman, I am delighted to yield to the distinguished chairman.

Mr. ST GERMAIN. I would like to commend the chairman of the subcommittee for his very diligent efforts in this legislation. Once again he displays, for all to see, his compassion and feeling for people who are being beset with economic disaster, through no fault of their own, and unable to meet an obligation that is probably the most important obligation they have other than feeding, educating, and clothing their children, as the shelter for their families.

The gentleman has worked long and hard on this legislation. It is easy to come up with a variety of reasons as to why it should not be supported. But I think the bottom line should be this: Do we believe that it is fair and reasonable to assist, as the gentleman from Texas mentioned, the concerns and troubles of our major financial institutions not only in this country but in the world? And yet, to say to innocent people who did not have the sophistication of those financial institutions, that "Though you, John Q and Jane Q homeowner are not responsible for the recession we have been in, though you are unemployed through no fault of your own, though you are unemployed because of fiscal and financial policies that have wreaked havoc upon untold millions of our American citizens, we are not going to help you, but we are going to help the major financial institutions of the world."

I have to agree with the gentleman; these innocents who came before our committee dying to work, wanting to work, they came with their families; we listened to them and I, as the gentleman from Texas, was touched by them.

I do hope that this House will exercise the necessary compassion and feeling toward these innocents who have been ravaged by this severe recession.

Let us not take away from them the dream of every American to own their own home. The time has come for us to assist them.

And when I hear of threats of a veto by the President, the Senate not acting, I am totally amazed. I think the President on this one would have to reconsider very carefully, very, very carefully and realize that the assistance we are trying to provide through the efforts of the gentleman from Texas and the full Committee on Banking, Finance and Urban Affairs is assistance that needs to be given. Once again I commend the gentleman.

I urge my colleagues to join me in throwing a lifeline to those families who are either in danger of losing their homes through foreclosure or who have already lost their homes and are wandering through the streets of our cities and towns seeking shelter.

To most American families, their home is more than shelter and more than a hedge against inflation. Homeownership represents achievement, as well as stability and a sense of control over one's life. For over 50 years, Congress has passed law after law designed to encourage hardworking American men and women to become homeowners. As economic circumstances have changed, we have also acted to forestall tragedy in the face of crisis. I am persuaded that just such a crisis exists today and that we cannot stand idly by while hardworking families who have lost their jobs due to the present economic recession also lose their homes.

Although we have seen interest rates drop enough this year to permit some families to become homebuyers, the economic situation remains grim for millions of unemployed Americans. The national unemployment rate has topped the 10-percent rate for several months and many areas of the country are struggling with 14, 16, even 22 percent unemployment rates. It is not unexpected that as the unemployment rate increases, the delinquency and foreclosure rates increase. At the end of 1982 over 230,000 mortgages were 90 days or more delinquent and almost 200,000 homes were lost through foreclosures, the highest number of foreclosures in any year since the Depression.

These statistics do not begin to describe the pain and humiliation of the families who are in danger of or actually lose their homes. In a nation that has a very strong tradition of homeownership, homeowners will go to great lengths to hold on to their homes because to them, losing a home represents not just a financial setback, but a social failure and humiliation. I am convinced that the unemployed families that this bill would assist, take their financial responsibilities very seriously and, if given short-term assistance, will make every effort to repay the Federal Government for that help.

The Congressional Budget Office estimated that the $760 million authorized in this bill would assist approximately 100,000 homeowners by providing a subsidized loan to cover the difference between the total mortgage amount, property taxes, and operating expenses and 38 percent of the homeowners income. The payments would be made to lenders on behalf of homeowners experiencing difficulty in making their mortgage payments due to a loss of employment. Assistance commitments could be made to eligible applicants whenever the 60-day delinquency series maintained by the Federal Home Loan Bank Board exceeds 1.3 percent for 3 consecutive months nationally or in any Federal Home Loan Bank Board district. The loan must be repaid over time or when the property is eventually sold.

In addition to this vital program of financial assistance, the bill also requires the Federal financial supervisory agencies to take specific actions to support continued forbearance. Under this provision, the Federal financial supervisory agencies would communicate with mortgage lenders encouraging them to exercise forbearance on residential mortgage foreclosures. The supervisory agencies are also directed to waive or relax limitations relating to mortgage delinquencies, so that these mortgage lenders are not unfairly penalized for exercising forbearance. Safety and soundness considerations would, or course, still apply. Finally, the Federal agencies that provide assistance in the form of advances, discounts, and extensions of credit are directed to give special consideration to applying institutions that have exercised forbearance. As important as each of these actions is, however, none is a substitute for the program of financial assistance provided in H.R. 1983. Rather, all of these provisions work as complementary efforts to relieve the dreadful burden of foreclosure that faces so many Americans.

I strongly believe it is the obligation of this body to extend a helping hand to the homeowners who are struggling to keep their heads above water. I have confidence that once the economy is recovering strongly, these families will repay the Federal Government in full. Our actions will have maintained stability in hundreds of communities around the country and will reaffirm the role of our Government which is to act compassionately during times of great need.

Mr. GONZALEZ. I thank the distinguished chairman of the full committee. I am very grateful for his kind remarks. I may have been given more credit than I am entitled to. I say to the distinguished chairman without his leadership it would not have been expeditious for us to have acted on the subcommittee level.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from Texas (Mr. GONZALEZ) has consumed 11 minutes of his time. The Chair recognizes the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Chairman, I yield myself 5 minutes.

I would like if I may to examine the provisions of this bill a little further.

I did raise objections to some of them during the debate on the rule.

But H.R. 1983 would create a permanent Federal mortgage foreclosure program, not a temporary countercyclical relief bill as has been suggested.

I would like to read from the provision on page 10 which calls for the application for assistance.

It says:

> During any period in which the program established in this title is in effect in any district, each financial institution or other mortgagee shall, not less than 30 days prior to instituting any foreclosure proceeding with respect to any property described in paragraphs (1), (3), and (6) of section 105(a), assist a mortgagor involved in the preparation and submission to the Secretary of an application for assistance under this title.

That is inviting the lending institution to say to a mortgagee who may be in some difficulty that there is a new Government program and we ought to take advantage of it.

Now, the word "foreclosure" is used on that page, on page 10. The foreclosure proceeding or the application for the foreclosure is triggered by a notice of delinquency. Now what is delinquency? A delinquency is a failure to make time payment under a loan agreement. That could be any time; that could be a month, 2 months, 3 months; however much time the lending institution would determine that that payment is delinquent. What is a foreclosure? It is a legal proceeding in which property mortgaged as security for a loan is sold to pay the defaulting borrower's debt.

Now, when data related to the subject of delinquency, defaults and foreclosure is analyzed, it is important to note that virtually any delay in monthly mortgage payments results in a delinquency and that these figures are usually quite high in times of economic stress.

We admit to that. The category of delinquencies is not generally considered a precursor of foreclosure until after the delinquency has run for a period of at least 90 days.

As a general rule, lenders will agree to forebear for some period rather than foreclose. They might also agree

to work out arrangement and rescheduling of the mortgage, and they have been doing that, as we found during the course of the hearings.

It is not in the lender's best interest, I submit, to take ownership to a piece of property and seek to resell it. And yet, I submit that that is what this bill would encourage.

It is quite clear that H.R. 1983 embodies a complex program which creates tremendous administrative and underwriting problems for HUD, if it is even to attempt a reasonable administration of the program. I mentioned some of those, but from the standpoint of the application HUD would have to determine the following: First, individual's income has been reduced substantially. This is a subjective judgment, particularly if other income demands are considered.

Second, the individual's loss of income was beyond his or her control.

Third, the home is a one- to four-family property.

Fourth, the original mortgage on the home was within section 203B limits.

Fifth, the home is the borrower's principal place of residence.

Sixth, the borrower will be able to resume full mortgage payments within 36 months. HUD is to presume this will occur. Now, what happens at the end of 36 months when there is a huge mortgage payment due? What is the accommodation which is going to be made to the borrower in that case?

Seventh, either the borrower will be able to pay off the mortgage within its original term or the lender will agree to extend the term. HUD again is to presume one or the other will occur.

Eighth, assistance payments are no higher than necessary to supplement the contribution of the borrower which cannot be greater than 38 percent of his or her net monthly income. All of these determinations must be made when the application is submitted to HUD.

Now, once assistance has been approved for each borrower, HUD will then have to do the following: Record a lien, annually review income to determine changes which could affect repayment.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. WYLIE) has expired.

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

Mr. WYLIE. Having said all of that and I will put some of that in the RECORD, we heard testimony from Assistant Secretary of HUD, Sam Pierce, about his objections to the bill. I will get into that a little later on on my amendment.

The American Bankers Association said:

> We do not believe that the solution to this delinquency problem is the creation of a $760 million program to be administered by HUD because it would be counterproductive.

The U.S. League of Savings Institutions:

> The cost-benefit ratio of H.R. 1983 is exceedingly negative.

The American Farm Bureau Federation:

> Farm Bureau cannot support H.R. 1983 in its present form. We encourage you to support instead the Wylie substitute.

The Mortgage Bankers Association is opposed to the bill.

The Department of Agriculture has just sent a letter up suggesting that they are opposed to the bill because of the provision requiring a mandatory moratorium on loan payments and encourages a veto if it is passed and recommends support of my amendment.

At the proper time I will have some other arguments on my amendment.

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

Mr. GONZALEZ. Mr. Chairman, I yield 5 minutes to the gentleman from the District of Columbia (Mr. FAUNTROY).

Mr. FAUNTROY. Mr. Chairman, I rise in support of the Emergency Housing Assistance Act, which would authorize $760 million in emergency mortgage assistance payments and $100 million for emergency shelter assistance. This is legislation which is desperately needed to assist those families who are losing their homes through involuntary unemployment resulting from the severe recession. Through no fault of their own, too many Americans have lost their jobs. Without help from us through the passage of this bill, they will now lose one of the most significant components of the American dream: their homes.

It is terrible enough to lose a job, to drain one's savings, to go without medical care, to not know whether there will be food in the cupboard. To allow this recession to compound the misery by foreclosure has to be unacceptable in this Nation. While the amounts of money in this bill may appear to be substantial, it is barely enough to compenstate those who must suffer and who must pay the costs of mistaken economic decisions. I would hope that we are compassionate enough to share the resources from the many so that these Americans do not suffer so much more disproportionately than they already have.

Yet, as far as this bill goes, it does not provide aid to assist those who are unable to meet their shelter payments because they are renters. I am hopeful, therefore, that we will support the amendment which I understand Mr. SCHUMER will offer to provide assistance to renters who are faced with eviction. Those who face the loss of their apartments or rental houses because they are unemployed and unable to pay their rent are in the same boat as unemployed homeowners faced with the loss of their dwellings because they cannot meet the mortgage payments. While some may argue that there is a decided difference between the loss of one's home through foreclosure and eviction from a rental unit, there is little difference to the individual who is forced out of their home whether it is a rental or a purchase. In both cases, people lose their place to live. The current recession has not discriminated between renters and homeowners, and I would hope that we would not do so either.

The bill also contains funds for the homeless. These are people who have no shelter at all. They are the street-people we so often hear about and see on steamvents and in doorways even in our Nation's Capital; they are the new homeless who cannot find shelter because they have no jobs, no incomes, and little prospects in our recession-ridden economy of finding either. They are also the people who have been forced out of shared housing because their benefactors could no longer help them as they, too, have become victims of this recession. Our homeless are no longer just those who have chosen this lifestyle or who are victims through the use of chemical or alcohol abuse. They are the young, the educated, and those seeking employment, often in new and strange environs. In a society as wealthy as ours, homelessness as portrayed to our Banking Committee cannot be permitted. It is an acute problem and it must be met now. Unfortunately, we are meeting it much later and with much less money than we should. However, this bill is a start and I would hope that we would support it for this provision, too. $100 million would be authorized for fiscal year 1984 from the Secretary's discretionary fund of the CDBG program to assist in meeting emergency housing needs, CDBG is an ongoing program; it is one which is already in use, already staffed, and well understood by local governments. Use of funds to accomplish the objectives of aiding the homeless should, therefore, be speedy and I hope not too late.

Whether we are late or timely, however, depends on this House. I hope that we will be prompt in passing this bill.

Mr. GONZALEZ. Mr. Chairman, I yield 5 minutes to the gentlewoman from Ohio (Ms. KAPTUR).

Ms. KAPTUR asked and was given permission to revise and extend her remarks.)

Ms. KAPTUR. Mr. Chairman, today we have an obligation to act on behalf of hard-working American families who, through no fault of their own are losing their homes because of unemployment. We in the House of Representatives must be on record that we

are aware of their plight and are ready to take action on their behalf. The Emergency Housing Assistance Act of 1983 addresses one of the most severe consequences of unemployment—the loss of ones home.

Home ownership has always been the fulfillment of the American dream. As the ranks of the long-term unemployed continue to grow in many parts of this Nation, the number of home foreclosures is rising as well. In the ninth district of Ohio alone, where the unemployment rate is well over 14 percent, local banks reported over 800 delinquent accounts, with over 200 in foreclosure last year. This years and next years prospects are frightening since foreclosures lag well behind any economic recovery.

As a member of the Banking Committee, I listened with my colleagues to the sad and desperate stories of working men and women who are losing their homes because they are out of work. The most distressing aspect of the testimony is the realization that home foreclosures are happening to people across the economic spectrum—to people who have always prided themselves on meeting their bills and successfully managing their family budgets. We heard from unemployed professionals as well as unemployed factory workers. I had the privilege of introducing a constituent of mine from Toledo, Ohio, who is facing foreclosure proceedings. He was a senior industrial relations represntative for a major corporation before losing his job. Unemployment is no longer confined to any particular group.

The opposition to this bill claims that it is unnecessary and is an incentive for the banks to foreclose instead of to continue to pursue a policy of forebearance. They claim that all that is needed is a directive to Federal supervisory agencies to make appropriate modifications to their regulations in order to facilitate the forebearance process. The committee addressed the foreclosure incentive issue by requiring that any application for Government assistance contain the mortgagee's certificate that it had extended to the mortgagor the same or greater opportunities for voluntary forebearance as it had extended to similarly situated mortgagors. It also sets minimum standards for forebearance. The committee also tightened up the eligibility requirements to insure that this legislation would constitute an emergency measure to address the unemployment crisis created by the recession. It is targeted to the unemployed. In order to qualify for the assistance in the bill, the homeowner must have suffered an involuntary loss or reduction in income resulting from his/her employment, self-employment or other occupation related income. This program is not a giveaway—it requires homeowners to contribute up to 38 percent of income less taxes plus insurance, plus repayment terms as established by HUD.

In my district, the financial institutions, to their credit, have been pursuing a policy of forebearance. There is an average forebearance period of 6 months. Despite this policy, there are still large numbers of individuals facing foreclosure proceedings. Given the fact that the average duration of unemployment is steadily increasing in the industrial heartland, we can justifiably ask ourselves how much longer can financial institutions afford a generous forebearance policy. What can we do, short of this legislation, to protect those people the lenders cannot help now or will not be able to help in the future; that is, those who are in foreclosure or who will be thrust into foreclosure. Moreover, can we realistically expect this present generous policy of forebearance to continue when the housing market eases and financial institutions find it easier to sell the foreclosed properties?

The hearty statements being put forth by this administration proclaiming the arrival of the long-awaited recovery must not blind us to the gravity of the situation—unemployment in some parts of the country like my own, is not getting better and the fallout from this unemployment will continue to spread. Anything short of a historic, unprecedented recovery will not change these adverse conditions. Our fellow Americans, in the throes of losing the American dream, deserve nothing less from us than the passage of this legislation. Their plight, after all is largely the result of our Government's misguided economic policy. This is not a handout; it is a commitment with the Federal Government that the amount borrowed will be repaid once employment is again secured. It is a commitment by our National Government to help people who have built this Nation.

□ 1450

Mr. GONZALEZ. Mr. Chairman, I yield 7 minutes to the distinguished gentleman from Texas (Mr. DE LA GARZA), chairman of the Committee on Agriculture.

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

Mr. Chairman, I have watched diligently as this legislation has progressed through the subcommittee and the committee, and I want to pay a very sincere commendation to the distinguished gentleman from Texas who has been foremost in espousing this legislation.

Mr. Chairman, and my colleagues listening to me, I come to you in very sincere and frank support of this legislation. I am well aware of those who oppose the legislation, and perhaps they have legitimate reasons, I do not know. I come to you from the people. It is often said and tradition is that this is the people's House, and we as Members of the House are but one weekend away from touching the flesh or visiting with your constituency. All of us do that.

My area of Texas is suffering tremendous unemployment, in some counties 50 to 60 percent. We are endowed by nature. It is a very bountiful area, it is a very beautiful area of Texas. But the availability of income, of inflow of money, is very difficult, especially for those who are in the lower echelons of income.

The distinguished gentlewoman who spoke before me mentioned the American dream. And if I might continue on that theme and borrow from her, we find ourselves in a situation—and I am not blaming anyone or saying this administration—but somehow in America we have deteriorated into a situation where receiving assistance has been made into a dirty word. The fraud and abuse in food stamps, my colleagues, has sort of taken the forefront of those who would demean anyone who, because of no reason but the unfortunate situation of not having adequate employment, is subjected to having to receive assistance. And so we, the Government, the people, I say unworthy of a nation of the stature of this one, have made it appear or have allowed people to have the perception that to be poor or to have no money is somehow un-American, is somehow unworthy, that someone has failed to assist each other.

Well, let me tell the Members something. There is one thing I disagree with. I think that this country is powerful enough. And we worry about billions and billions of dollars, of whether you are going to run the MX down the track or put in in a hole or put it in the Rayburn Garage—probably that would be the place where it would be the most difficult to find—but when we are doing that, somehow we are chastising the poor person, the family that is subjected to receive a few dollars in food stamps.

Well, what I would like to tell the Members is that in my area of Texas, no one is going to go hungry. The culture and the custom and the tradition is that you move in with your next relative, with your next relative. Somehow you can pick up—no one is going to shoot you for getting a head of cabbage or some carrots, you go to the packing shed, you go to the farmer. We will eat. Where it strikes the American dream is, the inflow of money.

I will give you one concrete example, and if I speak for anyone, I guess I speak for this couple. The lady works diligently 8, 10, 12 hours a day in a beauty parlor, in a beauty shop. The man worked for a railroad, and they

were getting along with a couple of children, and they bought a house, they bought a house because this is the American dream, they bought a modest house, one that they could afford the payment on. He was laid off by the railroad. The man now does a little yard work here, he works by the day. But there is no way they can pick up the balance to pay on that house. It is no fault of his own. He had a good job with the railroad. Those are high-paying jobs, union protected. Nonetheless, he was laid off. When his unemployment goes, that is it. They had to turn the house back, they had to give it back to the savings and loan. And so will people have to do outside of this legislation. Of course, you have to do that with a car, with a television set. With the amenities of the poor, with the dream that is America to everyone who wants to come, therefore, if we, under what I perceive to be a legitimate function of government, if we say we will give you a helping hand, we will be investing, we will be investing in the American dream for all of those who came through the years and through the years, so that this one thing that is America to them, that which differentiates us from most of the civilized world, and I think that regardless of the associations, or whoever says that things could be well handled under this matter or that matter, the fact is that it has not been done. And this couple had no other solution except to give this house back. When they give that house back—and I do not want to sound poetic or get overly sentimental—they are burying a little bit of America that is in their hearts and that is in their souls. And if we can do one thing to save one couple from bearing the brunt of that hurt that they will no longer have a house they can call their own for themselves and for their children, we are not losing a part of the American dream, as was so eloquently stated by the gentlewoman before us.

I think it is worthy of this House to give the necessary assistance to save that dream, to save America and to save that which is the last bastion of freedom in the world where one can aspire to own his own house.

□ 1500

Mr. GONZALEZ. Mr. Chairman, I yield 5 minutes to the very distinguished member of the subcommittee who has been in the forefront of all the housing fights since he has been a Member here, the gentleman from Minnesota (Mr. VENTO).

Mr. VENTO. I thank the gentleman for yielding this time to me.

Mr. Chairman, the Emergency Housing Assistance Act of 1983 is critically needed legislation. The legislation addresses two of the most pressing housing problems facing this Nation. It provides Federal assistance for those families who are about to lose their home through foreclosure and an emergency shelter program for the homeless.

Homeownership has long been one of the most important components of the American dream for all our citizens. Over the last 50 years, we have seen a transformation of this country from a Nation of renters to a Nation of homeowners. This has been accomplished by a Federal housing policy designed to provide Federal housing assistance where the private sector has not been able to insure homeownership opportunities.

This homeownership dream for thousands of Americans has been threatened by current economic conditions. High unemployment has led to the greatest number of mortgage foreclosures since the thirties. In more normal economic conditions, foreclosure is financially and emotionally a costly experience for a homeowner. However, the homeowner can hope to regain the equity and appreciation in his home.

In a severely depressed economy and a severely depressed housing market, the homeowner may not only lose his equity and appreciation but may actually end up owing even more money to the bank after sale of his home.

Mr. Chairman, opponents of this legislation question the need for a foreclosure prevention program. In a healthy economy, they may be correct, but this program is designed to be implemented only when there is a substantial increase in mortgage defaults. In fact, it would only have been triggered twice in the past 10 years. This legislation is targeted to people who are going to lose their home through no fault of their own and who possess the likelihood of repaying the Federal assistance and resuming full mortgage payments.

This is precisely the type of assistance program the Federal Government should undertake. It will be triggered only when conditions are most dire; it is targeted to those in need through no fault of their own, and it requires full repayment of the Federal assistance.

This legislation also contains $100 million for an emergency shelter program.

I applaud the committee for reporting out this legislation and I am proud to be associated with it.

The problem of homelessness has reached alarming proportions. The resources of State and local governments as well as private and religious charitable agencies has been stretched to the breaking point as they attempt to meet the needs of an increasing number of homeless and unemployed persons who come to them in search of a safe place to sleep.

While it is impossible to obtain an accurate count of the number of homeless individuals and families, the most reliable estimates range upward to 2,000,000 people nationwide. Equally as disturbing has been the broadening across cultural, income, gender, and geographic lines of the homeless experience. Today, it is likely that the homeless person is actively seeking work but cannot find it. Persons who could not previously conceive of a situation where they would be without a roof over their head, have now lost their jobs and subsequently their homes or have been evicted from their rental housing. Until recently, it was commonly perceived that the homeless individual was a middle-aged chemically dependent male who has by default or voluntarily chosen a life on the street. This stereotype may or may not have been true in the past, but it is certainly, demonstrably false today.

For both the charitable organization or the homeless person, the most critical need is for suitable shelter. In cities across this Nation, the generosity of charitable organizations has been artificially limited by the financial requirements inherent in obtaining and operating a suitable building to serve as a shelter.

For the homeless individual or family, Louisa Stark of Phoenix, Ariz., in testimony before the Subcommittee on Housing and Community Development spoke of the need for shelter:

> But the most critical aspect of homelessness is shelter. Holding a job while living in the street is an impossibility. Keeping clean while living on the street is a contradiction. Being healthy, both physically and mentally, while living on the street is unimaginable. Any hope or reintergrating the homeless into the socioeconomic mainstream must begin with shelter.

This is most evident in cold weather areas where people without adequate shelter literally face death from hypothermia. Life on the streets, under bridges, on heating grates or in a makeshift "tent city" such as that which existed outside Houston is a dangerous existence. Life-threatening situations caused by exposure to the elements, physical assault, rape, and lack of food are an almost daily occurrence. It is impossible to begin to put the pieces of a life together when all your energy must be spent protecting yourself and finding food and shelter. Providing temporary shelter on an emergency basis is only the first, but most important, step in a more comprehensive attempt to meet the needs of these Americans.

This legislation would add $100 million to the Secretary's discretionary fund of the community development block grant program. The Secretary would award grants to cities and, in some instances, State governments on a competitive grant basis. These funds could be used by the grantees themselves or could be allocated to private

nonprofit agencies to provide emergency shelter. The Secretary shall award these funds based on: The extent of need for assistance in the area; the regional variations in costs of providing shelters and essential services; and the extent to which emergency shelter is being provided in the community. In this way, it is our intention that these funds will be used to augment the efforts by private and public agencies to provide shelter and essential services to the homeless.

This winter, there has been tremendous effort by the private and religious charitable organizations to meet the growing need for emergency shelter. In order to build upon these efforts, this legislation limits use of Federal funds. These funds could be used to rehabilitate existing buildings for emergency shelter, defray utility costs, maintain and furnish emergency shelters, and to provide health and safety measures necessary to protect the individuals using this shelter.

This important initiative will complement the emergency shelter provision contained in the jobs bill. The program in the jobs bill is for fiscal year 1983 and was an emergency response to this critical problem.

Differing views may persist as to why we have seen such a significant increase of homeless men, women, and children, but fortunately, significant and bipartisan support has evolved to respond to such needs, both in this authorization measure, H.R. 1983, and the recently passed jobs legislation enacted into law. It is important to note that this effort is directly attributed to the House Subcommittee on Housing and Community Development through exhaustive hearings and action. The work that we have achieved in our subcommittee has resulted in an effective response for today's needs of the homeless. This measure, H.R. 1983, further addresses this concern by building a superior administrative framework under section 107 of the Housing and Community Development Act of 1974. Clearly, adequate preparation time by HUD will permit a more efficient and effective use of national resources to meet the needs of the homeless through the provisions of section 3 of this measure.

Passage of this legislation by the House and rapid consideration by the Senate will provide communities with sufficient time to prepare and use these funds during fiscal year 1984 in the most efficient manner.

Mr. Chairman, this legislation will encourage a unique partnership between the public and private sector. The emergency shelter program will give communities a resource to meet the needs of the homeless. A shelter can provide the one element of stability in an individual's life which is so essential. It can also function as a referral center to put a family or individual in contact with existing social services or employment opportunities. Equally as important, it can provide a focus for a community's efforts to address the problems of homelessness on a local level. Food, shelter, family counseling, and emergency medical services as well as donations of time and materials can then be coordinated through a community's emergency shelter.

It is critical that this Nation respond to this problem with speed and compassion. The cruel winds of the current economic conditions have blown far too many people away from their moorings or family, job, and home. Homelessness is the most acute and striking example of the economic hardship faced by millions of Americans. Considering the magnitude of the problem, the proposal contained in H.R. 1983 for emergency shelters is a modest Federal response. It boils down to a question of basic human needs and human dignity.

I urge passage of this most important legislation.

The CHAIRMAN. The time of the gentleman from Minnesota (Mr. VENTO) has expired.

Mr. WYLIE. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota.

Mr. Chairman, will the gentleman yield?

Mr. VENTO. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, I really do appreciate the compliment which the gentleman paid me with reference to my part in the so-called emergency shelter program, and we did cosponsor a bill which would provide for $50 million for emergency relief to shelter many of the Nation's homeless. In the jobs bill, that was increased to $100 million.

Now, I do not want to hide my light under a bushel with reference to the floor debate here today, if I may say so, and I would be remiss if I did not make this point: that whereas I was for the $50 million for shelter for the homeless and for the $100 million which came through the jobs bill, and I was on the Republican Jobs Task Force and approved that, I think that we may be coming to the point where there is a diminishing return. So at the time I am afforded the opportunity, I will be offering an amendment which will strike out the $100 million, because I think we may be going overboard. We may be throwing too much money at the problem.

Mr. VENTO. Well, I would just point out to the gentleman from Ohio (Mr. WYLIE), that the jobs bill provides funding through the remainder of this fiscal year, 1983, and I think his amendment overreaches in the sense that it does not address what the concern might be in fiscal year 1984 starting October 1.

So I would hope the gentleman would rethink and reconsider his position and amendment as it affects the provision of the bill, H.R. 1983, that I believe he would support.

Mr. WYLIE. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Connecticut (Mr. MCKINNEY), the ranking minority member of the Subcommittee on Housing.

Mr. MCKINNEY. I thank the gentleman for yielding this time to me.

Mr. Chairman, normally in my 13 years here, I have never really brought a piece of paper, to the well of the House. I found it exceptionally easy during the rule not to bring down a piece of paper to the well because the bill is just so bad that nonemotionally, its problems must be detailed.

We have heard about compassion. We have heard about problems. Nobody understands them more than I do. We have heard about families losing what is really the base root of the American dream—their own home—because of economic conditions beyond their repair.

I would suggest to you that if, in fact, you want to help these families, you will adopt the Wylie amendment. The Wylie amendment could become the law of the land within a week, it would be signed by the President, it would be accepted by the Senate, and it would, in fact, keep people from having their homes foreclosed.

If we follow this route, and who are we kidding, sure, we will hear the old rhetoric that Republicans are against those people in trouble and the Democrats are for them. The very number of the bill, H.R. 1983, shows its political stance. But let us really look at it.

Do you want to help these people by simply doing what we have done for S&L's and for large banks with bad foreign loans, or do you, in fact, want to start this bill through a tortuous process which would probably not even get it to the President's desk for 3 to 4 months. How many people, under the speeches that I have heard given, would have lost their house by that period of time?

□ 1510

I will not even go so far as to suggest that the President would veto the bill because, quite frankly, I cannot figure out from Monday to Tuesday what the President is going to do. But the fact of the matter is that if that bill is passed, if the President does sign it, HUD has got to then propose regulations and let them lay over for a period of 90 days, HUD has got to develop a handbook for the central and field offices, and it has got to train a staff of 250 to 300 people. There is no money for the staff. There was $500,000, and it was deleted from the supplemental appropriations bill. With the $500,000, if you simply divide 200

in it, not to mention 250 or 300, I do not think that many Americans, even those out of work, would work for $2,000 a year.

They would have to consult with the Federal Home Loan Bank Board to establish the data base from which to begin, and they would have to verify that the mortgagor has suffered a reduction of income and determine that the loss is significant. Yet they do not have to determine under the present bill that he does not have a boat, a second home, or a Rolls—you name it. They have to calculate the amount of money assistance necessary to bring a delinquent mortgagor current and to pay the difference between 38 percent of the mortgagor's net monthly prospective income. I want the Members to define that for me, please. That also has to have a regulation written to clarify it.

They would have to assess the homeowner's prospect for reemployment or rebut the presumption that the mortgagor meets the requirements before the loan can be made, and if we just simply pick up the bill and look at page 10 it tells us:

For purposes of this section, there shall be a rebuttable presumption that a mortgagor will be able to fulfill the requirements set forth in subparagraphs (A) and (B) of subsection (a)(5).

Then we turn back to page 9 and look at them, and these assumptions are:

(A) resume full mortgage payments within 36 months after the beginning of the period for which payments under this title are provided for upon termination of assistance under this title; and

(B) the payments under such mortgage in full by its maturity date or by a later agreed to by such mortgagor and mortgagee . . .

If in fact the Wylie amendment is passed, that date could be agreed upon, there would never be any need for this, and the person would have assistance and would know that he is going to have his house in 2 weeks.

Mr. Chairman, I have a couple of other points I would like to make. I represent the city of Bridgeport, Conn. In 13 years we have lost Bridgeport Brass, Singer, Dictaphone, GE Hair Dryer, Bridgeport Rolling Mills, and other companies.

I walk into McDonald's to see what is going on. We hear the President—and I totally disagree with him on this—talking about subminimum wage for kids. I do not have kids working at McDonald's.

The CHAIRMAN. The time of the gentleman from Connecticut (Mr. McKINNEY) has expired.

Mr. WYLIE. Mr. Chairman, I yield 1 additional minute to the gentleman from Connecticut (Mr. McKINNEY).

Mr. McKINNEY. Mr. Chairman, as I say, I do not have kids working in my McDonald's. I do not have kids doing what I did when I was a child, bagging groceries in a grocery store. I have wives, ex-factory workers, and people who are fighting day in and day out to survive and to keep their homes in a tired industrial city.

Do we really want to help them, or do we in fact want to turn around and say, "Sorry, sucker. If you are not first in out of the 70,000 on these programs we are going to have sometime in 1984, we are going to tell you, 'sorry, you are out of luck. You are not going to get the help' "?

How do we go home and turn around to the person who believes in owning his home and believes in working for it and say, "Don't worry, we are just going to give your neighbor the right to keep his new Oldsmobile, his house, and everything else, and we are going to lend him money for 3 years. But watch out if you don't get in there first"?

How do I turn around to my constituents who are doing this and say, "Don't worry. Uncle Sam will pay for a mortgage up to $90,000"?

Now, who is kidding whom?

Mr. WYLIE. Mr. Chairman, I yield 5 minutes to the gentleman from Arkansas (Mr. BETHUNE).

Mr. BETHUNE. Mr. Chairman, we are, as everyone knows in an economic transition in this country where not just a few Americans are struggling with high inflation and the costs that are required just to keep even these days. Not just a few people but most people out there are struggling to make ends meet.

What we have before us today is a bill which if enacted would permit the Federal Government to make house payments for a chosen few of those people. And by the way, under the existing bill, as it is before us right now, there is no assets test so we could have a circumstance where people who indeed are quite well-to-do would have their house payment made for them.

I think this is exactly the kind of thing that frustrates the American taxpayer, because our taxpayer is the one who is going to pick up the cost of this operation, and we do not know how this is all going to play out, what regulations will be devised, and who will be among the chosen few to get their house payments paid. So we have got the usual situation that we face here in Congress. Throw money—not ours but that of the taxpayer—at the problem.

One of the points I want to address is the history of this kind of program. I remember in the last Congress there was a rather extensive discussion in the Committee on Banking, Housing and Urban Affairs on a proposition known as the temporary mortgage assistance program, and that was enacted in 1980. It was done as an alternative to the assignment program which existed at that time.

The committee report on TMAP in 1980 acknowledged that—

The acquisition of the mortgage involves a large outlay on the part of the Federal Government.

It went on to say:

The Committee believes that, in many instances, the acquisition of the mortgage could be avoided if the Department had the authority to make payments to the mortgagee in an amount sufficient to cure the default and once the default is cured, to have the homeowner repay the amounts advanced by the Department.

It went on to say:

This in essence is the theory of the new temporary mortgage assistance program . . .

So it was clear during those discussions, although some of us were resisting that piece of legislation, that it was an effort to save Federal dollars and not to provide added benefits to mortgagors. In fact, the committee report went so far as to say this:

In essence the two approaches differ only in who actually holds the mortgage—under assignment it is the Secretary and under TMAP it is the private lender.

The cost savings were critical in the discussions when TMAP came through the Congress, and since HUD has already insured the mortgage and would have to pay off in full if foreclosure took place, there was some logic, I suppose, to try to cure the default before the foreclosure or the assignment.

Now, under this new proposal, this one where a chosen few might get their house payments paid for up to 3 years, there is no securing of an existing Federal interest. HUD would be taking on a new liability for which it will at best have a second lien which may not even have any equity in the property to support it.

What it means, of course, is that if that comes to pass, the taxpayers as usual are going to swallow that cost. I am talking about the taxpayers who are not among the chosen few. I am talking about the taxpayers who are going to have to pick up the tab for the chosen few who will get their house payments paid. That is what I am talking about.

The parallels that are attempted to be made by comparing TMAP with this program are not valid because TMAP, which even yet may prove to be a real mistake, was drawn more restrictively than the new program. Under TMAP no payments could be made unless the Secretary determined that the mortgagor would be able to: First, resume the full mortgage payments upon termination of the assistance; second, commence repayment of the payments at a time designated by the Secretary; and third, pay the mortgage in full by the maturity date or a later date set by the Secretary.

These requirements are not found in the bill for the chosen few that is before us here today.

By the way, this bill makes TMAP look good, and I opposed TMAP because I felt it would create some bu-

reaucratic entanglements and disrupt the existing law and the way that was working.

Well, it comes to pass that I was not too far wrong. There was a decision out of a Federal court in Chicago on April 16 this year where a Federal judge basically concluded that the TMAP regulations and the assignment interlock were so screwed up that he enjoined the further issuance of the TMAP regulations, the point being that when we inject judges into a complex and difficult area confusion results just as it does when we begin to substitute the political wisdom of this body for that of the marketplace.

The CHAIRMAN. The time of the gentleman from Arkansas (Mr. BETHUNE) has expired.

Mr. WYLIE. Mr. Chairman, I yield 1 additional minute to the gentleman from Arkansas (Mr. BETHUNE).

Mr. BETHUNE. So, Mr. Chairman, in any case, the technical point I want to leave is that to try to equate the TMAP program and use it for some authority that this program will work is fallacious. The TMAP program is still suspect. The jury is still out on whether or not TMAP will in the long-run prove to be a money saver or whether it is just another cost for the hard-pressed taxpayer.

□ 1520

In sum, what we have here again is more of the same that we have had in the past at a time when deficits are out of sight anyway and we are all talking about ways to reduce the deficit. This bill is a classic case where Congress is trying to respond to a problem by throwing money at it, exacerbating the deficit problem, which of course, drives up interest rates, another cost, by the way, for all the unfortunate taxpayers who are not among the chosen few who will have their house payments paid under this bill.

Mr. McKINNEY. Mr. Chairman, I yield 3 minutes to the gentleman from Virginia (Mr. PARRIS).

Mr. PARRIS. Mr. Chairman, the legislation we are considering has a number of flaws. One of the worst of these, in my view, is the so-called rebuttable assumption contained in section 105B. Let me take the short period of time allotted to me to talk about that provision, which has been previously alluded to by the gentleman from Connecticut and by the gentleman from Arkansas.

The assumption that individuals that become unemployed will, within 36 months, be reemployed and will consequently be able to resume full mortgage payments is one of the underlying premises of this bill. Now, at first blush, that may seem perfectly reasonable; but when you examine the facts in the cold light of day, I think you will realize that is not necessarily so.

Last week the Oversight and Renegotiations Subcommittee of the Banking Committee, on which I have the privilege of serving as the ranking member, held hearings on the desirability of a National Development Bank. One of the themes that came through very loud and clear in that testimony before that subcommittee was that some of our basic industries may never again regain their full strength. They will come back, yes, but perhaps not to the production level that they had previously experienced, and unfortunately, not to the employment levels that previously existed. Our economy is changing and with that change comes a new term, "the structurally unemployed," a term that all of us regret and a condition that all of us despise, but a fact of current life in America nonetheless. These people are not unemployable, but the chances are good that they will not be employed in the same industry and in the same location where they had previously worked.

Let me give you an example. One of the witnesses before the subcommittee was the mayor of Duluth, Minn. Duluth is heavily dependent upon the iron mining industry and at the present time has an unemployment rate of 22.3 percent. The mayor said that there are approximately 16,000 people who were employed in the iron mining industry that are now looking for work. More importantly, he said that even under the best estimates, the industry will only come back to 60 percent of what it once was. This means, and I quote the mayor:

> Out of that 16,000 that were once employed, approximately 5,000 will have to look elsewhere for employment.

Now, under H.R. 1983, these 16,000 persons would all be eligible for assistance should they need it, which number represents almost 20-percent of the total people estimated to be eligible for assistance by this legislation, in one city in this Nation alone.

There is in this bill, as I indicated, a rebuttable presumption that mortgagors will be able to resume payments, and yet the evidence indicates that 5,000 of them in just this one example will not be able to do so. The Government will end up holding the bag once again.

This is just one example of why this legislation should not pass and I hope it will not.

The gentleman from Kansas (Mr. GLICKMAN) has indicated his intention to offer an amendment that will delete this provision of the bill. I commend the gentleman for that and would hope that my colleagues will support his amendment when it is offered.

Mr. McKINNEY. Mr. Chairman, I yield 2 minutes to the gentleman from Florida (Mr. McCOLLUM).

Mr. McCOLLUM. Mr. Chairman, earlier this year, the Federal Home Loan Bank Board testified on home mortgage delinquencies and foreclosures before the House Banking Committee and the Judiciary Committee in the other body. The points made by the Chairman of the Federal Home Loan Bank Board are particularly pertinent to this debate.

According to data furnished in the hearings by the Bank Board, when one examines the historical curve for the number of foreclosures, the annualized rate of foreclosures during this recent recession is not that great. Although the number in the first part of 1982 is higher than in the period from 1975 to 1976, it is definitely much lower than the rates of foreclosure which occurred from late 1962 to early 1968. As the Bank Board pointed out:

> There were six semi-annual periods when annualized foreclosures, as a percent of mortgage balances, approached or exceeded 0.9 percent. This figure is almost double the 0.524 percent for the first half of 1982.

Which represents the peak of foreclosures in the recent recession.

Further, the Bank Board points out that the economy is turning around and that higher employment will moderate the number of foreclosures. All signs point to a strong recovery which we are now in.

The 1982 delinquency and foreclosure data may be exaggerated and reflect factors other than unemployment and the recession, such as:

First, the negative equity position of the borrower;

Second, the fact that even partially nonperforming loans are classified the same as wholly nonperforming;

Third, the increased use of personal bankruptcy and use of chapter 13, where a stay of foreclosure is automatic;

Fourth, the figures include investment properties, as well as owner-occupied units; and

Fifth, there are substantial regional differences, which in many areas portend structural long-term industrial changes that are not due to this recession.

The Bank Board also pointed out that lenders are forebearing for longer periods and trying to avert foreclosures, thereby keeping the inventory of such loans at a high level. Lenders do not desire to foreclose when the value of the property now at the time of such foreclosure would be substantially less than the value at the time that the loans were made.

The Federal Home Loan Bank Board and the other regulatory agencies in this field have made a strong case against our getting swept up into a fever over mortgage foreclosures. It is their opinion that we should be careful in adopting Federal legislation to impose restrictions on lenders who

have taken the lead in voluntary forebearance, which is a far preferable way for handling this matter.

With the economy turning up strongly, the rates of foreclosure very modest historically for a period of recession, the foreclosure data exaggerated for a number of reasons, and the lenders voluntarily forebearing, it occurs to me that this is no time to be passing major legislation to "solve the problem of mortgage foeclosures." This is a good place to apply the old maxim—"If it ain't broke, don't fix it."

Mr. McKINNEY. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. SHUMWAY).

Mr. SHUMWAY. Mr. Chairman, in the hearings the Banking Committee held on mortgage foreclosure relief we heard from witnesses who were concerned about the plight of homeowners that might be forced out of their house, but who also pointed out that in many instances the delinquencies were not the direct result of the recession. The delinquencies were more the result of poor money management and over extension of credit.

H.R. 1983 makes no distinction between homeowners who have been disadvantaged through no fault of their own and those who habitually have had credit problems. The mortgagor who was 3 months delinquent last year when he had a job, is treated the same way as the homeowner who had conscientiously attempted to live up to his mortgage agreement until the unemployment situation caught up with him. Is this fair and equitable treatment?

Or, Mr. Chairman, let us take a look at two identical mortgage holders that become unemployed at the same time. Let us assume they have identical equity in their house and identical resources and responsibilities. Homeowner A refinances his mortgage and manages to keep himself current by sacrificing in other areas. Homeowner B makes no sacrifice, does not attempt to refinance and simply refuses to make his mortgage payments. Now, which one of these homeowners is eligible under this program? Homeowner B is, and by the time homeowner A figures out it does not pay to be responsible, there is not any more money left in the fund.

Mr. Chairman, this legislation is not fair, and I hope the House will defeat the bill.

□ 1530

Mr. GONZALEZ. Mr. Chairman, I yield 6 minutes to the distinguished gentleman from New York (Mr. SCHUMER).

Mr. SCHUMER. Mr. Chairman, I thank the gentleman for yielding. First I would like to complement the gentleman for his leadership on this as so many other housing issues.

We have been asked the question: Why is this program being proposed. I think it is being proposed, either some people on the other side of the aisle do not seem to see it, and maybe in their districts it is not there, but nationally we have the highest delinquency rate since the Great Depression; 2.27 percent of all homes are more than 2 months behind in their mortgage payments. Unemployment, we do not have to be reminded, is over 10 percent and the country is truly suffering. Millions and millions of Americans are fearful that their homes will be taken from them, and hundreds of thousands of Americans have had their homes taken from them.

Years of sweat, years of equity that have gone into buying a home, the American dream, has been taken from these people due to circumstances totally beyond their control.

My colleague from Florida said: "If it ain't broke, don't fix it." Something is broke. Something is wrong when that is happening.

We may disagree on the remedy, but to deny that a problem exists, it seems to me, is sticking one's head in the sand.

I would like to address two specific issues that the people on the other side have raised. First, both the gentleman from Connecticut (Mr. McKINNEY), the gentleman from Arkansas (Mr. BETHUNE), gentlemen who I greatly respect and have worked with, and I know they are approaching this from their perspective in their own sincere and honest way, have basically said so few people will be helped. Not so few. CBO estimates that 100,000 homeowners, that is more than 200,000 people, will be helped by this. That is approximately 1 in 2.6 families that are affected.

Are we granting this to everybody? No. We wish we could. But because of the budget constraints that all of us are aware of, we are proceeding cautiously.

But to act as if those 100,000 families, those 200,000 people are merely a drop in the bucket, too few they say, I think is callous. The question of course arises as to if you think it is too few, then make it for others.

The second point raised by my colleague from Connecticut is that we should rely on the banks to forbear. The good gentleman from Ohio will be introducing an amendment to that effect.

Let me ask two questions. First, will the banks forbear in a rational pattern? Will the forbearance be greatest in the areas where there are the most needs? Doubtful.

The reason is that in Pittsburgh where there are so many homes, the banks cannot forbear on most of those homes because there are so many problems that they have. In a wealthy district where there are very few foreclosures the banks can forbear. To leave this issue up to the bank would do just the opposite of what ought to be done. It would help the greatest percentage of people in areas that least need the help, and help the fewest, the smallest percentage of people that most need the help.

I would ask a second question. If you were a homeowner whose home is about to be foreclosed, would you want to chance a one in two or a one in three chance of getting help from the Government, or would you want yourself thrown at the mercy of your banker? Ask yourselves that question, and then I think you can determine which program is preferable.

The final point in this debate, which I think was the most incredulous point of all, was made by my good friend from Virginia. He said that a good number of the people this program might affect, might not even regain jobs after 36 months, after 3 years. I shudder to think that is the case. But if it is, does that mean we should not help, try to help them, because they might get a job and help all of the others who will get jobs again?

By the reasoning of the gentleman from Virginia, there should be an amendment introduced into this bill to end unemployment insurance. Perhaps we should end all employment benefits because many of those same people will not get work again. Let us end food stamps. Let us sell a whole bunch of people down the river because they may not get jobs again.

My colleague from Connecticut said we will bring up the issue that the Democrats favor people in trouble and the Republicans do not. We did not bring up that issue, and I yield back the balance of my time.

Mr. GONZALEZ. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK. Mr. Chairman, I could not really focus on what all of the dispute was about, so I asked my staff to do a little research. I read some documents I have here which is testimony from the chamber of commerce, from the National Association of Manufacturers, from the president of General Electric, from the associate counsel of the National Association of Manufacturers. Here is one from the Connecticut Manufacturers Association, from Bridgeport, Conn., showing that our friend from Connecticut is, in fact, being representative of his constitutency. They all make the same point, that we will make things worse by trying to make them better, that we should not reward the idle, that we should not launch this new program even though unemployment may be a problem.

The thing to do is to let the economy work it out itself and not deal with this problem by a new Government

program which will interject the Federal Government inappropriately into a relationship that ought to be left to the private sector to work out and that will cost too much money.

I stress these because they were all made in about 1931, and they all talk about unemployment compensation. What I think our friends on the other side are doing is that they have, I guess, historically finally managed to swallow the camel of unemployment compensation, but they are still straining mightily at the gnat of helping a small number of people to keep their homes. All of the arguments being made now were made then and are very similar. They said do not help these people by giving them money. It may seem like a good thing, but it will burden the economy and it will burgeon out beyond control. Let the private sector deal with it. Yes, the president of General Electric, Mr. Swope, said we will work it out. He was as beneficient in 1931 as the banks are today.

The fact is that economic circumstances far beyond the control of any group of individuals have plunged a lot of hard-working people into temporary severe difficulties. The question is should we say to them you may have to lose your home after years of hard work, and after years of saving, and after years of prudence because, through no fault of your own, the economy has turned downward. You may have to lose your home, may. Maybe the banks will work it out. Maybe they will find a pot of gold. Maybe a rich aunt will die. There are a lot of things that might happen.

But there will be for many of them the substantial possibility that losing their home will be one of those things that they, and their families, and their children are rendered homeless. To the continuing trauma of unemployment would be added the very sharp shock of being ousted from their home.

We have a relatively modest program here, it is true. It is $700 million in loans to ask that people get and repay while we are told that is terribly unreasonable. Now our argument is that we have so many people who are by and large good credit risks, who have a good credit history, who are hard working and decent people, who through no fault of their own, because of a worldwide recession, have been put into what we might call a temporary liquidity crisis. We are proposing that the U.S. Government, at a fairly good rate of interest, lend them money to take them across that problem and we are told that oh, no, you cannot do that. I guess the reason we cannot do that is that they are Americans, from the administration standpoint, because the same administration that tells us we cannot do this says that we should vote $9 billion for the International Monetary Fund for exactly the same problem. The people come before us from the administration and the large banks and they say to us, look, we have lent this money to Argentina, Brazil, Chile, et cetera, et cetera. They are good credit risks. We made good loans. There is a worldwide recession and through no fault of their own they have a temporary liquidity problem. I agree there is a lot to be said for that. I think we have to work out some specifics of the IMF money.

But will someone tell me how we justify saying we will put up $9 billion for the International Monetary Fund because Argentina, and Mexico, and Brazil have gotten into a temporary liquidity crisis, but we cannot do that for people here?

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

Mr. FRANK. I yield to the gentleman from Ohio.

□ 1540

Mr. WYLIE. I think you are comparing apples and nuts, if I may be respectful when I say that. In the first place, when we talk about the International Monetary Fund that does not require a budget outlay, it requires no appropriation, per se. There is a draw here.

But over and beyond that, the gentleman a little while ago from New York suggested this would provide for 100,000 families to be assisted. CBO admits that estimate is very soft and far less are likely to be assisted.

Mr. FRANK. Let me say I am on limited time. The gentleman can talk to me on my time, he can talk to the gentleman from New York on his time. I do not mean to be rude. I will defend what I said on my time. I agree with the gentleman of New York but he is capable of handling his arguments on his own time. If the gentleman was to tell me why he is for voting $9 billion not as a budget outlay but as a whatchmacallit, if he will tell me he is for $9 billion for whatchmacallit. It is my time and I will rephrase the question.

Mr. WYLIE. That is a line of credit.

Mr. FRANK. Would the gentleman tell us he is for the $9 billion for the temporary liquidity crisis of Argentina, Brazil, and Mexico? Then why not the same thing for people here?

The CHAIRMAN. The time of the gentleman has expired.

Mr. GONZALEZ. I yield 1 additional minute to the gentleman from Massachusetts.

The CHAIRMAN. The gentleman is recognized for 1 additional minute.

Mr. FRANK. I apologize to my friend from Ohio. I yield him the remainder of my time.

Mr. WYLIE. We are getting afield here. May I say, this does provide for a direct authorization and appropriation of $760 million. We do not know who is going to benefit from it.

Mr. FRANK. I am going to reclaim my time. I thought that the gentleman was going to object to my analogy between the $9 billion we are being asked to vote not as a budget outlay but as a piece of financial sleight of hand for the IMF. I would close by emphasizing that point: This administration, many of the financial institutions want the Congress to respond to a recession-induced liquidity crisis all over the world by making some temporarily available. I am not opposed in principle to that though I think a lot of work has to be done on it. I do not for the life of me understand why, necessary changes having been made, but an equivalent type of aid is not also proper for hard-working Americans who have been thrown out of work through no fault of their own and face the trauma of loss of their homes.

Mr. WYLIE. Mr. Chairman, I yield 4 minutes to the gentleman from New York (Mr. WORTLEY).

Mr. WORTLEY. Mr. Chairman uncontrolled Federal spending still remains a major obstacle to economic progress. Despite repeated warnings from economists, leaders of financial institutions and an informed citizenery, we continue in the same direction.

We all talk about reducing Federal spending but there is little stomach for making the hard choices evident in this body.

What is lacking is self-discipline in the Congress. It is much easier for us to vote to spend money than it is to restrain spending. It is much easier for us to pick up on a laudable goal, couch it in flowery language and then vote for massive sums to achieve that goal.

An example of what is wrong with our political system is the mortgage foreclosure relief bill, H.R. 1983. Even the offical title of the bill, the Emergency Housing Assistance Act, sounds noble. Relief for people who are suffering from unemployment and other effects of the recession smacks of motherhood and apple pie. The bill would permit people an opportunity to obtain Federal funds to prevent the loss of their homes. The bill is based on the premise that the plight of people facing foreclosure is real and immediate and something should be done.

It is very difficult to argue against such a premise. No one wants to see familes uprooted from their homes and watch as their property is auctioned off by Simon LeGree bankers right in front of their eyes. But what is the solution to the problem? Is it merely spending Federal money? Apparently, some Congressmen think so.

The bill before us recommends more than $760 million for homeowners'

relief. The real cost will probably be much higher.

In effect, what is being created under this proposal is a new entitlement. Perhaps, not in the technical sense, but it certainly is in the political sense. People facing foreclosure will believe that they have the right to dip into the Federal Treasury to solve their personal problems, and once this right is established, it will be very difficult to turn the spigot off. If conventional patterns prevail, and I believe they will, this program will not be temporary recession relief, but will expand much in the same manner as other entitlements have expanded.

Remedies to prevent foreclosure are already available in the private sector. Even the worst hardship cases receive equitable treatment from the majority of our lending institutions. The policy of forebearance, that is working out a financial arrangement between lenders and borrowers, is widely accepted and practiced. However, this policy would be severely threatened if all one had to do was turn to the Federal Government for a bailout.

Unfortunately, some bad loans have been made. Yes, there are some people in our society who made poor financial decisions. Yet, the Federal Government, at the expense of the taxpayers, should not be expected to protect people who exercise poor judgment.

We cannot prevent all foreclosures for all times, but our private sector can and does protect those who are making a genuine effort to help themselves.

Mr. Chairman, the saddest part about the bill designed to lessen the incidence of home foreclosures is that it would do just the opposite. This is a fundamental example of why the Federal Government gets itself into a position where it cannot manage its own resources.

Paul Volcker, Chairman of the Federal Reserve, testified before the House Banking Committee just last week. He cautioned the Congress about profligate Federal spending. He predicted that there is significant likelihood of a return to a recessionary economy by 1985 or 1986 unless Federal spending is reduced now. Interest rates will rise, jobs will be lost, and we will undo all the work of the past 2 years.

I hope that we will be able to prevent the enactment of this bill as reported from committee. We must stop indiscriminately using our scarce resources, and in this instance, resources that can only come from borrowed money, to create politically popular programs, that in the long-run are detrimental to the people they were designed to help.

I ask my colleagues to listen carefully to the debate and ask themselves the key question. Will this bill help anyone who is in danger of losing his home? Or is it just another earnest, but misguided attempt to solve a problem by throwing money at it?

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

Mr. WYLIE. Mr. Chairman, I yield 3 minutes to the gentleman from Washington (Mr. MORRISON).

Mr. MORRISON of Washington. Mr. Chairman, I thank the chairman and I thank the gentleman for yielding me this time.

Mr. Chairman, H.R. 1983 requires the U.S. Department of Agriculture to grant moratoria on payments of principal and interest on Farmers Home Administration loans prior to the initiation of foreclosure.

Mr. Chairman, I hope to make the point, in fact the four points, that this authority is both unnecessary and is ill-conceived. Under current law, Mr. Chairman, the Secretary of Agriculture has the authority to provide a moratorium to a borrower in need. The Farmers Home Administration is currently making use of its authority to offer interest credit agreements as well as additional partial payment agreements in addition to moratoria of up to 3 years duration to accommodate borrowers who find themselves in a period of financial stress which makes them unable to meet their obligations to the agency.

Not only do they have this authority but they have been utilizing it. The delinquency rate for their section 520 single family loan program is 19.1 percent. And last year they foreclosed on only 1.46 percent of their single family properties. So, they have this authority and they are using it.

I believe this is proof that the Farmers Home Administration is acting in a responsible fashion and does not need mandatory language.

Second point, the bill provides a mandatory mortorium for all borrowers who show they are not able to make payments due to circumstances beyond their control, regardless of repayment ability or willingness of the borrower to comply with his obligations with the Farmers Home Administration.

Third point: The bill would impair the Farmers Home Administration's ability to effectively service section 515 rural rental housing loans by allowing these borrowers to be placed on the same basis as the single family housing borrower.

A moratorium for these borrowers would seriously weaken program integrity in this section 515 program. The same difficulties will arise when the moratorium provision is applied to labor housing projects, so they cover a broad brush approach which is unnecessary.

The final point, Mr. Chairman, the bill would provide a moratorium to single family housing borrowers in some cases when the property has been abandoned. Abandoned properties often deteriorate in value, to the detriment of both the borrower and the Farmers Home Administration. Mr. Chairman, this provision of H.R. 1983 related to Farmers Home Administration housing loans is both unnecessary, undesirable and is ill-conceived.

□ 1550

Mr. WYLIE. Mr. Chairman, I yield 5 minutes to the gentlewoman from New Jersey (Mrs. ROUKEMA).

Mrs. ROUKEMA. Mr. Chairman, I rise in opposition to H.R. 1983, a bill better noted for its political appeal and the temptation to political rhetoric than for its ability to really help people facing a mortgage foreclosure. And I will repeat and amplify on some of the points already addressed by my colleague, Mr. MCKINNEY, the ranking Republican. I do so because the intricacies of the bill bear repetition.

Let the Members beware: If Members think they are voting for a bill that provides fast emergency assistance to our most hard-pressed homeowners, think again. For the sake of appearances, it is a great bill. As an effective emergency measure, this bill is grossly deficient. The real losers will be the American homeowners—those who genuinely require emergency assistance; those homeowners who, though eligible, will not be granted relief; and those Americans who will ultimately shoulder the tax burden for another uncontrollable Federal program.

There is nothing about this bill that will meet a present emergency. Reasonable projections show it could take up to 1 year for payments to be made to qualified individuals. HUD would have to hire or reassign individuals to administer the program. Regulations would have to be drafted for the program and go through the usual review and comment periods. Then, once in place, HUD would have 45 days to approve applications. Conservative estimates of time for implementation range from 3 to 6 months.

The bill does not contain an assets test. To qualify, a principal residence mortgagor has to have incurred a substantial loss of income. It does nothing to protect against abuse of the system by families who might have indeed lost income but have other valuable assets. Proponents on the committee have consistently refused to accommodate this issue. Virtually every other program targeted to help the needy contains an assets or needs test. This bill does not. The legislation deals with income, not assets.

Since it does not target the crisis individual or family. The bill creates the worst kind of competition among our Nation's neediest families. Out of one-quarter million families facing foreclosure, perhaps 75,000 would be helped

on a first-come, first-serve basis: The favored few—identified by Mr. BETHUNE. There will undoubtedly be some individuals receiving assistance who do not deserve it and some who should receive help but find none left. What do we do then? Do we increase the funding to accommodate these deserving individuals who lose the race for the funds available? If so, then what we are creating is, quite literally, a Mortgage Underwriters Act. Any homeowner who cannot pay his mortgage and suffers from unemployment or underemployment is automatically eligible for Federal assistance. If this is what we are doing, we should know it—the full implications. Indeed, a good case can be made that this bill will be an incentive to foreclose. Why should banks forebear?

The point here, Mr. Chairman, is that no one disputes that a real problem does exist. The Republicans and Democrats on the committee agreed on that much. However, this bill is the wrong approach. A better approach is to encourage forbearance by lending institutions—the holders of mortgages.

The vast majority of institutions which lend for residential mortgages make every effort to work with homeowners victimized by layoffs and unemployment during recessionary periods of our national economy. It is in the mutual interests of lenders and borrowers to keep families in their homes. Lending institutions do not want to be in the property management/real estate business.

The bankers involved in mortgage lending in my home State of New Jersey have told me that they view foreclosing on delinquent mortgages as a no-win situation. They routinely wait 5 to 6 months before taking action to foreclose. During this time they repeatedly contact the borrowers in an effort to work out a solution to the problem. In 99 percent of the cases, other arrangements are made. These range from taking no payment at all for a short time to accepting only the interest due on the debt plus whatever principal the borrower can pay. Only 1 percent of delinquent mortgages are foreclosed and the vast majority of these are ones where the borrower refuses to cooperate with the lender.

Immediate relief for this problem can be made available. Federal supervisory agencies can and should make appropriate modifications to their regulations so that the forebearance process is facilitated. These changes would encourage banks to extend forebearance as a reasonable and prudent practice on delinquent mortgages.

I am not advocating unsound and unsafe banking practices. I simply urge a recognition on the part of supervisory agencies of the lengths to which mortgage lenders will go to help their borrowers preserve the American dream—the dream of homeownership. In the short term, this will give more genuine relief to those individuals suffering from temporary income loss resulting from our Nation's economic problems.

Mr. WYLIE. Mr. Chairman, I yield 4 minutes to the gentleman from California (Mr. DREIER).

Mr. DREIER of California. Mr. Chairman, I would like to begin by commending our distinguished ranking members on both the subcommittee and the full committee for offering what truly is the most compassionate proposal imaginable because it is one which truly will provide a broad base of aid across the board for those who are truly in need.

Unfortunately, once again the Housing Subcommittee of the Banking Committee brings their traditional approach to solving the perceived problems in this country of throwing more and more money at them.

It is getting to be an annual occurrence. Most of my colleagues probably remember last year's version. Last May we had another piece of emergency legislation that was so important we had to take it up under suspension of the rules.

It provided $1 billion to subsidize the purchase of new single-family homes. It was, according to its supporters, essential if we were to revitalize the homebuilding industry.

Some of us argued against the bill then, claiming the best cure for the housing industry would be lower interest rates and that this could be facilitated with less budget busting legislation.

Because the President's veto was sustained, we prevailed and the country did not end up with this costly boondoggle.

So what happened? The Federal Home Loan Mortgage Corporation recently announced the average retail conventional commitment rate has fallen to 12.74 percent, down from 17 percent a year ago, and housing starts are now projected at an annual rate of 1.45 million.

I think it should be pointed out that this has occurred about the same time HUD would have started to pump out the $1 billion if last year's bill had passed.

Now we are faced with a similar situation and similar timing. By the time these funds are available, this problem, like the housing crisis of last year, will have started to disappear. But only if we do not overreact.

The economy has started to stabilize. Unemployment has stopped climbing and should start to drop in the months ahead.

What we need is continued restraint in resisting the costly Government programs that give the wrong signals to the financial markets and could only stall recovery.

Mr. Chairman, we definitely do not need another costly long-term solution.

I urge support of the only truly compassionate proposal before us and that is the Wylie substitute.

Mr. WYLIE. Mr. Chairman, I yield 2 minutes to the gentleman from New Hampshire (Mr. GREGG).

Mr. GREGG. Mr. Chairman, I rise today in opposition to this bill because I am very concerned about the direction that this Congress is taking.

We have heard from three different Members of the Democratic side that the problems created here result through no fault of the people who are suffering from foreclosures. And there is no question about that, but I think we have to ask ourselves: Who is at fault?

I believe that we as a Congress have to take a significant amount of the responsibility for the faults that have created the problems that these people find themselves confronting. We as a Congress over the last 10 years have spent more money than we have taken in, have overtaxed the American people to a point where we created an unnecessary and extensive recession. And as the people in America suffered from this recession, we tried to respond to it by doing the same things that created the recession in the first place, putting on the books programs which spend money which we do not have.

□ 1600

And this program is an especially good example of that. This is nothing more than a fiscal facade. It is really not an emergency housing relief bill nor an emergency financing relief bill. It is an emergency bill to clear the conscience of the Congress which created the problem. It is only going to benefit 76,000 people. And, sure, those 76,000 people need benefit; but we have put 11 million people out of work by our policies in this Congress. If we really want to assist the American people, if we really want to assist the people to get back to work, then what we should do is commit ourselves to reducing the spending we are doing at this level of Government and continue to reduce taxation.

Mr. GONZALEZ. Mr. Chairman, I yield 5½ minutes to the distinguished member of the committee from the great State of Pennsylvania (Mr. COYNE).

Mr. COYNE. Mr. Chairman, I rise in strong support of H.R. 1983, the Emergency Housing Assistance Act of 1983.

To those who doubt the seriousness of the home mortgage foreclosure crisis, consider this:

Nearly 2,000 homes in the Pittsburgh standard metropolitan statistical area are now in foreclosure.

What does this statistic represent in human terms?

Imagine, if you will, that every Member of this body was present on the floor of the House. If you increased that number fourfold, it would still not equal the number of people in the Pittsburgh area who face loss of their homes due to mortgage foreclosure. If those individuals and their families were present on the House floor today, their number would be so great as to spill over from this floor into the Halls of Congress.

This astounding number of people facing the greatest economic calamity of their lives—enough people to fill the House of Representatives many times over—represents only one small part of our Nation. It represents the people in the four county Pittsburgh area now facing the loss of their homes due to mortgage foreclosure.

This Congress has acted on occasion to aid businesses in financial trouble. It can now act to preserve the financial integrity of individuals. While the need for emergency mortgage assistance should be clear, the administration continues to assert that aiding homeowners faced with removal from their homes is not a proper use of taxpayers dollars.

I believe the administration would be well advised to recall that some of the people who contribute those tax dollars to the Federal Treasury are those very same homeowners. We hear requests that we spend millions of dollars to house an MX missile—an apparently proper way to spend tax dollars. But we cannot spend money to preserve the housing of those facing foreclosure, we are told.

Mortgages, not missiles, are the prime topic of debate for western Pennsylvanians who look with fear to the coming months as they measure their ability to meet a mortgage payment. The 2,000 now in foreclosure are not the only people who live in fear. Fifteen thousand people in the Pittsburgh SMSA are estimated to be delinquent in their mortgage payments. For every unemployed worker currently delinquent, three more are close to delinquency. As many as one-half of these families may lose their homes unless they receive some financial assistance.

To those who contend that economic recovery will rescue these beleaguered homeowners, I suggest a closer look at the facts. In the four-county Pittsburgh area, unemployment actually rose again in the most recent statistics, to 16.2 percent. The delinquency rate on mortgages is climbing. According to the mortgage bankers association of America, the Pennsylvania rate of delinquencies in the fourth quarter of 1982, stood at 6.88 percent. This shows a steady but alarming rise in delinquencies, from 5.14 percent in the first quarter of 1982 and 5.85 percent in the second quarter.

The mortgage bankers association survey does not show Pennsylvania's case to be isolated. Delinquencies in other States are still more disturbing: Illinois, 9.58 percent; Indiana, 7.62 percent; Ohio, 7.41 percent; South Carolina, 7.09 pecent; Nevada, 7.47 percent; and New Mexico, 8.89 percent.

Unless unemployment drops sharply, we can expect the problem of mortgage delinquency and foreclosure to mushroom. Joblessness all too often translates into homelessness, as the bills pile up and unemployed homeowners, usually through no fault of their own, become delinquent in their payments.

Some are more likely to lose their homes than others. For those fortunate enough to have an FHA loan, the recently enacted temporary mortgage assistance program (TMAP) gives the borrower a fighting chance to hold onto a property. This program, which became law in 1980, allows HUD to make mortgage payments on behalf of single-family borrowers experiencing financial problems. The TMAP payments are available for 18 months, with an 18-month extension at the discretion of the Secretary.

I would emphasize to my colleagues that this assistance is not available to Veterans' Administration or conventional borrowers.

What does this mean to a veteran trying to keep a home? Consider the experience in the Pittsburgh area. Through late 1981, the Pittsburgh VA office carried about 50 to 75 foreclosed properties. By late 1982, that number had mushroomed to 350 properties. One thousand one hundred and eighty-three GI loans were in default in the Pittsburgh VA office for the month ending in September 1982. Since VA regulations do not require loanholders to provide notice until the 105th day of default, clearly most of these borrowers are well behind on their payments.

Yet jobless veterans and conventional borrowers do not qualify for TMAP-style assistance. What we have done with H.R. 1983 is develop an emergency assistance program along the lines of TMAP to aid these homeowners in a time of severe economic slump.

Mr. Speaker, the $760 million authorization for the Emergency Housing Assistance Act of 1983 would assist approximately 76,000 homeowners. It should be noted that this is not a grant program, but an emergency loan program to individuals. By acting on this measure with dispatch, we can begin to address the problem of mortgage foreclosures, a problem which is the unwelcome and nearly inevitable byproduct of high unemployment.

I urge a "yes" voted on H.R. 1983, the Emergency Housing Assistance Act of 1983.

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

Mr. COYNE. I yield to the gentleman from Connecticut.

Mr. McKINNEY. Mr. Chairman, I think I should remind the gentleman that the TMAP program has been held up by court order so, therefore, we really do not know whether or not it will work; and, also, under the conditions of this bill, Pittsburgh would have been eligible for 10 years.

Mr. WYLIE. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. BARTLETT).

Mr. BARTLETT. Mr. Chairman, I rise to oppose this bill vociferously and strongly for all of the reasons that have been discussed so far and, further, to try to bring into focus many of the arguments in almost the endless list of what is wrong with this legislation. And, first, let me say—and I think we all know it—both sides on this on both sides of the aisle and both sides on the committee want truly to help people who need help and who are being foreclosed on and who are unemployed. The problem with this legislation is that this is purported to be legislation that is in fact a bundle of campaign speeches and slogans made into law that would in fact hurt the very people that we are trying to help.

Let me go down point by point: This bill has been characterized, and I think aptly so, and will be characterized by the American public when they begin to see it, as "The Foreclosure Incentive Act of 1983," because this bill, in and of itself, would cause vastly increased numbers of foreclosures in this country, foreclosures that otherwise would not happen.

Just look at the facts. In 1982, there were 1.2 million home mortgages that were delinquent, and yet fewer than 60,000 foreclosures that resulted in the loss of a home. So we have a potential, we are building in a huge profit incentive for financial institutions to foreclose and to go into process up to 1.2 million delinquencies. The potential of foreclosure is almost 10 times more, more than 10 times, as a result of this legislation.

This bill could aptly be called the Foreclosure Incentive Act of 1983.

And, second, this bill is in fact a new kind of giant entitlement program, but not a means-tested entitlement program. This is an entitlement program with no assets test, with no test as to liquid assets, a Mercedes or automobiles or lakefront lots or condominiums or other assets that the borrower might have, but in fact is an entitlement program for the rich.

I would just urge my colleagues on the other side of the aisle to read the bill, to read the bill when it states that you do not even have to be unemployed, you can be underemployed, be-

cause you are eligible for this assistance under this bill if you have suffered a reduction in your employment or if someone who contributes to the mortgage has suffered a reduction in income or reduction of employment.

And, third, this bill—and we all know it—ignores and in fact steps in the way of using the existing remedies that are available under the law.

Later in the day I will be offering an amendment to the bill which would provide that we at least have the homeowner first use the remedies that are available to him or her under chapter 13 which are available today, the wage earners' plan. I think this bill should at least use existing remedies that are available under Federal law before trying to set up a new program.

□ 1610

Last, Mr. Chairman, I would comment that this legislation sets up a new bureaucracy; not only a new set of entitlements, but a new bureaucracy. The last time we did it, and I recall the gentleman from Massachusetts recited some other statistics from the 1930's, I would remind this House that the last time that we enacted this type of bureaucracy was in the 1930's. It was supposed to be a temporary program just like this program. It was entitled the Home Owners Loan Corporation. It was not temporary. It lasted for 18 years. It was not repealed until 1951, employed 20,000 people by the time it was through, and that corporation, gentlemen, resulted in the direct foreclosure of 200,000 homes.

So we have done this before, and it not only did not work, it worked badly.

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

Mr. BARTLETT. I would be happy to yield to my colleague from Ohio.

Mr. WYLIE. I thank the gentleman for yielding.

Mr. Chairman, I think the gentleman is making a very significant statement there. The committee report, and this was alluded to a little earlier by one of the speakers, raises the specter of the depression with reference to the Home Owners Loan Corporation's actual number of foreclosures.

The gentleman suggests that there were 200,000 who were forced to leave their homes during this period?

Mr. BARTLETT. This corporation, during that period, foreclosed on 200,000 homes.

Mr. WYLIE. The Government agency which was created.

Mr. BARTLETT. The agency itself.

Mr. WYLIE. It also received 1,886,409 applications during that 2-year period, and had a staff which reached 20,000 during that period, and it lasted for some 18 years, which is a point the gentleman was making.

Now, I do not think alluding to that as an analogy to what we should be doing today helps support this legislation, and I appreciate the gentleman making that point.

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

Mr. BARTLETT. I will be happy to yield to the gentleman from Pennsylvania.

Mr. COYNE. I thank the gentleman for yielding.

Mr. Chairman, I would just like to point out that at the end of that program, that program showed a profit.

Mr. WYLIE. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. LOWERY).

Mr. DASCHLE. Mr. Chairman, will the gentleman yield to me?

Mr. LOWERY of California. I yield to the gentleman from South Dakota.

Mr. DASCHLE. I thank the gentleman for yielding.

Mr. Chairman, I have prepared an amendment to offer today to H.R. 1983, the Emergency Housing Assistance Act of 1983, which I will not offer. The purpose of the amendment is to provide equal treatment and protection to all Farmers Home Administration borrowers who are threatened by foreclosure due to adverse economic and financial circumstances beyond their control. As reported by the committee, H.R. 1983 provides needed additional protection for Farmers Home Administration rural housing loan program borrowers by requiring the Secretary of Agriculture to grant a moratorium on the principal and interest payments on a delinquent loan if the delinquency is due to borrower financial problems which are involuntary.

This additional protection against foreclosure correctly and humanely responds to the financial trauma widespread today in rural America as starkly indicated by the 130-percent increase in the number of properties acquired by the Farmers Home Administration in the last 3 years resulting from foreclosure or voluntary conveyance because of impeding foreclosure.

Although I will not offer an amendment today to extend indentical foreclosure protection to all Farmers Home Administration borrowers because of the likelihood the amendment would be subject to a point of order, it is incumbent upon the Congress to provide equal protection to all Farmers Home Administration borrowers who are threatened by foreclosure because of adverse economic and financial conditions beyond their control.

I commend the subcommittee and full committee for the additional protection which has been provided in the legislation for Farmers Home Administration homeowership loan program borrowers and I solicit for extending identical protection to Farmers Home Administration farm loan borrowers. Between 1980 and 1983, the percentage of delinquent Farmers Home Administration farm loans has doubled from 26.8 to 52.4 percent. The amount of delinquent Farmers Home Administration loans has increased nearly fivefold during this same period from $1.1 to $5.2 billion. The number of farms acquired annually by the Farmers Home Administration has increased steadily from 1979 with 1,470 farms acquired last year compared to fewer than 400 in 1981.

The inescapable conclusion, avoidable only by a willingness to ignore the facts, is Farmers Home Administration farm loan borrowers like Farmers Home Administration homeownership loan program borrowers need foreclosure protection because of adverse economic and financial conditions beyond their control. Without such protection, the Nation's dwindling number of farmers will become even smaller.

Mr. LOWERY of California. Mr. Chairman, I rise in opposition to this legislation, H.R. 1983, the Emergency Mortgage Foreclosure Assistance Act. Let me state at the outset that I agree with my Republican colleagues that those facing mortgage foreclosure through no fault of their own should receive assistance. However, not only is this legislation not the way to provide that assistance, I am concerned that it will cause more harm than good in the long run, and worse, may lead some to believe that they can receive help when in fact they may not be able to.

The first and perhaps most serious problem with H.R. 1983 is that it requires a very bureaucratic process that could take months to implement. HUD would have to hire or reassign between 250 and 500 employees, draft regulations, which are subject to review by Congress, print the regulations for a 30-day review period, and then HUD has up to 45 days to approve the application for assistance from the individual homeowner.

In the meantime, the better part of a calendar year has elasped. And indeed, when the initial authorization of $760 million has been committed, who will tell the next homeowner in line that the funds have been exhausted? Or will the taxpayer continue to make mortgage payments over and above the equity in the property?

There are other defects in this bill. There is no assets test, and no requirement that the borrower and the lender explore other solutions. The Secretary of HUD is called upon to make numerous subjective determinations, including verify that the mortgagor has suffered a reduction in income and determine that that loss is "Significant"; assess the homeowner's prospects for reemployment or rebut the presumption that the mortgagor meets the requirements to qualify for assistance.

Mr. Chairman, I strongly urge a "no" vote on this legislation. There are far better ways to help those who truly need some kind of assistance.

Mr. WYLIE. Mr. Chairman, I yield 4 minutes to the gentleman from Kansas (Mr. GLICKMAN).

Mr. GLICKMAN. I thank the gentleman for yielding this time to me.

Mr. Chairman, I hate to throw cold water from my side of the aisle on this bill because the problems are legitimate, but the bill needs to be significantly tightened up in order to be a fair and responsible piece of legislation, because we have the opportunity in this bill, unless it is changed, to basically turn this into an entitlement program which will go on in perpetuity, and I do not want to see that happen. I do not think the chairman of the committee wants to see that happen.

There are basically four areas of problems within the bill. As written, the bill's eligibility criteria would allow unemployed or underemployed workers to seek assistance without regard to the cause of their unemployment. What if they were fired for malfeasance, or what if they were just fired because the employer did not think they were capable? That issue is not dealt with.

In addition, the bill does not talk about individuals who are involuntarily in that predicament due to adverse economic conditions. I know that is the intention of the committee, but it is not in the bill.

As reported, the bill does not include an assets test, although I understand the gentleman from Connecticut and the gentleman from Massachusetts are going to deal with that problem.

But the most serious problem with this bill is that as it is written, there is a specific rebuttable presumption that a mortgagor will be able to fulfill the requirements necessary to qualify. That means that if you can show a reasonable prospect that you are going to get a job or a reasonable prospect that you can pay your loan back in 36 months, you are going to get the loan.

That is a tremendous change from every other nonentitlement program we have on the books now. Under all programs that we have on the books, when we deal with taxpayers' money and it is not an entitlement program, you, the applicant, have to show that you need the money, and prove it. That is just a responsible use of taxpayers' money.

Under this bill, there is a specific rebuttable presumption that if you go to HUD, you are going to get the money, and the Government has to prove that you do not need the money. Unless we are dealing with a program like social security or a veteran's pension, where you automatically become entitled to that money, this is not a responsible provision, not when you are talking about $750 million of taxpayers' money.

So I will offer an amendment which will conform this program to every other nonentitlement program of the Government; that you, the applicant, have to go in and show that you need the money in order to get it, not that the Government has to show that you do not need the money.

I would also tell my colleagues, on Thursday we have an agriculture moratorium bill just like this bill. It says that the Farmers Home Administration may defer loans if you have great difficulty. But in that bill, I would tell my colleagues, the applicant must prove by substantial evidence that he will be able to repay the loan.

Now, why should our farmers have to prove by substantial evidence and have them have the burden of proof that they are going to qualify, and under this bill the Government has to prove that you do not qualify. That is not fair. That is not an appropriate use of Government funds.

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

Mr. GLICKMAN. I yield to the gentleman from Connecticut.

Mr. McKINNEY. I thank the gentleman for yielding.

Mr. Chairman, the gentleman brings up an interesting word, and I would like his opinion.

The gentleman brings up the word "entitlement," what all of us who have been here for a while feel so frustrated about, that we cannot control our entitlement budget. How would the gentleman feel, or would the gentleman think I was right when I said what happens to the 70,001 person who goes in for this aid? Under the Chicago fairness doctrine, as we sometimes call it, would this not in fact then become an automatic entitlement program, adding one more program out of control, because is it not a fact that if it is fair for one American under that doctrine, it is fair for all Americans in the same circumstances?

Mr. GLICKMAN. I think there are serious legal questions that this does become an entitlement program. And I guess what really worries me is that if the Government has the obligation to prove that you are not qualified for the money, it just adds fuel to the fire and makes the courts say they really intended this to be an entitlement program.

Mr. McKINNEY. So we are not really talking, then, about a $760 million-odd program; we could be talking about a $1 billion-odd program.

Mr. GLICKMAN. We could be.

Mr. McKINNEY. I thank the gentleman.

Mr. GONZALEZ. Mr. Chairman, may I inquire how much time we have remaining on this side?

The CHAIRMAN. The gentleman from Texas (Mr. GONZALEZ) has 9½ minutes remaining.

Mr. GONZALEZ. Mr. Chairman, I yield 1 minute to another distinguished member of the committee, the gentleman from Alabama (Mr. ERDREICH).

Mr. ERDREICH. Mr. Chairman, one of the greatest financial catastrophes conceivable to a family in the United States today is losing one's home. According to an industy estimate, more than 140,000 homes around the country are currently in foreclosure. This staggering figure is a 65½-percent increase over the number of foreclosures at the same time last year. I feel that H.R. 1983, the Emergency Housing Assistance Act, provides a viable solution to this severe problem facing our citizenry.

The homeowners who are defaulting are people who have fallen upon hard times because, as we all know, unemployment reached unprecedented levels. Because a house is generally the largest investment that most people ever make, mortgage payments are traditionally the last debt on which homeowners default. The high foreclosure rate is a painful indication of just how serious the problems of recession and the resulting unemployment figures really are.

The threat of mortgage foreclosure is particularly acute in my hometown of Birmingham, Ala., and the surrounding Jefferson County, where unemployment is approximately 50 percent above the national average.

In order to help develop legislation that would most directly address the needs of my district, I met with Birmingham area residents in February, including mortgage bankers and homeowners, to discuss the mortgage foreclosure problem. I relayed what I had learned to my fellow members on the House Banking Subcommittee on which I serve.

In addition, two Birmingham area residents, a mortgage banker, and an unemployed steelworker, testified before the subcommittee on the rising foreclosure rate and its adverse effect on the well-being of hundreds of families in the Sixth District of Alabama.

The Emergency Housing Assistance Act would authorize $760 million to set up a loan fund to assist approximately 76,000 homeowners facing foreclosure. It also authorizes $100 million to provide assistance for shelter and essential services for the homeless, and requires the agriculture Department to grant a moratorium on home loan payments insured by the Farmers Home Administration for people facing mortgage foreclosure. This supplemental assistance program would not place an undue burden on homeowners in repaying their loan, since their monthly payments would be lim-

ited to 38 percent of their income. The program would only be activated when foreclosure rates in local areas become unacceptable; when foreclosure levels drop, the program will be discontinued. Homeowners would be required to resume full mortgage payment within 3 years and repay the Government loan with interest.

Homeowners who are now threatened with losing their homes are not responsible for the economic mismanagement which created the recession from which we are only now beginning to recover. This is a loan program, repaying to the Federal Government the mortgage assistance payments, with interest. The Emergency Housing Assistance Act, which I urge my colleagues in the House to support, provides a cushion of stability, not only for homeowners, but also for stability in the mortgage industry and among the financial institutions that are a most important foundation of economic recovery.

Mr. GONZALEZ. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota (Mr. OBERSTAR).

Mr. OBERSTAR. I thank the chairman for yielding this time to me.

Mr. Chairman, I am here to appeal to my colleagues in this body for compassion, for a sense of understanding of the problem of people who are on the brink of disaster and about to lose everything they have, to restore through this legislation some sense of stability and hope to the lives of thousands and thousands of Americans.

□ 1620

The issues are clear. In the Members' districts and in my district thousands of people are out of work. Their careers, their homes, their families, and everything they have worked a lifetime for is on the line. They are about to lose it.

We do not have to debate the Emergency Housing Assistance Act to death. We know what the issues are. The committee has done a superb job in bringing forward a piece of legislation that is going right to the heart of the problem, to help people keep that one biggest investment in their lives, their home.

In 1982 some 170,000 families lost their homes because they could not make mortgage payments. It was that simple. Thousands of others sold their homes at substantial losses under tremendous financial pressure. They did not have a choice.

Now our President comes forth with rosy economic predictions for the future, and we hear those predictions from the other side of the aisle. We hear that things are turning around, and they say, "let's forget this bill." Meanwhile thousands of people are unemployed and things are going down the drain.

I have been swamped with heartrending stories of real cases, real people, not imagined, not statistics.

DEAR SIR: We heard on the news this morning, to write to you, if we were in danger of losing our home.

My husband has been off of work since February of 1982 due to a job injury at Erie Mining Company. He was collecting S&A benefits. A few weeks ago without any notice, we were cut off of these benefits without a notice that we had to pay $175.00 to keep up our medical insurance. With three children we had no other alternative but to apply for AFDC and to contact a realtor to sell our home. Thinking we would rather try to sell it, than to lose it. With what we were receiving from S&A and what we will receive from welfare there is no possible way that a $521.00 house payment can be made. We tried paying $100.00 towards our payment but the Miners Bank apparently is not happy. After the lights, fuel, water, groceries and clinic bills are paid on that leaves us with nothing. It took us five years to build a house that will probably be taken from us in the near future. What will we do and where will we go with three children? I can not work due to a knee surgery on January 10th and other medical problems. So we have exhausted our thoughts and efforts to make it.

FEBRUARY 27, 1983.

CONGRESSMAN OBERSTAR: I understand you have co-sponsored legislation to establish a low-interest mortgage loan program for unemployed homeowners. Because I am on indefinate layoff from the taconite industry. I have been unable to secure a H.U.D.-F.H.A. home mortgage to refinance a home construction loan. This loan has been extended once and is now scheduled to expire Sept. 1, 1983. I have met all the other F.H.A. loan stipulations, except the one on being employed. To say the least, this has been a trying experience, because I know I can manage the monthly payments.

I am hopefull that this bill, or some other change in H.U.D.-F.H.A. regulations would permit me to get a much-needed permanent mortgage.

Thank you for your concern.

MARCH 16, 1983.

DEAR CONGRESSMAN OBERSTAR: The situation on the Range is quite critical regarding our housing situation. The time is near when we will have no unemployment funds left and many of our neighbors already have run out and their houses will be put up for auction this spring. These people are young families with small children. Where will they go? Babbett housing is very reasonable and we can't even make it—not to mention the other towns where housing is higher.

There are men here who want to work but there's nothing available. Men are going all over looking for jobs only to return home again. There's no way a family can live on the minimum wage, even cheaply. We are disappointed in the lack of compassion that's shown in Washington. We resent being called lazy.

Please show them that the need is getting—if not already desparate. We are people too.

Thank you Congressman for your concern for the "ordinary" people.

MARCH 2, 1983.

Representative JAMES OBERSTAR,
Federal Building,
Duluth, Minn.

DEAR SIR: I am writing to let you know I am a concerned home owner. The fact is I should have lost my place already, but thanks to a banker who really cares, I am just hanging in there.

I am an ex-miner. I was forced into taking my severence from U.S. Steel, Sherman district to save my home. Now my unemployment extension is almost up and I am afraid my banker will be forced to forclose on me.

I have only worked in the mines eleven weeks since Oct. 1979. Since that time we lived on CETA for awhile, and IRRRB program for a few months.

Sir, I am desperate both to save my home, and to find a job so I will be able to make my payments, and feed my family.

I have a wife and two fine daughters to raise.

I am thirty six years old, and a Veteran of Viet-Nam. Sure is a fine time to start on a new career.

I need help desperately.

Thank you for your concern.

MARCH 3, 1983.

DEAR MR. OBERSTAR: This letter comes to you as a plea for help. My husband and I have been laid-off from U.S.S. for 17 months. We have exhausted all unemployment benefits. My husband has three trades behind him with a total of 7 years of education. We can't find a job anywhere, we can't even get on IRRRB right now. Six years ago my husband got a mining job and false hopes, dreams, and feelings of security. We got married both worked hard, bought an old farm house and saved to fix it up. It's far from new looking, but we are proud people and have grown to love it. And now we are about to lose everything we've worked for. We have no income and feel horrified we are expected to live on $3.50 an hour. Our house payment is $324.00, electricity is $90.00 and going up 23 percent in a month, not to mention gas, food, and other necessities. We haven't any children, and during this depression feel blessed there's none to watch suffer. It's bad enough watching other peoples kids go without necessities. I watched a young girl walk on her tiptoes because her boots were two sizes too small.

We paid big taxes when we were both working. Now our own government is turning its back on us in our time of need. We are angry our government and these mining companies don't care about us. Maybe this is what Reagan wants, to break our spirits and have the unions destroyed, so we can all work like migrant workers, leaving all the profits to a choosen few. He wants us to move to where there's work. We'd love to know where that work is. There's twelve people in my family, and ten of us is looking for work. I have checked six states for employment. We would like to invite anyone to come and see how we live, anyone from the white house. But they better come soon, otherwise bring their own sleeping bag for our tent home.

DEAR MR. OBERSTAR: I am writing in regards to your mortgage foreclosure bill.

My husband has been laid off (unemployed) since October 1981 from U.S. Steel in Mt. Iron, Minnesota. With no signs of being recalled back.

Our house payment is $250.00 a month & $150.00 of it is interest We have been paying $100.00 a month. Which is not very easy.

Our unemployment ran out in January. We are presently on AFDC which gives us $544.00 a month & with 2 kids & bills that is not enough.

I don't know how much longer our bank will allow us to only pay $100.00.

We were lucky enough to sell our truck for what we owed on it. We would have gotten that foreclosed on.

Our house is not a mansion but, we have worked hard to make it a home. The thought of losing it haunts us every day.

If your bill passes & I hope it will. I hope with all my heart that it will help us.

We have not given up hope. My husband is constantly looking for work. But, the job hunting costs money also. Most companies seem like they don't want to hire unemployed steelworkers. They think the steel companies will be going back to full production, which is highly unlikely.

Thank you for giving me your time. I hope this letter will help. If there's anything you can do to help we would be more than happy.

Representative JAMES OBERSTAR,
Federal Building,
Duluth, Minn.

DEAR REPRESENTATIVE OBERSTAR: An announcment on TV one day caught my attention—concerning letters to you about the unemployed maybe losing their homes.

I have a son-in-law who was laid off one year ago from National Steel in Keewatin. I guess you can say he was fortunate in that he had his five or six weeks vacation due, plus unemployment and then the extension.

There's no more now unless your bill to extend benefits eight more weeks passes. I pray it does. Thank you for introducing it.

In July, '82, a baby boy was born (Cesarian) to my daughter (and son-in-law.) He wasn't even a day old when he was taken by ambulance to Children's Hospital in Minneapolis and had surgery at 9 p.m. that night—a T. E. Fistula. He was there for a month—came home for a few weeks—then back to Children's for double hernia surgery. Hospital stay then was three weeks.

Last fall my daughter went on to check on him, found him blue; was rushed to Hibbing Hospital for two days and then taken by air ambulance to Children's again.

After four days he was sent home with a monitor that has to be used now to check his breathing. (They'd bought an inter-com before, but that is of no use when he stops breathing.)

Last week he came home from another week's hospitalization for a viral infection.

I don't want to bore you, but what I'm trying to say is they are in the same boat as everyone else.

My son-in-law pays $150.00 a month Blue Cross and Shield plus extra hospital charges that B.C. doesn't cover. (Air ambulance to the cities was $1,500.00. B.C. paid $1,200.00), and the list goes on and on.

How on earth can anyone keep up mortgage payments in these times with no work? I'm sure they are probably just paying the interest or trying the best they can.

President Reagan's program may be working, but he is surely hurting many, many people in putting it across. I wish he'd come and talk with some of the families; very wishful thinking.

Thank you for your interest in the unemployed's plight. They want work; not welfare.

I would like to tell you why the moratorium legislation is important to me and the entire state of Minnesota.

To start with, here are some figures on what is happening in my part of the state. There were about 25 foreclosures in St. Louis County in 1980. In 1981 there were 50 and in 1982 there were around 100. By the end of 1983 there will probably be over 200.

My husband, a trained welder, had been working as a welder for 16 years. In 1980 he lost his job. He was out of work for 15 and one-half months. Two and a half months of that he used to learn a new trade in school. He took courses to become a heating specialist, and when he went back to Duluth, he found there were no jobs as a heating specialist either.

His unemployment ran out. He took the only job available, at a gas station. When he was getting unemployment, we were still able to make our housing payments. His current job, even though he puts in 50 hours a week, does not give us enough to meet all of our house payments along with our other bills.

I started to sell Avon to try to help out, but we can't make it.

Our house was originally built by my husband's father and grandfather. The home has an assumed value of $37,500 and we owe $11,300 now. Because we have not been able to make full payments, we have been threatened with foreclosure.

The emotional strain on our family is unbearable. My 13-year-old daughter, the oldest of three children, has started to get migraine headaches, and I know she senses what is going on. My own nerves are shot. I have become short-tempered. I can't sleep well at night, and I have diarrhea and vomiting.

This is a concerned mother. I think she would vomit if she heard some of the arguments that were made on the floor this afternoon. I would like my colleagues over here, with all their well-intentioned arguments, to go out and tell this mother to stand in line and wait until something turns around.

The CHAIRMAN. The time of the gentleman from Minnesota, Mr. OBERSTAR, has expired.

Mr. GONZALEZ. Mr. Chairman, I yield 30 additional seconds to the gentleman from Minnesota, Mr. OBERSTAR.

Mr. OBERSTAR. Mr. Chairman, these people cannot wait. These are people who have worked a lifetime. They have made payments for 10, 15, 20 years on their homes. They only want a job, and they only want to keep their homes, the biggest investment they have.

I say to the Members, do not tell us that there is some magic solution out there that the banks are going to provide for them because we know that solution is not coming, and these people, if this bill is not passed, are going to lose their homes.

Mr. WYLIE. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. GEKAS).

Mr. GEKAS. Mr. Chairman, in this legislation it seems to me we have another example of the Congress acting under the promptness of too much too late. One would think that this proposal was made in a time when the signals on the economy were calling for even a deeper recession or a depression that never came.

Actually, the contrary is working right now to the benefit of all our citizens. All the signals of the economy are good—increased productivity, increased weekly income, increased work hours, increased inventories, and increased orders. All the signs of the economy are working upward and to the benefit of the very same people this bill is attempting to aid.

By the time the full bureaucracy and the full implementation of this legislation would go into effect, we would be helping people who really in most cases would not any longer require it and give disincentive to those people.

It seems to me that we ought to be looking at giving incentive to the lenders to forbear, to work with the people who are distressed, as they are doing now, and to gage each one, one on one, mortgagee to mortgagor and lender to consumer. Let them work out their problems privately and within the capacity of the lender to extend the loan and within the capacity of the mortgagor to pay off or to refinance or do really what he thinks is right to save his home by the best means possible.

Mr. Chairman, what we ought to be doing is to encourage the private relationship between the lender and the borrower and do all we can to encourage this relationship. We should not make the lender become the enemy of the borrower by forcing him to foreclose by means of this legislation.

Mr. GONZALEZ. Mr. Chairman, I yield 2 minutes to the gentleman from West Virginia (Mr. WISE).

Mr. WISE. Mr. Chairman, I rise in support of H.R. 1983, which will help prevent a potentially disastrous situation, especially in areas of high unemployment.

In my own State of West Virginia, which now boasts an unemployment rate of 21 percent, the seriousness of the problem of emergency foreclosure is only beginning to be felt.

The West Virginia housing development fund, which provides tax-exempt mortgage revenue bonds for low- and middle-income housing, provides a dramatic illustration. In all of 1982, the fund saw 49 foreclosures on its mortgages, with only 4 or 5 of those directly attributable to unemployment. In February 1983 alone, 45 of the fund's borrowers became eligible for foreclosure status, with 19 of these directly related to unemployment. In addition, several other cases, in which the families could not be located and thus the cause was undetermined, were likely related to unemployment.

On a recent walk through Jackson County in my district, I was disturbed to see a notice of foreclosure and announcement of sale posted on one of the homes. This was a sight reminiscence of the Great Depression, and is something that has rarely been seen since. Something must be done to assure that such a sight does not become commonplace.

One lender in Jackson County, which is currently experiencing a 23.6-percent rate, saw its delinquency rate on mortgage payments more than double between March 1982 and March 1983. In addition, the number of foreclosures in that time period rose from one to six, an unacceptable increase.

Mr. Chairman, the mortgage foreclosure rate in West Virginia does not accurately illustrate the magnitude of the problem. This is due to the fact that lenders have worked hard to forestall foreclosure proceedings for as long as possible. They have worked out alternative arrangements with borrowers like refinancing their loans and lowering the monthly payments by extending the terms.

As long as our unemployment rate remains high, the mortgage delinquency rate will continue to rise, and increasing numbers of people will qualify for foreclosure status. How long will our Nation's lenders be able to rob Peter to pay Paul? Eventually, they will need some type of assistance in order to help homeowners through this crisis situation.

The Emergency Housing Assistance Act will provide the necessary assistance to homeowners once all alternative means have been exhausted. It will be a great help to financial institutions, homeowners, and to the economy, until we have seen ourselves through these troubled times.

Mr. WYLIE. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana (Mr. HILER).

Mr. HILER. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman. there are several things that disturb me about this bill, but one of the main ones is that there are no specifics as to what constitutes a significant loss of income. We could have someone who had had an income of $75,000 and had a reduction to $30,000, and that might conceivably meet the consideration of what is a "significant loss of income."

All we would have to have had is a loss of income due to a reduction in his or her income or his or her own self-employment, or returns from the pursuit of his or her occupation. What disturbs me about that is that someone could have had an income of $75,000, had a $90,000 mortgage, and, because of utilities, property taxes, maintenance, and condo fees, had an additional expense of something in the neighborhood of $4,600, and along with the $90,000 mortgage at 12 percent interest, they would have obligations of $15,400 a year. But if that person had a loss of income from $75,000 to $30,000, which is still a significant income but a significant loss of income, paying 38 percent of that income for payments, that person would only have to cough up $11,400 or nearly $4,000 less than what his previous payments had been.

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So that person making a $30,000 income could be a stockbroker, could be an artist, could be a writer, suddenly is qualifying for a $4,000 subsidy.

So what concerns me, Mr. Chairman, is that there is no asset test, there is no income test, there is nothing to keep this program from becoming a very large entitlement and I think in spite of the fact that it has been mentioned that it is not an entitlement, that by the time this provision would get to the courts, it would be considered an entitlement and $760 million would be a mere drop in the bucket to what this program could eventually cost; all at a time when home building, home starts, are up, when auto sales are up, when industrial production is up, when we are on the verge of a significant economic recovery.

Mr. Chairman, I am opposed to the bill.

Mr. GONZALEZ. Mr. Chairman, I yield 1 minute to the distinguished chairman of the Small Business Committee, the gentleman from Maryland (Mr. MITCHELL).

Mr. MITCHELL. Mr. Chairman, I always find it so ironic that whenever there is something good for people being contemplated in this Congress, all sorts of questions can be raised about why we should not do the right thing. The question of a means test, the question of forbearance, all these issues are raised.

It just puzzles me that when the Congress desires to act on behalf of people who need help, we get all these very curious arguments.

In my city alone, the delinquency rate on home mortgages is 10.1 percent. Sure, we are going to have a recovery, but every economist that I know of says that even if you have a recovery, there is going to be a lag time on unemployment. Every economist that I know of, of either liberal or conservative persuasion, says unemployment is going to be around 9 percent for the next 3 years.

I fully support this bill. My only quarrel with it is that it is not big enough. We are only going to help some 76,000 homeowners and you are going to have double that number in trouble.

I do support the legislation.

I rise in support of Congressman HENRY GONZALEZ' bill, H.R. 1983, the Emergency Housing Assistance Act.

On March 29, 1983, I held a hearing in Baltimore concerning homelessness. During this hearing, I heard testimony from Ms. Jane Harrison, a housing developer for the Women's Housing Coalition, Inc. In her statement, Ms. Harrison stated, "The worst sin towards our fellow creatures is not to hate them, but to be indifferent to them. That's the essence of inhumanity." By failing to pass my colleague's bill, the House will be renouncing its sacred responsibility to meet the basic survival needs of the American people.

A March 2, 1983, Wall Street Journal article reported that nationwide foreclosures during the fourth quarter of 1982 hit a 30-year high. Moreover, it stated that 0.76 percent of all outstanding mortgages were in foreclosure and 5.7 percent were delinquent during this quarter.

In Baltimore city alone the current average delinquency rate on home mortgage loans is 10.1 percent. As a result, many Baltimoreans are facing the bleak prospect of foreclosures and possible homelessness.

I believe my colleague's bill will reverse the current nationwide insensitivity toward these two growing problems. Briefly, this bill authorizes $760 million to establish a new revolving loan fund to assist approximately 76,000 homeowners who are facing foreclosure on home mortgage loans not insured by the Federal Housing Administration (FHA) or the Farmers Home Administration (FHA). The measure also authorized $100 million to provide assistance for shelter and essential services for the homeless.

The $760 million revolving loan fund, to be administered by the Secretary of HUD, would become active when the average default rate over a 3-month period, as measured by the Federal Home Loan Bank Board, rises to 1.3 percent of mortgage funds. The program would be suspended when the default rate drops to a 3-month average of 1.2 percent or below.

Only mortgages on one-to-four-family homes, cooperatives, or condominiums that are the primary residence of the homeowner would be eligible for assistance. Furthermore, mortgage payments would have to be 90 days delinquent, or the owner must have been notified that the lender intends to foreclose. In addition, the original mortgage amount cannot exceed the maximum mortgage amount that could be insured by the FHA ($67,500 to $90,000).

Congressman GONZALEZ' bill is based upon the premise that a large number of potential foreclosures will occur as a result of the Reaganomics-induced 10.5 percent unemployment rate. Consequently, individuals would only be

eligible for assistance if they have suffered a substantial loss of income as a result of unemployment or reduced employment.

The assistance payments cover the difference between what the homeowner is capable of paying and the amount needed to cover total monthly housing expenses. The homeowner, however, is responsible for contributing at least 38 percent of his monthly net effective income. The payments last for 18 months, plus any period of default, and may be extended, at the Secretary's discretion, for an additional 18 months. The interest repayment portion of the loan would be based on Treasury bonds or 10 percent, whichever is lower.

Finally, H.R. 1983 addresses the immediate problem of homelessness. It authorizes $100 million to be placed in the Secretary's discretionary fund under the community development block grant (CDBG) program to make grants to metropolitan cities, urban counties, small cities, and to nonprofit organizations to provide shelter and essential services for individuals subject to life threatening situations because they lack housing.

I strongly urge my colleagues to support the passage of H.R. 1983. By passing this bill, we can begin to seriously address this country's neglect and irresponsibility toward its homeless citizens.

Mr. WYLIE. Mr. Chairman, I yield such time as he may consume to the gentleman from Wyoming (Mr. CHENEY).

Mr. CHENEY. Mr. Chairman, I rise on behalf of the Republican Policy Committee in opposition to the bill.

Mr. WYLIE. Mr. Chairman, I yield 1 minute to the gentleman from Connecticut (Mr. MCKINNEY).

Mr. MCKINNEY. Mr. Chairman, I do not think anyone is more concerned about foreclosure in this body than I am. If you really want to help people that have this threat, vote for the Wylie amendment, which will allow the banks to forbear. If, in fact, you only want to help a few and if you want them to have to go not only through default, but into foreclosure, vote for this bill, because that is exactly what you are doing.

This bill is probably going to help only somewhere between 50,000 to 70,000 people in this country.

I would suggest to my good friend, the gentleman from Baltimore, I have the same concerns in Bridgeport. This bill is not going to help my people. This bill is not going to be fair to the people who are brown-bagging groceries, who are working in gas stations, washing cars, the wives who are working in McDonald's. This bill is going to help the select first few in and, in fact, if it is going to go across the board and help everyone, it is going to become one more very expensive entitlement program.

I suggest, Mr. Chairman, that the method to really help people, as my friend, the gentleman from Minnesota said, who are in dire, grievous troubles, out of their foreclosure, is to vote for the Wylie amendment and allow the banks to forebear.

Today we debate the merits of the Emergency Housing Assistance Act of 1983. I think it is important to point out at the beginning that the intrinsic rights or wrongs of this legislation are the focus of this debate.

During the Banking Committee's consideration of H.R. 1983 the Republican members demonstrated their deep concern for those people faced with the horrible prospect of losing their homes. That concern is shared, I am certain, by all Members of this body on both sides of the aisle. It is clear that in some parts of the country economic conditions produced a significant increase in mortgage foreclosures. To meet the crisis in those areas, special measures should be devised to assist unemployed homeowners who are facing foreclosure.

I approach this issue with a very personal perspective. If you walked into my office, you would see a pen and ink drawing of a home in Pittsburgh, Pa., which was taken from my mother and father in 1931, the year I was born. In my family for many years after the Depression we did not know what it was to own a home.

But not only had we lost our home: We had lost my father's business. To feed his family, in fact to survive, my father sold cereal door to door.

An interesting fact of the situation, however, was that we thought we were lucky. We never left that house even though most of the houses on Shady Avenue had been foreclosed on by the Mellon Bank or some other bank. After foreclosure all the banks could hope to do was rent the houses since there was no real estate market, a situation very similar to today's condition.

I tell you my personal story because I am aware of the emotional trauma that is a part of the foreclosure process. I feel that if Congress does anything to deal with mortgage problems related to economic conditions, the end result of our action should be to avoid foreclosure.

It is because I have this deep conviction that I speak against H.R. 1983. The stated purpose of the bill is something on which we all agree. But the mechanics of the program will lead to the opposite result—a rush to mortgage delinquency and foreclosure. Rather than mortgage assistance H.R. 1983 provides foreclosure incentives.

That is my major problem with this legislation, but it is flawed in so many other respects that I will highlight only a few. I am sure that the more you examine the bill, the more you will see for yourself that however well-intentioned it will not meet the needs of the threatened homeowner.

For example, the bureaucratic red-tape involved in setting up such a program will result in a delay of almost a year before any assistance would be available. Meanwhile, who knows how many thousands of people will be encouraged to stop making mortgage payments because the message, "Congress just passed a program to pay your mortgage," will be passed by the media.

Our committee was told that possibly as many as 200,000 families would be eligible for this assistance, but the number who actually would get loans would be 76,000, and most likely fewer than that. What about the more than 120,000 families who were lead to believe assistance would be coming. What if they jeopardize their financial relationship with the lender to qualify for the program but do not receive assistance?

How much help are we giving the unemployed Americans when we raise their hopes for mortgage assistance and are not able to deliver?

Is it fair for us to promote homeownership and then pass legislation that tells them not to make their mortgage payments so that they can face foreclosure?

Is it fair to the person who has been scraping to keep up his payments to give assistance to someone who has not tried at all?

Is it fair to give assistance to the middle class and financial institutions while we have millions of low-income families living in substandard conditions?

I wonder how my people in Bridgeport are going to react to this bill. What do I say to someone who is laid off from his usual job, but is making a few dollars bagging groceries or collecting pop bottles from trash cans.

That person struggled to buy a house because it was his parents' dream. When he was laid off, he used his savings and other assets to pay his bills. He has made every effort to cooperate with his lenders and pay something on his debts.

Now he sees his neighbor who has a new Mercedes parked in the driveway next to his 280 Z. Since he just got laid off, he was afraid he might have to give up his condo at the beach or the boat, maybe one of his cars or some stocks. But thanks to this legislation he can skip his house payment and keep his expensive toys. Uncle Sugar is coming to his rescue.

I ask you, ladies and gentlemen, is that the kind of emergency mortgage assistance you want to vote for.

There are thousands of Americans struggling to make it through this recession by paying what they can on their debts. That is the effort that

should be encouraged and rewarded with Federal relief.

H.R. 1983 is not the only approach that has surfaced to meet the mortgage foreclosure problem.

There have been a number of suggested approaches. I believe the best solution is to combine Federal, State, and local efforts in a way that best meets the needs of the area.

On the Federal level we could direct appropriate action by the supervisory agencies to facilitate forebearance by the lending institutions holding delinquent mortgages. This program could be implemented immediately and would have an impact that could be felt when it is needed. This approach is the substitute that will be offered by CHALMERS WYLIE when amendments are in order.

To complement this action there are approximately 60 pieces of legislation under consideration by at least 11 States. The common thread that runs through these is more forebearance without jeopardizing financial ability. Since we know that foreclosure is not good for the homeowners, since the lenders realize that foreclosure is not in their best interest, and since Federal and State regulators, legislatures, and courts are promoting forebearance, adoption of the Wylie substitute is the best thing that Congress can do for the American people.

We do not want to provide incentives for default or foreclosure. We do not want to destroy the secondary mortgage market. We do not want to turn our savings and loans and banks into real estate warehouses. And I think we all agree that the last thing we want to do is create another Federal program to get HUD any further involved in the real estate business.

H.R. 1983 can only dig a deeper hole for families looking for mortgage assistance. It would be a cruel joke for Congress to pass this bill and call it mortgage relief. Under H.R. 1983, relief is spelled f-o-r-e-c-l-o-s-u-r-e.

Mr. WYLIE. Mr. Chairman, I yield myself the remaining 1 minute.

Mr. Chairman, I think we have had a very interesting and complete debate on this bill, H.R. 1983 today. There is a difference of philosophy as to just what the bill will do.

We submit that there are some 250,000 people exposed under the triggering mechanism found in this bill, and that only some 50,000 or 60,000 would be benefited. Even the figures of the Congressional Budget Office suggests that there might be up to 100,000 people benefited, but they admit that their figures are soft and that given our hypotheses that there might be a range of 60,000 to 70,000 who would be benefited by this bill; that witnesses who came before our committee said, make no mistake about this, H.R. 1983 would create a permanent Federal mortgage foreclosure program, not a temporary countercyclical relief bill, as it has been presented.

Mortgage lenders and private mortgage insurers would be given perverse incentives, I submit, to foreclosure on delinquent loans. In fact, this bill is really a bailout for mortgage lenders and insurers currently forebearing on their delinquent loans. By encouraging rapid foreclosure, this bill could more than triple the number of homeowners currently facing foreclosures and have exactly the opposite effect of that intended by the authors of this bill.

Mr. GONZALEZ. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. KOLTER).

Mr. KOLTER. Mr. Chairman, I, too, rise in strong support of H.R. 1983.

One of the key elements of the American dream is owning a home. The threat of mortgage foreclosure shatters that dream, sometimes forever.

The effects of this recession and the failure of this administration to properly enforce our trade laws have had a devastating impact on the working people of our Nation. We often hear of towns and cities that have the dubious distinction of having the Nation's highest unemployment rate.

Let me give you the unemployment percentages in five counties that help make up my congressional district in western Pennsylvania. They are: 20 percent, 23.2 percent, 23.1 percent, 16.4 percent, and 21.6 percent.

Mortgage foreclosures have been occurring at record levels all across America. In my district, they have closely paralleled the increase in steel imports.

Let me cite just one example. Last year when imports reached record levels, so did mortgage foreclosures. In Beaver County, Pa., my home county, 99 homes were foreclosed on. Many of those families lost their piece of the American dream because their primary breadwinner was laid off. There is no way a family can make $500 monthly mortgage payments when the workingman is laid off. Worse yet, how do I explain to a laid off railroad worker that he and his family have to live on $25 a day in unemployment benefits?

Once a family is foreclosed on, the family unit itself begins to weaken. There is tremendous stress and a loss of dignity and pride. In addition, there are instances of child and spouse abuse. What is even more unreasonable is the fact that once a family leaves its home, there is generally not another family waiting to purchase it or assume the mortgage.

As an example, a constituent of mine who is a laid-off steelworker, testified before the Banking Committee when public hearings were held on this legislation last February. The gentleman told the committee that even though his house was lost through foreclosure, it was setting vacant, because no one else could afford or was interested in moving in. This to me is a tremendous waste.

Even more appalling was the story carried by a Pittsburgh television station as well as the local newspaper. The story told of a family that had lost their home and was forced to live in an automobile. I relate this, not to be sensationalistic, but because I have seen it.

This bill will not help those who have already lost their homes, but it will offer hope to those who are on the brink of foreclosure.

I acknowledge and even appreciate some of the arguments being offered against this bill. Many contend that it will create further bureaucracy. Others assert that it will not really help people until next year.

Mr. Chairman, it would be unfitting of this Congress to callously turn its back on those in this Nation who genuinely need mortgage assistance. It would be wrong to permit the American dream to be snatched away from them.

I urge all my colleagues to vote yes on H.R. 1983.

● Mr. CORRADA. Mr. Chairman, I rise in strong support of H.R. 1983, the Emergency Housing Assistance Act.

I want to commend the leadership that Congressman HENRY GONZALEZ has taken in recent months in making certain that the right of every American to a decent and affordable house is assured, and that the dream of homeownership, precarious for many in the present recession, does not vanish.

Mr. Chairman, this legislation is truly an emergency bill, providing speedy and appropriate Federal mortgage assistance as a response to the tragic situation in which many American homeowners find themselves, that situation being the threat of foreclosures on their homes in the dire economic circumstances which confront unemployed individuals throughout the Nation and in Puerto Rico.

The members of the Housing Subcommittee of the House Banking Committee who had the foresight to act speedily and responsibly by shaping this legislation merit the respect of all of us and I want to commend them for their leadership.

This is also a compassionate bill, providing an authorization of $100 million from the HUD Secretary's discretionary fund of the community development block grant program to assist cities, nonprofit organizations and some State governments in meeting the emergency needs of the homeless.

In recent weeks, the Congress of the United States has initiated other ac-

tions to meet the emergencies of the current recession. In passing the jobs stimulus legislation, the Congress has said to the American people that they are aware of the difficult economic circumstances confronting many unemployed, and have responded to the national need to create jobs and productive employment.

Now, H.R. 1983 fills the gap for Americans throughout this country who, through no fault of their own, have been laid off and, confronted with inadequate income, are faced with foreclosures.

The committee bill authorizes a program designed to provide temporary relief through deferred interest loans in any Federal home loan bank district. This program would be activated under a formula set forth in the committee report which stipulates that over a period of 3 consecutive months the average amount of the funds that are 60 days delinquent exceeds 1.3 percent of all mortgage loans and contracts covered under the FMLB mortgage delinquency series.

Thus, individual applicants for assistance who are the principal owners of a home covered under conventional or VA loans confronted with foreclosure can find some way out of their economic dilemma.

Another section of H.R. 1983 strengthens the authority of the U.S. Secretary of Agriculture to give some measure of relief to rural borrowers delinquent in repaying Farmers Home Administration housing loans.

Recent policies of the Department of Agriculture in hastening the collection process has caused real hardships in rural areas where economic downturns are many times felt more dramatically.

The committee's action will be helpful to low and moderate income persons who require interest credit subsidies along with their section 502 FmHA loans.

It makes no sense whatsoever to have the Federal Government continue to exacerbate the economic woes that many individuals in this country are now experiencing.

The provisions of H.R. 1983 which will provide technical assistance to help borrowers apply for the moratorium procedure through which a hold would be put on the repayment schedule is a compassionate and helpful one.

Mr. Chairman, on a variety of fronts and in a variety of committees, this legislative body has begun to respond to help citizens of this country who—through no fault of their own—face the plight of the current recession.

I believe H.R. 1983 is a solid and positive bill, one that will help restore and maintain the dream of American homeownership across this Nation. It merits our strong support.●

● Mr. WALGREN. Mr. Chairman, I want to commend the Committee on Banking, Finance and Urban Affairs for their swift action in bringing to the floor this bill to answer the needs of the many Americans facing the possibility of mortgage foreclosures. The Emergency Housing Assistance Act of 1983, is an indispensable step to safeguard the investments of many workers who suffer from the economic stagnation and decline in key sectors of our economy such as the steel industry.

The bill we are now considering is similar to one that I introduced on this subject and differs mainly in the method we would trigger the relief program. Although in my view this kind of relief should be tied to State unemployment rates, the trigger in this bill is broad enough to assure that the immediate needs of those persons are met who are most in need of help.

In the process of working on this issue, we developed a profile of those from western Pennsylvania who have been unable to meet their mortgage payments as a result of unprecedented unemployment.

The average homeowner is between 25 and 45 years old with three to four dependents.

The average principal amount represented by these mortgages is between $40,000 to $50,000 and has been held for between 5 and 10 years.

The homeowners have not had any prior default of their mortgage payments until losing their jobs during the present recession.

Clearly, this profile reveals deep difficulty in the very core of America's middle class. While it may be that there are some indications of economic recovery, it is also true that mortgage foreclosures traditionally lag recovery going into and coming out of a recession. The bill before us, H.R. 1983, is necessary to meet the needs of those most in need in the difficult days that still lie ahead.

I urge my colleagues to support this important piece of legislation. We have an obligation to keep families together in their homes.●

● Mrs. COLLINS. Mr. Chairman, I rise in support of H.R. 1983, a bill that would provide relief from foreclosure for thousands of unemployed homeowners.

Last year, the Subcommittee on Manpower and Housing, which I chaired, examined the Department of Housing and Urban Development's efforts on behalf of financially hard-pressed FHA homeowners.

I think that what we found is significant. HUD currently operates the mortgage assignment program. HUD purchases mortgages of FHA-insured homeowners who are unabled to make payments for reasons beyond their control, such as unemployment, sickness, or uninsured loss. The mortgages are purchased from the original banks. HUD thus becomes the bank to the homeowner, and mortgage payments are adjusted downward to the homeowner's reduced income level.

HUD is currently attempting to change from the assignment program to the temporary mortgage assistance program, to handle FHA-insured mortgages. This program is known as TMAP and is similar to the program which we are now considering. TMAP has been held up by a Legal Services suit which alleges that TMAP is unequal to mortgage assignment.

My subcommittee's oversight of TMAP and assignment indicates that Congress cannot simply enact a program and expect HUD to implement it. HUD had a record of narrowly construing regulations.

In 1987, of the 150,000 FHA homeowners who were 90 days delinquent, only 3,000 were accepted into assignment.

To begin with, HUD assistance to homeowners has been imposed on HUD by the courts. HUD never wanted the program. HUD has given it inadequate manpower and HUD has withheld mortgage counseling money and tried to limit the advocacy role played by mortgage counselors.

I bring this to your attention because I think that EMAP may not get a positive reception from HUD. If HUD processes applications too slowly, bank and mortgage companies will not want to participate. If HUD makes repayment schedules too short, then homeowners may not be able to qualify for assistance. If HUD does not advertise the availability of emergency mortgage assistance, then few applications will be made. Finally, if HUD does not give the personal attention needed to help families adjust their budgets, then EMAP will have a high secondary default rate.

The assignment program and TMAP are cost effective. HUD sales of repossessed houses are often a few cents on the dollar. To keep the family in the house, at least making normal mortgage payments is much preferable than foreclosure. Add to that the blight that boarded up and abandoned houses cause in neighborhoods and anyone can see the value of homeowner assistance.

It was evident, however, that the Department of Housing and Urban Development has not seen the same value. I do not expect HUD to react any more positively to this program. I congratulate the chairman of the Housing Subcommittee for championing this legislation, and I recommend he monitor it once enacted.

Mr. Chairman, I support H.R. 1983. I urge its adoption, especially in this time of economic dislocation. Mortgage assistance is a self-evident need.●

● Mr. CHENEY. Mr. Chairman, we have before us today a proposal to create a $760 million program aimed at "protecting" home mortgages from the threat of foreclosure. While we are told this new program would assist both homeowners and the home construction industry, the only big winner of this last vestige of Government giveaway programs would be the home loan industry.

This legislation would have the effect of encouraging lenders to foreclosure because such steps would accelerate mortgage payment assistance by the Federal Government. Lenders currently are forbearing and are working with homeowners to avoid foreclosure. The current foreclosure rate does not warrant such a program placing the Federal Government between the lender and the homeowner. The greatest benefits under this program would flow to lenders, not to homeowners, because accumulated past back mortgage payments would be paid by the Federal Government. And the upswing in housing construction in this country is solid evidence that the home building industry is back on its feet and building toward an even stronger future.

H.R. 1983 is $760 million in Federal aid this country—and its hard working taxpayers—do not need.

Mr. Chairman, the House Republican Policy Committee, of which I am chairman, opposes adoption of H.R. 1983. The committee's full statement follows:

The House Republican Policy Committee recognizes the need for actions to help ease the problems of Americans facing home mortgage foreclosures.

H.R. 1983, the Emergency Housing Assistance Act, however is an unworkable and potentially counter productive approach to this problem. It calls on the Federal Department of Housing and Urban Development to begin the slow and time-consuming process of creating new federal programs wrapped in red tape. Homeowners must be in default on mortgages before they qualify for assistance. It would force families taking part in the program even deeper into debt to qualify for assistance. As reported, H.R. 1983 does not meet the needs of homeowners facing economic difficulties. The House Republican Policy Committee opposes H.R. 1983 as reported and calls for adoption of the Wylie amendment which would provide immediate assistance to homeowners by focusing governmental efforts on forbearance of mortgage foreclosures by lending institutions.●

● Mr. ANNUNZIO. Mr. Chairman, this brings to mind a placard that I have been seeing on many local buses. It says "Tough times don't last, but tough people do." A message of hope from a prominent national clergyman. Well, tough times have been around a long time for a great number of Americans and there are no signs that these tough times will ease any time soon. What these times have brought for many is total despair. No work, no money coming in, unemployment benefits running out, and making do for so long, that one cannot remember when it was any other way.

This is one of the few bills that this Congress has considered to help average Americans through an economic recession which rivals only the Great Depression. We have passed other legislation to bail out major corporations, and give favorable tax structures to big business, and a variety of other help mechanisms which do not touch the vast majority of the people we represent. We have also pumped billions of dollars overseas and into the Pentagon. Yet our constitutents are losing their homes in record numbers.

Not only can people not afford to buy a home, but they are also losing the ones that they have. The American dream, homeownership, which I believe in strongly, is becoming history. Something that people remember along with days of no income tax and 20-cent hot dogs at ball games.

This bill is designed to stop that tide. It provides temporary assistance to those individuals hit the hardest by this recession. It is designed to assist some 76,000 homeowners in jeopardy of losing their homes.

There are safeguards in this bill. It is not a giveaway. It triggers when the foreclosure rates are unacceptably high, and it provides funds only to those who truly have no alternative.

We are all employed here, at least temporarily. We all have homes to go to. How many of us can truly understand the trauma of being out of work, or being underemployed to the point of losing your home.

There is much more than money invested in a person's home. To lose it because long-term economic policies beyond your control have trickled down and caused your income to change temporarily does not seem just to me. I want to see this bill passed and I urge my colleagues to support it. This Government will not be any poorer for the action.●

● Mr. SHELBY. Mr. Chairman, I rise in support of H.R. 1983, the Emergency Housing Assistance Act. I especially want to commend Chairman ST GERMAIN for including VA guaranteed home loans in this bill. Although this bill will provide mortgage relief to all segments of our population, I think it is important to point out that veterans with GI home loans are eligible to participate in the homeowner protection afforded by this legislation.

The measure would provide that if a conventional or VA homeowner is 90 days in arrears, the lender would be required to notify the homeowner of available relief. If the homeowner elects to participate in the program, HUD would examine the circumstances surrounding the delinquency; and if there is a reasonable prospect that the homeowner will be able to restore his account within 3 years, payments under this act would bring the account to a current status to avoid foreclosure proceedings. Such assistance would continue for the next 18 months and could even be extended for another 18 month period if necessary.

I note that under the provisions of the bill reported by the Committee on Banking, Finance and Urban Affairs, this relief is especially geared toward individuals who have suffered a substantial loss of income as a result of unemployment.

Mr. Chairman, I want to emphasize that veterans are experiencing tremendous difficulties during these troubled economic times. At the beginning of the year, over 883,000 veterans were out looking for work. The younger Vietnam veterans in the 25- to 29-age group are suffering unemployment at a rate of 21.8 percent compared to nonveterans in the same age group whose rate is 13.7 percent. Over 215,000 Vietnam veterans between the ages of 25 and 34 have been unemployed for 15 weeks or longer. Many veterans, therefore, are struggling to keep their homes—homes which they thought would be theirs for a lifetime.

Foreclosure and default rates have risen alarmingly. In 1980, the foreclosure rate for GI loans was only 0.25 percent. In 1982, the foreclosure rate had increased to 0.40 percent, which is up 60 percent in the frequency of having to take a home away from a veteran.

This bill, therefore, is vital to our society as it permits families suffering from a temporary setback due to unemployment to retain ownership of their homes until the economy recovers.

Mr. Chairman, I wish to advise you that my Subcommittee on Housing and Memorial Affairs is also working on a bill that would target similar assistance to veterans.

I urge my colleagues to join me today in approving this bill as it will come to the aid of many unfortunate citizens and will restore faith in the great American dream—that of owning a home.●

● Mr. MOLLOHAN. Mr. Chairman, I rise today in strong support for H.R. 1983, the Emergency Housing Assistance Act. Much has already been said and written about unemployment and our current economic recession. One of the very real, but less publicized, disasters that affect our workers today is the loss of their homes through mortgage foreclosure.

The First District of West Virginia, which I have the honor to represent, suffers with over 20 percent unemployment and a mortgage delinquency rate well over 5 percent. While these figures are easy to recite, they cannot

convey the pain of losing one's home and the trauma of dislocation.

H.R. 1983 is one attempt to alleviate some of this distress. This bill would limit monthly mortgage payment to 38 percent of an individual's income. This provision is particularly useful because many workers have returned to the job force in a lower paying job. In addition, interest rates have remained relatively high, which means continued high payments. There are other provisions, including modified notification requirements, that are designed to help hard-working Americans who have been stunned by sudden economic misfortune.

Much remains to be done, but passage of H.R. 1983 is an important step toward the healing of America. In closing, let me remind my colleagues of the pressing need to support a swift resolution to this crisis.●

● Mr. LUNDINE. Mr. Chairman, I wish to express support for H.R. 1983, the Emergency Housing Assistance Act of 1983. The legislation provides needed short-term relief for homeowners with non-FHA insured mortgages who face foreclosure on their homes due to temporary economic conditions beyond their control.

In all parts of the Nation, thousands of families face the prospect of losing their homes because extended unemployment has undermined their ability to continue payments on their mortgages. According to the Mortgage Bankers Association, more homowners were either seriously behind in their mortgage payments or faced foreclosure on their homes during the last quarter of 1982 than at any time in the last 30 years.

Although new claims for unemployment compensation appear to be declining, unemployment continues to exceed 10 percent, and is expected to remain at this level throughout most of 1983. Without some form of assistance to encourage forbearance among mortgage lenders, tens of thousands of families could lose their homes.

Much of the focus of recent congressional actions has been to provide temporary assistance to help maintain unemployed workers and their families until new job opportunities are created. This proposal is entirely consistent with this effort and is intended to be a major part of the second phase of the House's recovery program.

I should point out that I do not see this proposal carrying any direct or implicit accusation that lending institutions are unfairly using our current economic difficulties to deprive families of their homes. On the contrary, I have found that it is during times of distress that lending institutions display the greatest patience and compassion with delinquent homeowners. During the current recession most home lenders have initiated forbearance actions as a matter of routine policy. This legislation would neither inhibit nor replace these voluntary actions.

However, even the most compassionate local lender cannot afford to carry a growing number of nonproductive mortgage loans. As an increasing number of homeowners fall further behind in their payments, these institutions often have little choice but to initiate foreclosure proceedings. This legislation, therefore, seeks to assist both homeowners and local lenders whether our current economic difficulties with a minimum of loss.

Regarding the specifics of H.R. 1983, let me briefly point out that the bill extends mortgage assistance to non-FHA insured mortgage holders on much the same basis as that now provided to FHA-eligible borrowers under the temporary mortgage assistance program (TMAP). This proposal goes beyond TMAP, however, in providing assurances that people most in need will be assisted and that the Federal investment will be protected and repaid.

In addition, the legislation authorizes $100 million to be used under the community development block grant (CDBG) program to assist States, local governments, and nonprofit groups provide and operate special shelters for the homeless. Assistance would be based on need for emergency shelter and could be used to rehabilitate facilities as well as provide needed services to the homeless. This proposal is also entirely consistent with the House leadership's efforts to provide broad emergency assistance for the unemployed and the homeless.

Finally, the legislation includes expanded authority for the Secretary of Agriculture to implement a broad moritorium on foreclosures of FmHA-assisted home mortgage loans, as well as provide additional aid to delinquent homeowners to assist them retain their homes. This added authority should be implemented as quickly as possible in order to help stabilize the weakening economic fabric in our rural communities.

Mr. Chairman, I support the emergency assistance measures contained in H.R. 1983 and urge that this legislation be adopted.●

● Mr. BOUCHER. Mr. Chairman, I rise today in support of H.R. 1983, the Emergency Housing Assistance Act which protects the best interests of homeowners and lenders by permitting families facing temporary financial difficulties to keep their homes.

Current high rates of unemployment and the unusually large number of mortgage foreclosures more than justify the need for Federal assistance. Unemployment in the coal-producing counties of my district has skyrocketed. In Buchanan County, for example, over 30 percent of those willing and able to work cannot find jobs. The sustained loss of income has crippled the financial bases of many families; many can no longer afford to make mortgage payments on their homes. As a result, mortgage foreclosures have drastically increased. Last month, one prominent bank in Buchanan County processed the same number of home mortgage foreclosures in a single month as they usually handle in an entire year. This critical situation demands immediate action.

H.R. 1983 is not a bailout for families who have squandered their earnings; on the contrary, this measure offers assistance to thousands of hard-working families who are the victims of economic hardships beyond their control. Individuals will be eligible for assistance only if they have suffered a substantial loss of income as a result of unemployment or reduced employment.

This bill is carefully crafted so as not to place an unreasonable burden on homeowners in repaying the assistance. Monthly payments are limited to 38 percent of the individual's income; the loans are nothing more than a second mortgage. Moveover, the program will only be activated when mortgage foreclosures reach an unacceptable level, and it automatically shuts off when mortgage foreclosures drop. The bill is carefully targeted so that it can be activated in individual Federal home loan bank board districts where foreclosures are high without being triggered nationally.

I would like to call particular attention to the rural housing loan provision of H.R. 1983 which requires the Department of Agriculture to grant a moratorium on the payment of principal and interest on Farmers Home Administration loans prior to the initiation of foreclosure proceedings and to notify borrowers of all available assistance. This provision is important to the people of southwest Virginia; families in the Ninth Congressional District represent almost one-third of the total loans in Virginia from the Farmers Home Administration. These homeowners are not asking for handouts; they they are simply asking for our patience as they try to weather the current economic storm.

Homeownership plays a central role in the American way of life and the American dream. The increasing number of foreclosures on home mortgages threatens that dream and will have far-reaching effects on the individual, on the community, and ultimately, on the Nation. We must take this opportunity to reaffirm to the American people our commitment to extend full consideration to homeowners who are victims of these tough economic times. I urge your support of the Emergency Housing Assistance Act (H.R. 1983).●

● Mr. GOODLING. Mr. Chairman, H.R. 1983, the Emergency Housing Assistance Act of 1983, Chairman authorizes $760 million in fiscal year 1983 for emergency mortgage assistance to homeowners and $100 million in fiscal year 1983 for emergency shelter assistance for the homeless. On the face, this certainly seems like a piece of legislation which no legislator could vote against and justify such a vote to the voters back home. Well I intend to vote against this measure and would like to take this opportunity to explain my position.

First of all, it is precisely my deep concern for those who find themselves unemployed at this time which forces me to cast a negative vote because I believe it creates false hopes for those facing foreclosure. A new Federal assistance program costing taxpayers almost $1 billion, creating more redtape, and requiring homeowners to default on their mortgages, through a 60-day delinquency qualification rule, is not a workable solution. Furthermore, this is not a giveaway program for the delinquent mortgagor because it does require a payback with interest. Therefore, in order to get out of the financial hole in which the jobless homeowner finds himself, he must secure an even better paying job than the one he had, since his monthly payments will be much greater.

A far better solution would be for the financial institutions to realize that foreclosure is not in the best interest of anyone involved, and that what we need is forebearance during this period. This allows each mortgagor to be assessed on a personal need basis, and each institution to arrange a suitable payment schedule. Whenever the Federal Government decides to get involved in private sector affairs, it should not be through a quick-fix method. Responsibility to both the taxpayers and those in need, calls for thoughtful and careful deliberation of legislative measures rather than this type of popular image bill.●

● Mr. RANGEL. Mr. Speaker, I rise today in strong support of H.R. 1983, and would like to speak to the provisions of the bill which address the problem of the homeless.

It is tragic that a bill of this nature is necessary. The state of our economy is forcing Americans into financial straights unknown to this generation. Not since the policies of Herbert Hoover plunged us into the Great Depression have things been at this low an ebb.

Thanks to the disastrous policies of Reaganomics, a "new poor" have appeared and are rapidly becoming the "new homeless." These are men and women better educated and better trained than any homeless population we have seen in recent years who are out of jobs and simply have nowhere to go but the streets. In the late twenties we had "Hoovervilles," sprawling tent cities filled with homeless. In the 1980's we have Reaganvilles, full of men, women, and children who are finding that the American dream does not always include even a roof over your head.

Let me talk about the people turning to shelters. A study of recent arrivals to New York City mens' shelters yielded some absolutely astonishing figures: over one third of the new homeless are veterans; more than half have graduated from high school; at least 20 percent have attended college; 63 percent are under 40 years old.

The most telling statistic, however, is that 40 percent of those interviewed said that they were in the shelters because they had recently lost a job. The new homeless are the Nation's most graphic testament to both the economic and moral failure of Reaganomics.

Next fiscal year, New York City alone may spend as much as $60 million to shelter the homeless. Every night, with the help of our churches, synagogues and community groups, the government of the city of New York shelters between for and 5,000 homeless New Yorkers. For one city in one State of this great Nation to be spending that much money, demonstrates the magnitude of the problem. For while times are indeed tough in New York, we certainly have no monopoly on economic pain. And if we have a problem this big and this expensive-both in terms of dollars and cents and in terms of human suffering—you can be sure that the great cities all over this Nation have the same problem.

The money for the homeless in this bill, $100 million, will make a dent in the problem, but only a dent. It will not come close to solving it. There are going to be plenty of men, women and children who have no place to go even after we pass this bill. I would gladly support a bill for two or three or four times as much. But this is what we have before us, and it is a good beginning.

I am particularly pleased to see this legislation before us today, because many of the provisions relating to shelter for the homeless have been adopted from my own bill, the Emergency Shelter for the Homeless Act of 1983, H.R. 1950. It was my pleasure to work with Mr. VENTO of the Banking Committee on this, and I want to congratulate him on his hard and effective work on the problem.

I wholeheartedly urge a vote in favor of H.R. 1983.●

● Mr. ACKERMAN. Mr. Chairman, I rise in support of H.R. 1983, the Emergency Housing Assistance Act. This landmark bill would recognize and address the severe hardship faced by Americans across this Nation who, through no fault of their own, due to the deep recession plaguing the United States, are unable to meet their mortgage payments.

Under the amendment offered by my colleague and neighbor from New York, Mr. SCHUMER, this legislation would also provide assistance to tenants who find themselves, for the same reasons, unable to meet their rental payments.

Whether we are talking about people who live in houses they own, or in apartments they rent, we are dealing with families who are facing the human tragedy of being tossed out of their homes—homes they may have lived in for decades. These Americans face this terror not because they wish to shirk their legal responsibility to meet their financial obligations, but because they are overcome by an economic policy that has torn this Nation apart, forced record bankruptcies, and crushed the hopes and dreams of untold millions of Americans. This Congress has begun the hard work necessary to correct our economy, through measures such as the emergency jobs bill and first budget resolution. The Emergency Housing Assistance Act continues this important work.

Passage of this legislation will state clearly to the people of this Nation that the Congress will not turn its back on the victims of years of misguided economics. It will reassure American families that they will not be thrown into the streets if the recession steals their jobs.

There is another aspect of this bill that on which I would like to comment. This legislation provides $100 million for shelter and related services for homeless Americans.

This is a particularly significant time of the year to be providing for the needs of the homeless, because this is precisely the time of the year when public attention begins to drift away from their plight. As the temperature rises, and the flowers bloom, the emergency shelters in our cities, suburbs, and rural areas become less crowded—not because the homeless have, at last, found homes, but because they find shelter instead in our streets and parks, which once again are warm enough to be habitable.

The tragedy of the homeless is a problem that has concerned me for some time. Not too long ago, I spent a night undercover, disguised as a homeless man, in the New York City shelter system. The conditions there appalled me. But even more discouraging was the lack of faith and hope that the homeless persons in the shelter seemed to have for the future. Most of them did not believe that things would ever get better.

Mr. Chairman, this legislation before us would help make things better—for the homeless as well as for

those who have their homes now, and want to keep them.●

The CHAIRMAN. All time has expired under general debate.

Pursuant to the rule, each section of the bill shall be considered as having been read.

The Clerk will designate section 1.

Section 1 reads as follows:

SHORT TITLE

SECTION 1. This Act may be cited as the "Emergency Housing Assistance Act of 1983".

□ 1640

Mr. GONZALEZ. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I rise for the purpose of engaging in a colloquy with my distinguished ranking minority member, the gentleman from Ohio (Mr. WYLIE), inasmuch as my understanding is that it is the desire to have the Committee rise at this point and then suspend for the day, not go into the 5-minute rule. The understanding is that it is agreed that there is no intention to engage in dilatory tactics, to impede the consideration during the amendatory processes of this legislation. It is labeled emergency legislation and it is done so in good faith.

My understanding is that this agreement on the part of the minority is that when we resume consideration now proposed for next Tuesday, a week from today, that we will be joined in terminating by 8 p.m. on the day that the debate is scheduled for the amendatory process, the proceedings thereon. I wanted to make sure that the RECORD reflected that understanding and no misunderstanding about it.

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

Mr. GONZALEZ. I yield to the gentleman from Ohio.

Mr. WYLIE. It was suggested that we rise now and go over until Tuesday, at at that time begin the amendatory process.

It was my original understanding we were probably going to rise about 6 o'clock tonight anyhow and go over to another day.

It is not our purpose to engage in dilatory tactics, may I suggest to the gentleman from Texas.

Mr. GONZALEZ. Let me qualify. I did not say that. I said that I was assuming because I had been assured by the other leaders on the gentleman's side, and that is far from the intent.

Mr. WYLIE. I said I probably could be persuaded to do that if we could begin at a reasonable time too, which would mean our bill would come up first, and that we could begin the amendatory process by say 1 o'clock. If we did that, that would give us 7 hours to go through amendments, and it would be my feeling that probably would be ample.

But the gentleman from Arkansas (Mr. BETHUNE) has asked that we yield on that point, and I would ask that the gentleman yield to him.

Mr. BETHUNE. Will the gentleman yield?

Mr. GONZALEZ. I yield to the gentleman from Arkansas.

Mr. BETHUNE. It has been my experience since my election to the Congress that under the 5-minute rule oftentimes is the first opportunity to really develop the dynamics of the debate. I know that there are many Members on this side who have amendments that are serious amendments, well-intentioned amendments to try to make this legislation better.

Some of us oppose this altogether, which is my case. But we have not even started the 5-minute rule yet, and I think it is absolutely inconceivable that before we start the 5-minute rule that we would agree to a time limitation. We need to get into the debate and see how it develops.

That is the way we usually do things around here, even on matters that are likewise important. For instance, in the case of the nuclear freeze we are now in our third day of debate. Frankly, that legislation is not as complex as this legislation.

So I just want the gentleman to know that there is no such consensus on this side, and in the event any unanimous-consent request in that nature is propounded, I will object to it because it is not the way we do business here.

At some point later in that day, as the debate begins to unfold, if it appears that all Members have had adequate opportunity to get their amendments up, then I have been party to such agreements in the past. But I think it is premature at this point, and would state to the gentleman that that would be my intention clearly, irrevocably it would be my intention to object.

Mr. WYLIE. If the gentleman will continue to yield, I checked around on the floor and I would say to the gentleman from Texas, in good faith, and thought perhaps we could agree to the suggestion made by the chairman. But at the same time, I want to recognize the right of the gentleman from Arkansas to his position.

So may I respectfully suggest then that we just go ahead with the amendment process this evening, unless the gentleman wants the Committee to rise, which is fine with me. We can go over until Tuesday. We could then try to make the request at that time.

The CHAIRMAN. The time of the gentleman from Texas (Mr. GONZALEZ) has expired.

(Mr. GONZALEZ, by unanimous consent, was allowed to proceed for 2 additional minutes.)

Mr. GONZALEZ. I think the fact the gentleman from Arkansas referred to exactly what is happening with the freeze resolution was really a cause of concern. I have reviewed some of the amendments the gentleman himself has placed in the RECORD. The gentleman from Ohio will remember that we had some amendments presented by your side during the consideration of the bill that no reasonable mind could say were intended other than as objections to the prompt, expeditious consideration of the legislation in hand. So I see here that whatever understanding was relayed to me, in effect, is not substantial. So I move that we read the bill.

Mr. WYLIE. Would the gentleman yield on that point?

Mr. GONZALEZ. I yield to the gentleman.

Mr. WYLIE. I think it is our duty to protect the right of each individual to make his own case.

Mr. GONZALEZ. Absolutely.

Mr. WYLIE. The gentleman from Arkansas feels very strongly about this bill, and I would not suggest that the amendment that he is offering is offered as a dilatory tactic. It may be an improvement. But given that scenario of events, it probably would be the best thing for us to do now to go ahead with the bill this evening, and then maybe on Tuesday try to renew the motion to limit the time.

Mr. MITCHELL. Would my distinguished chairman yield to me?

Mr. GONZALEZ. I will be happy to yield.

Mr. MITCHELL. I am sympathetic with the gentleman from Arkansas. Lord knows there have been times when I have not had an opportunity to speak and I get furious. But it just seems to me as a practical arrangement, if we start with this bill first on Tuesday, maybe we could start around 1 o'clock, getting all the little 1-minute speeches out of the way, and have a target to end at 7 o'clock and not make it inflexible, just make that a target. If somebody wants to go beyond that, fine.

Is there any problem with that? Does the gentleman have a problem with that?

The CHAIRMAN. The time of the gentleman from Texas (Mr. GONZALEZ) has again expired.

(At the request of Mr. WYLIE and by unanimous consent, Mr. GONZALEZ was allowed to proceed for 2 additional minutes.)

Mr. WYLIE. As I stated a little earlier, I do not personally have too much problem with that. I am not of a mind to delay or to offer amendments just for the purpose of delaying. I am not sure anyone else is going to do that.

At the same time, as I say, we do have an agreement on this side, and it seems to me that an agreement ought to encompass all of the Members on the minority side from the Committee

on Banking, Finance and Urban Affairs, which the gentleman from Arkansas is one. If he raises an objection to it, then I think we ought to follow his suggestion.

Mr. MITCHELL. Will the gentleman yield to me again?

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

Mr. MITCHELL. I thank my chairman for yielding. I guess I am trying to offer a compromise, which is most un-Mitchell-like.

But it just seems to me that if we say our objective is to complete within 7 hours, there would be an understanding that if we do not complete within 7 hours we keep on going until we do, and that just seems a reasonable approach. Would you have any objection to that?

Mr. BETHUNE. Absolutely not. I think it is good.

Mr. MITCHELL. The target would be for 7 hours then.

Mr. BETHUNE. Would the gentleman from Texas yield to me?

Mr. GONZALEZ. Yes; I yield to the gentlemen from Arkansas.

Mr. BETHUNE. I just want to make one final point and then I think we can put this aside, because I think the gentleman from Maryland has presented a sensible alternative to resolving the issue forever and ever right now We need to have targets like that. That is good.

The point I was making, and I think it is a good one, which I think is being recognized here, is that if you want to limit debate to 7 hours, you could get a rule to that effect, and in that fashion the mechanism of the House would have a chance to work, and everybody's rights would be protected. You could go through that sort of process which is available to you and, in fact, you could make it a closed bill if you wanted to.

The CHAIRMAN. The time of the gentleman from Texas (Mr. GONZALEZ) has again expired.

(At the request of Mr. BETHUNE and by unanimous consent, Mr. GONZALEZ was allowed to proceed for 1 additional minute.)

Mr. GONZALEZ. I yield to the gentleman.

□ 1650

Mr. BETHUNE. So, I think we have struck on a fairly decent course of action. But I do not want to convey any false impressions. I really have found around here that some of the best work we have done, from this Member's perspective, is after we get into the dynamics of the debate and begin to alter the opinion of Members and sometimes it does go on maybe too long, but we always—in the spirit of free and open debate—always seem to come to the right conclusion somehow.

I am not afraid of free and open debate. So, I think we have come to a fairly decent conclusion.

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

Mr. GONZALEZ. I yield to the gentleman from Ohio.

Mr. WYLIE. As I understand the suggestion that we move now that the Committee do now rise, that we come back on Tuesday, that this will be the first order of business and I assume this has been cleared with the majority leader so we would be put on the calendar as the first order of business and start at 1 and have as a target the 8 o'clock hour?

Mr. GONZALEZ. Let me say I cannot speak for the Speaker. Why do we not put it this way; it is our expectation it will be next Tuesday. Why not put it this way: Whatever day we do come back, we assume we will start at a reasonable hour. Certainly my intention is not to cut off anybody. If anybody believes in full, free, and untrammeled debate, it is I.

The CHAIRMAN. The time of the gentleman has again expired.

(On request of Mr. PARRIS and by unanimous consent, Mr. GONZALEZ was allowed to proceed for 1 additional minute.)

Mr. PARRIS. Will the gentleman yield?

Mr. GONZALEZ. Glad to yield.

Mr. PARRIS. Mr. Chairman, I would like to add one other thought to the debate. What concerns me in part about this suggestion is that we are now considering the bill, open for amendment, section by section, and there are those of us who feel very strongly that some of the amendments pending are not in fact dilatory but are meritorious. It is possible if we have some understanding as to a period of limitation of debate, that if the debate consumes that period, then those of us who might have amendments in later sessions would be precluded. I submit to the gentleman that that is a serious concern about a preliminary agreement on debate limitation.

Mr. GONZALEZ. Mr. Chairman, I think from what the gentleman from Ohio has explained, after the gentleman from Arkansas explained himself, that that is reasonable, understanding enough.

I do not think it would be reasonable to go beyond that. So, I accept that. As I see it and expect it, I do not think that if we start promptly, say at the usual time—1, 1:30 p.m.—that by 8 p.m. anybody would be in a position where he had been shut off from the opportunity of offering amendments, assuming we do not have willful attempts to obstruct.

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

Mr. Chairman, I want to commend the able Member from Texas (Mr. GONZALEZ) for sponsoring this legislation.

If you look out over this country, and see how many homes have been lost under foreclosure, people have been taken away from the altars of their family because of economic conditions for which they are not responsible, you can appreciate the importance and the meaning of legislation like this.

I think the record shows that under the present economic conditions that we have there are more mortgage foreclosures than there have been at any time since the Great Depression.

We have had more bankruptcies and I believe more farm foreclosures. I think this administration, and if we do not do something about it, this Congress is delinquent in not having given greater assistance to the people of this country against those conditions than we have done so far.

And I base that upon the experience that this country had in the New Deal days. President Roosevelt was responsible for the establishment of the Home Owners Loan Corporation. And I know, because I was in the Senate at that time, that that organization saved thousands of homes for the people of this country.

Maybe you have never had a home sold under foreclosure, which you owned, where you had the family sentiments so embedded, but you can imagine what it meant to all of those people who have had their homes foreclosed away from them.

During the New Deal days, the Home Owners Loan Corporation not only saved thousands of homes for the people of this country but it made a great profit upon what it did.

Only a few evenings ago I met Mr. Brownstein, who was head of the FHA in those days. I asked him how much he thought the Home Owners Loan Corporation netted in profit from its operations during those days. He said, "I do not remember exactly but I believe it was somewhere in the neighborhood of $200 million."

I had lunch one day in the Senate restaurant about the time the organization terminated its activity. My recollection is that the then head told me it made a profit of $100 million. So, we are not talking about waste, extravagance, throwing the peoples' tax money to the winds. We are talking about saving the peoples' homes and making a profit in the operation. Why? Because everybody knows that America is going to come back, no matter how deep the depression may be.

I am one of the few in this Chamber who lived through the depths of those Depression days. I remember the time when my law firm, which was a fairly

successful little law firm, had a gross income of $30 one month—not net, that is gross. And there are a lot of other people in this country that were not making very much either in those desperate days.

So I knew then, as I know now, that America is always going to come back, no matter how deep the slough in which it may fall economically. We know that; the Congress knows it; the Executive knows it. Yet are we going to let people lose their businesses and their farms and their homes when we have a precedent in our past showing that they can be saved and the salvaging operation will make a profit?

So, today I want to commend the distinguished gentleman from Texas for taking the initiative. We are already tardy in this endeavor. We should have started a long time ago.

I hope, my dear friend, that your initiative here will bear great fruit and that before long the House will take the initiative with you in enacting this legislation, and will give a new ray of hope to those people who are distressed today, that they may keep their homes, because we know the country is going to prosper again.

Mr. GONZALEZ. 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. AuCoin, 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. 1983) to amend certain housing and community development laws to provide emergency mortgage assistance to homeowners and emergency shelter for the homeless, had come to no resolution thereon.

□ 1700

REQUEST FOR PERMISSION FOR SUBCOMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT OF THE COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS TO SIT TOMORROW DURING 5-MINUTE RULE

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that the Subcommittee on Housing and Community Development of the Committee on Banking, Finance and Urban Affairs be permitted to sit to mark up H.R. 1, the housing authorization bill, during the consideration tomorrow of amendments to House Resolution 13, the nuclear freeze resolution.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. FIELDS. Mr. Speaker, I object.

The SPEAKER. Objection is heard. The Chair will state that there must be 10 Members objecting. Those Members objecting will stand.

(Messrs. WYLIE, PARRIS, BARTLETT, CHENEY, BETHUNE, HILER, ROBERT F. SMITH, ROBERTS, TAYLOR, Ms. FIEDLER, and Mrs. ROUKEMA also objected.)

The SPEAKER. A sufficient number has objected.

Objection is heard.

INTRODUCTION OF HIGH TECHNOLOGY EDUCATION PARTNERSHIP ACT

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

Mr. AuCOIN. Mr. Speaker, today I am pleased to be joined by the gentleman from Massachusetts (Mr. SHANNON) in introducing legislation which I have titled the High Technology/Education Partnership Act.

If you look up the definition of partnership, Webster will tell you that it means "a relationship involving close cooperation between parties having specified and joint rights and responsibilities, as in a common enterprise." Mr. Speaker, I can think of nothing which better fits that description than the role which the high-tech electronics industry and our institutions of higher education must play in the future for economic development.

To nurture that cooperative relationship, the legislation which I have introduced today will allow a 100-percent tax credit for any amount paid or incurred by a corporation to any qualified institution of higher education for the purposes of teaching courses in math, science, computer science, or engineering. It expands the R&D tax credit section of ERTA to allow contributions made by corporations to institutions of higher education for the teaching of such courses to be eligible for the tax credit.

Mr. Speaker, this is not only a logical extension of the research and development credit concept, it addresses one of the most critical needs of the high-tech electronics industry—the shortage of qualified personnel to sustain our state-of-the-art lead in this highly competitive field.

Many of our basic industries are capital intensive, and we find provisions in the Tax Code to encourage the formation of capital to sustain and promote those industries. The high-tech electronics industry is education intensive. It requires a pool of highly educated individuals to provide the intellectual cutting edge of this industry where state of the art knowledge is doubled every 18 months.

While the needs of our high-tech electronics industry are moving ahead at light speed, our ability to provide the trained personnel have fallen behind because of budget cuts and economic hard times. This is not the fault of our educational institutions, but merely a reflection of the fiscal hand cuffs binding schools and universities across the Nation.

So what are we to do? Stand idly by and wring our hands while this problem goes unresolved? Wait until "happy days are here again"?

I reject this notion and say to my colleagues that the time to act is now.

The U.S. Department of Labor predicts a 2,000-percent increase in employment among computer systems analysts and a 50-percent increase among electrical engineers from 1978 to 1990. The Futurist magazine predicts 1 million new jobs for computer programers by the turn of the century. Despite this need, our Nation is startlingly unprepared to face the future. Last year in my home State of Oregon, a State where high technology is the wave of today and tomorrow, higher education produced only one new physics/chemistry teacher. And this problem is not confined to Oregon. There are shortages of math and science teachers in virtually every school district in the United States. In 1981, 43 States reported a shortage of math teachers.

The legislation I am introducing today addresses this problem by providing an incentive for the private sector to infuse the funds needed by our higher education institutions for the instruction of math, science, engineering, and computer science. It will also target funds for the instruction of teachers in these fields. And these contributions should properly be treated as R&D expenses since they are investments in the future of a trained and highly skilled labor force.

I am pleased to be joined in this effort by my colleague Congressman SHANNON who has been a leader in developing the concept of R&D tax credits. I urge those Members who have an interest in the future of our high-tech electronics industry, and more importantly in the future education of those upon whom we will depend to carry this industry forward, to actively support this legislation.

I am inserting the text of this bill at this point in the RECORD; as follows:

H.R. 2591

A bill to amend the Internal Revenue Code of 1954 to provide, for purposes of the credit for increasing research activities and for the credit available with respect to certain basic research by colleges, universities, and certain research organizations, that qualified research expenses and basic research shall include expenses incurred in promoting the education and training of qualified individuals for future employment in the trade or business of the taxpayer

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That (a) subparagraph (e)(1) of section 44F of the Internal Revenue Code of 1954 is amended

by striking "65 percent" and inserting in lieu thereof "100 percent".

(b) Subparagraph (e)(3) of section 44F of such Code (relating to credit available with respect to certain basic research by colleges, universities, and certain research organizations) is amended by striking out "not having a specific commercial objective, except that such terms shall not include—" and inserting in lieu thereof "not having a specific commercial objective, or the salaries and costs incurred for the instruction of courses in math, science, computer science, and engineering regardless of specific commercial objective."

(c) The amendments made by this act shall apply to taxable years ending after date of enactment.

DEPARTMENT OF ENERGY'S REPORT TO THE CONGRESS ON ALTERNATIVE FINANCING OF THE CLINCH RIVER BREEDER REACTOR PLANT PROJECT

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

Mr. PICKLE. Mr. Speaker, 3 weeks ago I addressed this body on the administration's disturbing proposal to sell the National Oceanic and Atmospheric Administration's land and weather satellite system.

That proposal seemed to me to follow a pattern exposed in February by the Oversight Subcommittee of the Committee on Ways and Means in its hearing on the Department of Navy's decision to lease rather than purchase 13 TAKX cargo ships. Both of these schemes—the leasing of the ships and the sell and buy back of the weather satellites—shift much of the cost from the agency's budget to the tax expenditure budget and end up costing taxpayers much more in the long run.

I regret today, Mr. Speaker, the need to bring to my colleagues' attention yet another such plan to privatize a Government project.

The Department of Energy sponsored Breeder Reactor Corporation's Task Force Report on Alternative Financing Possibilities for the Clinch River Breeder Reactor Project provides nothing more than a bold blueprint for shifting the cost of the Clinch River breeder reactor from the Department of Energy's budget to the tax expenditure budget; that is, to the Federal Budget, and once again, the taxpayer gets it in the end.

To generate $1.1 billion in private investment, the task force proposes adding another $1.4 billion in DOE funds to the $1.5 billion already spent for the Clinch River breeder reactor, giving investors a 25 to 30 percent equity interest in the project, assuring a firm delivery date for the completed plant, providing a 20-year "hell-or-high-water" minimum purchase contract, and guaranteeing investors a minimum of $600 million in investment tax credits and rapid depreciation writeoffs.

As with the Navy's 13 TAKX cargo ships, and NOAA's land and weather satellite, this kind of privatization reduces the Federal agencies short-term budget, commits us to long-term, escalating expenditures, shifts the cost to the tax expenditure budget, and piles all the risks on the Federal Government, all in the name of free enterprise.

The tax consequences of the BRC Task Force proposal are blithely dismissed with the comment that "there should be no net loss to the Government * * * because any such (tax) benefits * * * will displace those that would otherwise have applied to new capacity displaced by the Clinch River breeder reactor."

This rationale conveniently ignores the fact that: First, the project—as conceded earlier in the report—could not be implemented without extensive Federal involvement; and second if the Government completes the project without private sector involvements as originally planned, no tax benefits would be claimed. Thus, there would be no tax loss.

As with other recent proposals for privatization, the tax benefits associated with private sector involvement in the Clinch River breeder reactor project represent real costs which must be fully considered in a cost analysis of financing alternatives for the project.

To ignore these costs is simply to be dishonest with the American people.

Agencies such as the Department of Navy, the National Oceanic and Atmospheric Administration; and, now, the Department of Energy cannot be allowed to show short-term budget savings while simply shifting expenditures over to the Federal Treasury and increasing the bite on Federal taxpayer in the process.

THE PEOPLE WANT THE TAX CUT!

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

Mr. BETHUNE. Mr. Speaker, I respectfully disagree with the junior Senator of Arkansas and with liberals in the tax and spend crowd who say that Americans are willing to give up the third year of the tax cut due July 1, and I do this for three good reasons:

First reason: The people are smart enough to know that if the third year of the tax cut is repealed, that Congress would not use the revenue to reduce the deficit; Congress would simply spend their money as it has in the past. If anyone doubts that, they should look at the budget which was drafted by the liberals who control the House of Representatives, which was titled, "A Democratic Plan for Economic Recovery." In that document, the tax, spend and elect crowd called for $35 billion in new revenues for next year by repealing the third year, as well as raising other taxes, and they did not use it to reduce the deficit. They predictably increased runaway social spending that we have worked so hard to hold down over the past 2 years.

Second reason: The people also know that this is not a question of giving up a tax cut. Taxes have not been cut, and the average worker knows that. Taxes are going up. The tax changes that have been made in the last 2 years merely neutralized increases that were going to occur under our progressive tax system. When you consider the bracket creep that made people pay a higher percentage of tax as they were pushed into higher brackets by inflation, and when you consider the social security payroll tax increases and other taxes that have been laid on the people in the last few years, it is ludicrous to suggest that repeal of the third year is nothing more than cancellation of a tax cut. It is a tax increase, and it is a big one. In fact, if the big spenders and liberals are successful in the repeal of this third year of the tax cut, the average Arkansas family will pay $1,729 more in new taxes over the next 5 years. Most people just got through digging deep into their pockets to pay their Federal income tax, and I am quite sure they know that they cannot afford to pay $1,729 more to Uncle Sam so that Congress can poop it away by continuing the spending binge that is the real driving force behind the Federal deficit.

Third reason: No respected economist or close observer of budget and economic conditions has suggested that we should raise income taxes on the people just as we are coming out of a recession. To the contrary, almost everyone agrees that we should wait and see how the economy develops before we make any decisions on the revenue side. Who ever heard of raising taxes on people when they are just beginning to have a chance to work, save, produce, and invest—thus creating the growth that will do more to reduce budget deficits than anything else.

So, I respectfully disagree with the junior Senator from Arkansas and with others who believe that we would go back to the tax and spend policies of Jimmy Carter. The old liberal policies of the past got us into the mess we are in, and if we listen to those tho say we should raise the income tax so they can keep on spending, we will be right back where we were.

Some here in Washington may want to raise taxes so they can keep on spending, but the people do not, and

that is why they do not want to repeal the third year of the tax cut.

THE BOMBING OF THE AMERICAN EMBASSY IN LEBANON

(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, yesterday's abhorrent attack on the U.S. Embassy in Lebanon was a well-planned and willful attack on the U.S Government. The bomb was expertly planted to inflict maximum property damage and high loss of human life. The death toll currently stands at 39, but is expected to rise as high as 80.

We must not minimize the seriousness of this bombing. Under international law, an Embassy and its grounds are considered to be the territory, not of the host country, but of the Embassy's country. Therefore, this bombing must be viewed as an attack on U.S. territory. I am appalled that there are some who are attempting to minimize the impact that this attack will have on the U.S. presence in Lebanon.

We in this body have essentially endorsed our entire policy in the Mideast on two occasions on June 16, 1981, the House approved House Resolution 159, a resolution commending Philip Habib for his efforts to negotiate a Mideast peace settlement. The resolution went further than simply patting Habib on the back, it encouraged the President to pursue a comprehensive and coordinated policy in Lebanon. Then on September 28, 1983, the House passed House Concurrent Resolution 409, a resolution regarding the massacre of Palestinians in Lebanon. I voted against this resolution for very specific reasons. While I abhored the massacre of Palestinian refugees, I felt compelled to vote against the resolution because it granted carte blanche to President Reagan in the Mideast, stating that he should "pursue every possible effort to bring peace to the Middle East." This is a dangerous policy to pursue.

The murderous blast that ripped through the Embassy was not an act of random violence. It was a carefully planned response to the U.S foreign policy of interventionism—a policy supported and encouraged by this body in resolutions such as the two I have just cited.

Since World War II, the United States has pursued an interventionist foreign policy. This policy has led to our involvement in distant regional conflicts that have no bearing on the genuine security interests of the United States. Often we have found ourselves in the awkward position of being allied to both sides of a conflict, as in the Falkland Islands crisis, and the Israeli-Lebanese conflict last summer. This policy has cost the United States $2 trillion since the end of World War II, and we have nothing to show for these huge expenditures.

In the Middle East, for example, we first gave economic and military aid to Israel, then we gave aid to Lebanon to help them rebuild from the Israeli attack on the PLO in Lebanon.

But the terrorist attack on our Embassy, while horrible and tragic, should come as no great surprise to anyone. There have been several attacks on U.S. marines stationed in Lebanon that should have forewarned us that such an event was imminent.

I agree with the gentleman from Arizona in the other body who is calling for the withdrawal of U.S. marines from Lebanon. As this gentleman wisely points out, the day that one U.S. marine is killed, we will have to answer the question, What do we do? I believe that with this attack on U.S. territory, and the death of American citizens, the time to answer that question has arrived. In order to avoid U.S. involvement in a Mideast war, we must remove our troops from the region immediately, and return to the historical and traditional American policy of nonintervention in the affairs of other nations.

NATIONAL COIN WEEK

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, this week, April 17 to 23, 1983, has been designated as National Coin Week. This distinct and well-deserved tribute to America's 8 million coin collectors is official recognition of the historical, cultural and educational significance of numismatics in the United States.

Though many of us think of coins as merely the loose change in our pockets we take out to make a purchase, they are also an integral part of our history. For example, like many national parks, buildings and statues, our Nation's coinage serves as a monument to America's distinguished leaders. Our circulating coins bear the likenesses of five former Presidents—Lincoln, Jefferson, Roosevelt, Washington, and Kennedy. And one of our most recent commemorative coins, the George Washington half-dollar, was struck to mark the 250th anniversary of the birth of the Nation's first Chief Executive.

Our official coinage also commemorates importants events in history. America's first commemorative coin was issued in 1892 for the Columbian Exposition held in Chicago. This year the Bureau of the Mint will strike the first commemorative silver dollar since the minting of the Lafayette dollar in 1900 to mark the occasion of the 1984 Los Angeles summer Olympics. And in 1984 we will see the issuance of both another Olympic silver dollar and the first official U.S. gold coin in 50 years—an Olympic commemorative $10 piece.

I can think of no more befiting an honor to those Americans who collect—and indeed treasure—this coinage than to officially set aside a week as National Coin Week. Over the next several days, America's coin collectors will share this passion with their neighbors all over the country through displays and educational forums. Thus, all Americans will have the opportunity to learn about this significant part of our national history. I salute our numismatists for their efforts to broaden the Nation's awareness of this important segment of our heritage.●

PERSONAL EXPLANATION

The SPEAKER. Under a previous order of the House, the gentleman from Montana (Mr. WILLIAMS) is recognized for 5 minutes.

● Mr. WILLIAMS of Montana. Mr. Speaker, I missed several votes April 12, 1983, due to illness. I want to make my position known on those measures considered by the House.

On the amendment to House Resolution 154 offered by Mr. WALKER, rollcall No. 49, I would have voted "no."

On the amendment to House Resolution 154 offered by Mr. SHUMWAY, rollcall No. 50, I would have voted "no."

On the passage of House Resolution 154, rollcall No. 51, I would have voted "yea."●

PATENT LAW AMENDMENTS OF 1983

The SPEAKER. Under a previous order of the House, the gentleman from Wisconsin (Mr. KASTENMEIER) is recognized for 10 minutes.

● Mr. KASTENMEIER. Mr. Speaker, today I am introducing the "Patent Law Amendments of 1983." The bill is contained in an executive communication dated March 11, 1983, from the Secretary of Commerce (Malcolm Baldrige) to you, Mr. Speaker. Due to the fact that my subcommittee—the House Judiciary Subcommittee on Courts, Civil Liberties, and the Administration of Justice—has not yet held hearings on the substantive changes to patent law proposed in the executive communication. I would like the record to reflect that I am introducing the bill by request. I refrain from taking a position on the proposal at this time.

Let me say at the outset that I agree with several of the premises upon which the bill is based. Congressional power to enact changes in the patent system is firmly established. Article I, section 8, clause 8 of the Constitution provides the foundation upon which

our national patent and copyright laws rest.

I might also add that I am a firm believer in the patent system. To quote from a former professor of mine and a world renowned expert in intellectual property law—John Stedman, professor of law, now retired, at the University of Wisconsin—during testimony before my subcommittee:

> There are many situations in which novel ideas are not likely to be implemented unless the initiator can be assured of an exclusive, or semi-exclusive, right for a limited time to enable him to reap sufficient reward to recoup his sunk investment and compensate him for the risks he takes. The need for this is greatest in those areas of invention and innovation where others, in the absence of such protection, can sit back and then move into the field without incurring the risk and costs of failure once the new idea has proved itself.

Hearings on industrial innovation and patent and copyright law amendments, the 96th Congress, 2d session (1980) at 188.

In short, a strong patent system insures the development and commercialization of new products and processes. Resultant industrial innovation is an essential component in the American economy. It also improves productivity, creates jobs, and promotes investments and international competitiveness. The net result is a higher standard of living for all Americans.

Of course, nobody is arguing that the Patent Law Amendments of 1983 will not accomplish all of these lofty objectives. On the contrary, if enacted, this reform is only part of a larger agenda of needed reforms in the patent, copyright and trademark area.

I now will present a brief sectional analysis of the proposed legislation. For those of you who need a more detailed explanation, in addition to talking to the committee staff you may wish to contact the Legislative Affairs Office of the Department of Commerce.

Section 1 of the bill provides a short title.

Section 2—the most significant provision in the bill—establishes a new, optional procedure by which an inventor may secure patent protection which is strictly defensive in nature. Under current law, there is no simple, practical method by which an inventor can protect his rights without obtaining a patent. The new procedure created by section 2 would confer an inventor with the same rights that a regular patent provides to prevent others from patenting the same invention. However, it would not permit the holder from excluding others from making, using or selling the invention. An application for a defensive patent under the section would not be subjected to the normal examination process. In the final analysis, section 2 would not only give inventors a form of protection cheaper and faster than they could get by applying for a traditional patent, but it also will save the Government substantial time and money as well.

Section 3 would allow an appeal from a second rejection of claims by an examiner who is not a primary examiner. This section would provide a remedy for an applicant who receives a second rejection from an examiner with partial signatory authority.

Section 4 provides authority for the Commissioner to set a shortened period for payment of an issue fee. It also deletes reference to partial payment, balance of the issue fee, and lapse for failure to pay the balance. Since October 1, 1982, the effective date of the fee provisions of Public Law 97-247, the issue fee has been a fixed amount.

Section 5 establishes a 1-month grace period from the date of filing of an international application for payment of the international, transmittal, and search fees.

Section 6 clarifies the effect of withdrawal of an international application on claims for the benefit of its filing date. The withdrawal of an international application designating the United States will not deprive an applicant of the right to claim the benefit of the filing date of such an international application, provided the claim is made before the international application is withdrawn. Stated otherwise, this clarifies that withdrawing the designation of the United States in an international application is comparable to abandoning a national application as far as a claim for an earlier filing date is concerned.

Section 7 sets forth several housekeeping amendments to establish greater flexibility in the Patent and Trademark Office for the handling of international applications. In addition, this section, by relaxing the requirements which international applicants must satisfy by the commencement of the national stage, gives international applicants benefits similar to those given national applicants by Public Law 97-247 with respect to the time for filing the national fee and oath or declaration.

Section 8 authorizes the Commissioner to require a verification of the translation of an international application or any other document pertaining thereto if the application or other document was filed in a language other than English. An authorization for the Commissioner to require verification in appropriate cases is necessary since subsection (c)(2) of section 371 was amended to remove the requirement that the translation be verified in all cases.

Section 9 of the bill is a conforming amendment deleting mention of the special fee in order to conform with a previous amendment in the bill.

Section 10 is a technical amendment which replaces the term "Patent Office" with "Patent and Trademark Office" to conform with the provisions of Public Law 93-596.

Section 11 is also a technical amendment to insure that no maintenance fees are charged for plant patents, regardless of when filed. Without this provision, plant patent owners whose applications were filed between the dates of enactment of Public Law 96-517 and Public Law 97-247 would be subject to payment of maintenance fees, while plant patent owners whose applications were filed outside those dates would not be subject to such fees. This provision eliminates that inconsistency.

Last, section 12 provides an effective date for the legislation. It makes sections 1-9 effective 6 months after enactment. The delay is intended to permit an orderly transition between the old and new procedures. Section 10 is made effective on enactment since this section makes no substantive changes in patent practice and merely reflects provisions which have previously been approved for the Patent and Trademark Office. Section 11 is also made effective on enactment in order to provide the immediate relief intended by that section.

To conclude, Mr. Speaker, my introduction of this bill assists the Secretary of Commerce and the Commissioner of Patents and Trademarks in placing the Department of Commerce's proposals on the platter of the 98th Congress. I urge my colleagues to take a hard and close look at the issues presented by the Patent Law Amendments of 1983. Considered collectively, these amendments arguably provide needed improvements to the country's patent system, thereby stimulating innovation, increasing productivity, and improving the lifestyle of all American citizens.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. SLATTERY (at the request of Mr. WRIGHT), for this week, on account of a death in the family.

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. FIELDS) to revise and extend their remarks and include extraneous material:)

Mr. EDWARDS of Oklahoma, for 30 minutes, April 28.

(The following Members (at the request of Mr. COLEMAN of Texas) to

revise and extend their remarks and include extraneous material:)

Mr. HAMILTON, for 20 minutes, today.
Mr. GONZALEZ, for 30 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. WILLIAMS of Montana, for 5 minutes, today.
Mr. KASTENMEIER, for 10 minutes, today.
Mrs. COLLINS, for 5 minutes, today.
Mrs. BOXER, for 5 minutes, April 20.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. FIELDS) and to include extraneous matter:)

Mr. DREIER of California.
Mr. MORRISON of Washington.
Mr. MICHEL.
Mr. KEMP.
Mr. GILMAN.
Mr. ERLENBORN.
Mr. WOLF.
Mr. YOUNG of Florida.
Mr. COATS.
Mr. MCGRATH.
Mr. FIELDS.

(The following Members (at the request of Mr. COLEMAN of Texas) and to include extraneous matter:)

Mr. COLEMAN of Texas.
Mr. LEVITAS in two instances.
Mr. MAVROULES.
Mr. BARNES.
Mr. FAZIO in two instances.
Mr. MARKEY in three instances.
Mr. MOODY.
Mr. PEPPER.
Mr. MOAKLEY.
Mr. OTTINGER in five instances.
Mr. RAHALL.
Mr. SHELBY.
Mr. FROST.
Mr. KOGOVSEK.
Mr. GARCIA.
Mr. CLAY.
Mr. PATTERSON.
Mr. LELAND.
Mr. WEISS of New York.
Mr. HOWARD.
Mr. GEJDENSON.
Ms. FERRARO.
Mr. RANGEL.
Mr. FEIGHAN.
Mr. BOUCHER.
Mr. RICHARDSON.
Mr. BERMAN.
Mrs. BOGGS.
Mr. WIRTH in two instances.

ADJOURNMENT

Mr. COLEMAN of Texas. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 5 minutes p.m.) under its previous order, the House adjourned until Wednesday, April 20, 1983 at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

943. A communication from the President of the United States, transmitting a detailed technical assessment review of U.S. strategic forces, pursuant to subsection 7 of title V, Public Law 97-377 (H. Doc. No. 98-49); to the Committee on Appropriations and ordered to be printed.

944. A letter from the General Counsel, Department of Energy, transmitting notice of a meeting relating to the international energy program to April 21 and 22, 1983, in Paris, France; to the Committee on Energy and Commerce.

945. A letter from the Acting Assistant Secretary for Congressional Relations, Department of State, transmitting copy of a memorandum prepared by the ICRC and LICROSS transmitted to the U.S. mission at Geneva with regard to recognition of the Red Shield of David of the Magen David Adom Society of Israel by the League of Red Cross Societies, pursuant to House Resolution 580, 97th Congress; to the Committee on Foreign Affairs.

946. A letter from the Director of Legislative Affairs, Agency for International Development, transmitting notice of a delay until May 15, 1983, in the submission of the Agency's seventh annual report on title XII of the Foreign Assistance Act, pursuant to section 300 of the Foreign Assistance Act, as amended; to the Committee on Foreign Affairs.

947. 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.

948. 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.

949. A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to reauthorize for 3 years the revenue sharing program of general-purpose fiscal assistance to local governments, and for other purposes; to the Committee on Government Operations.

950. A letter from the Director of Administration, Department of Energy, transmitting notice of a proposed new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

951. A letter from the Acting Director, U.S. Information Agency, transmitting notice of a proposed new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

952. A letter from the Secretary of Energy, transmitting the 1982 annual report of the Bonneville Power Administration, pursuant to section 4(h)(12)(B) of Public Law 96-501; to the Committee on Interior and Insular Affairs.

953. A letter from the Administrator of Small Business, transmitting a draft of proposed legislation to amend the Small Business Act to totally remove agricultural enterprises from eligibility for assistance under the Small Business Administration's disaster and business loan programs; to the Committee on Small Business.

954. A letter from the Administrator, Veterans' Administration, transmitting a draft of proposed legislation to amend title 38, United States Code, to clarify the authority of the Administrator to permit a Federal fiduciary, administratively appointed by the Veterans' Administration, to deduct from the beneficiary's estate a modest commission for fiduciary services; to the Committee on Veterans' Affairs.

955. A letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to increase rates of compensation for service-disabled veterans and rates of dependency and indemnity compensation payable to certain veterans' survivors; to the Committee on Veterans' Affairs.

956. A letter from the Assistant Secretary of State (Congressional Relations), transmitting a draft of proposed legislation to amend the Arms Export Control Act; to the Committee on Foreign Affairs.

957. A letter from the Assistant Secretary for Congressional Relations, Department of State, transmitting a draft of proposed legislation to amend the Foreign Service Act of 1980 and other statutes affecting the Department; jointly, to the Committees on Foreign Affairs and Post Office and Civil Service.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of the rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. PATTERSON (for himself, Mr. BEREUTER, Mr. LOWRY of Washington, Mr. GARCIA, and Mr. TORRES):

H.R. 2586. A bill to provide for increased participation by the United States in the Inter-American Development Bank, the Asian Development Bank, and the African Development Fund; to the Committee on Banking, Finance and Urban Affairs.

By Mr. FUQUA:

H.R. 2587: A bill to authorize appropriations to the Department of Energy for civilian research and development programs for the fiscal year 1984; to the Committee on Science and Technology.

By Mr. PEASE (for himself, Mr. DOWNEY of New York, Mr. ENGLISH, Mr. GUARINI, and Mr. HEFTEL of Hawaii):

H.R. 2588. A bill to amend the Tariff Act of 1930 regarding the public disclosure of certain manifest information; to the Committee on Ways and Means.

By Mr. ARCHER (for himself, Mr. PICKLE, Mr. ANDREWS of Texas, Mr. BARTLETT, Mr. BEVILL, Mr. BROOKS, Mr. BRYANT, Mr. CAMPBELL, Mr. DE LA GARZA, Mr. DICKINSON, Mr. EDWARDS of Alabama, Mr. ERDREICH, Mr. FIELDS, Mr. FLIPPO, Mr. FROST, Mr. GONZALEZ, Mr. GRAMM, Mr. RALPH M. HALL, Mr. SAM B. HALL, JR., Mr. HANCE, Mr. HARTNETT, Mr. HIGHTOWER, Mr. LEATH of Texas, Mr. LELAND, Mr. LOEFFLER, Mr. NICHOLS, Mr. PATMAN, Mr. PAUL, Mr. SHELBY, Mr. SPENCE, Mr. SPRATT, Mr. STENHOLM, Mr. VANDERGRIFF, and Mr. WILSON):

H.R. 2589. A bill to amend the Internal Revenue Code of 1954 to exempt holdings in independent local newspapers from taxes on excess business holdings of private foundations; to the Committee on Ways and Means.

By Mr. AUCOIN:

H.R. 2590. A bill to amend the Agricultural Adjustment Act to authorize marketing research and promotion projects, including paid advertising, for filberts; to the Committee on Agriculture.

By Mr. AUCOIN (for himself and Mr. SHANNON):

H.R. 2591. A bill to amend the Internal Revenue Code of 1954 to provide, for purposes of the credit for increasing research activities and for the credit available with respect to certain basic research by colleges, universities, and certain research organizations, that qualified research expenses and basis research shall include expenses incurred in promoting the education and training of qualified individuals for future employment in the trade or business of the taxpayer; to the Committee on Ways and Means.

By Mr. BROOKS (for himself and Mr. HORTON):

H.R. 2592. A bill to transfer from the Director of the Office of Management and Budget to the Administrator of General Services the responsibility for publication of the catalog of Federal domestic assistance programs, and for other purposes; to the Committee on Government Operations.

By Mr. DAVIS:

H.R. 2593. A bill to restrict the importation of iron ore and steel mill products; to the Committee on Ways and Means.

H.R. 2594. A bill to restrict the importation of copper, copper bearing ores and materials, copper alloys and their so-called basic shapes and forms; to the Committee on Ways and Means.

By Mr. DREIER of California:

H.R. 2595. A bill to amend the Internal Revenue Code of 1954 to allow an individual's spouse to receive the usual fee for service as a juror without losing eligibility for certain retirement savings provisions relating to nonworking spouses; to the Committee on Ways and Means.

By Mr. EDGAR:

H.R. 2596. A bill to name the Veterans' Administration Medical Center in Altoona, Pa., as the "James E. Van Zandt Veterans' Administration Medical Center"; to the Committee on Veterans' Affairs.

By Mr. ERLENBORN (for himself and Mr. BARTLETT):

H.R. 2597. A bill to amend the Rehabilitation Act of 1973, to increase flexibility and simplify grant programs to States for vocational rehabilitation, to improve rehabilitation services for the severely handicapped, to modify certain discretionary grant programs providing essential services and resources specifically designed for handicapped individuals, and for other purposes; to the Committee on Education and Labor.

By Mr. FISH:

H.R. 2598. A bill to amend the Omnibus Education Reconciliation Act of 1981 to prevent the ratable reduction of payments with respect to entitlements established under section 2 of Public Law 874 (81st Congress); to the Committee on Education and Labor.

By Mr. FLORIO (for himself, Mr. RICHARDSON, Mrs. BOXER, Mr. CROCKETT, Mr. ECKART, Mrs. HALL of Indiana, Mr. EDGAR, Mr. MORRISON of Connecticut, Mr. DASCHLE, Mr. EDWARDS of Oklahoma, Mr. MITCHELL, Mr. MRAZEK, Mr. BERMAN, Mr. GILMAN, Mr. BEDELL, Mr. DWYER of New Jersey, Mr. FAUNTROY, Mr. FRANK, Mr. BEILENSON, Mr. SMITH of Florida, Mr. VENTO, Mr. SAM B. HALL, JR., Mr. HATCHER, Mr. ROE, Mr. WEISS, Mr. JEFFORDS, Mr. RATCHFORD, Mr. JACOBS, Mr. WOLPE, Mr. WEAVER, Mr. BARNES, and Mr. VANDERGRIFF):

H.R. 2599. A bill to amend the Tax Equity and Fiscal Responsibility Act of 1982 to repeal the section allowing deductions for payments which are illegal under Federal law to foreign government officials or employees; to the Committee on Ways and Means.

By Mr. MILLER of California (for himself, Mr. EDWARDS of California, Mrs. BOXER, Mr. BOSCO, Mr. DELLUMS, Mr. STARK, Mr. LANTOS, Mr. COELHO, Mr. PANETTA, Mr. LEHMAN of California, Mr. ROYBAL, Mr. BERMAN, Mr. LEVINE of California, Mr. DYMALLY, Mr. HAWKINS, Mr. THOMAS of California, Mr. LEWIS of California, Mr. LOWRY of Washington, Mr. PATTERSON, Mr. TORRES, Mr. MARTINEZ, Mr. DIXON, Mr. WRIGHT, Mr. AUCOIN, Mr. D'AMOURS, Mr. GARCIA, Mr. EVANS of Illinois, Mr. REID, Mr. WEISS, Mr. RATCHFORD, Mrs. KENNELLY, Mr. WIRTH, Mr. AKAKA, Mr. ANNUNZIO, Mr. ROSTENKOWKSI, Mr. GLICKMAN, Mr. RICHARDSON, Mr. EARLY, Mr. BIAGGI, Mr. ROSE, Mr. LEATH of Texas, Mr. OBEY, Mr. BREAUX, Mr. GEJDENSON, Mr. HUGHES, Mr. PASHAYAN, Mr. ERLENBORN, Mr. MINETA, Mr. BATES, Mrs. SCHROEDER, Mr. FAZIO, Mr. DANIEL B. CRANE, Mr. PHILIP M. CRANE, Mr. DAVIS, Mr. OXLEY, Mr. GREGG, Mr. ARCHER, Mr. CONABLE, Mr. GOODLING, Mr. SHANNON, Mr. MAVROULES, Mr. BONIOR of Michigan, Mr. OBERSTAR, Mr. SABO, Mr. FOWLER, Mr. JENKINS, Mr. BENNETT, Mr. UDALL, Mr. SEIBERLING, Mr. HAMILTON, Mrs. BOGGS, Mr. ROEMER, Mr. MITCHELL, Mr. GARCIA, Mr. DOWNEY of New York, Mr. RUSSO, Mr. MCHUGH, Mr. SCHUMER, Mr. JONES of North Carolina, Mr. WISE, Mr. WEAVER, Mr. MURTHA, Mr. WALGREN, Mr. COLEMAN of Texas, Mr. YOUNG of Alaska, Mr. KRAMER, and Mr. LUJAN):

H.R. 2600. A bill to dedicate the Golden Gate National Recreation Area to Phillip Burton; to the Committee on Interior and Insular Affairs.

By Mr. GEKAS:

H.R. 2601. A bill to establish rational criteria for the imposition of the sentence of death, and for other purposes; to the Committee on the Judiciary.

By Mr. GIBBONS:

H.R. 2602. A bill to authorize appropriations for the U.S. International Trade Commission, the U.S. Customs Service, and the Office of the U.S. Trade Representative for fiscal year 1984, and for other purposes; to the Committee on Ways and Means.

By Mr. GIBBONS (for himself, Mr. JONES of Oklahoma, Mr. PEASE, Mr. CONABLE, and Mr. FRENZEL):

H.R. 2603. A bill to extend nondiscriminatory treatment and other trade benefits to the Hungarian People's Republic during the 5-year period beginning on July 1, 1983; to the Committee on Ways and Means.

By Mr. GUARINI:

H.R. 2604. A bill to amend the Federal Reserve Act to provide that the President shall appoint additional members to the Board of Governors of the Federal Reserve System to represent the interests of small business, organized labor, agriculture, and small financial institutions; to the Committee on Banking, Finance and Urban Affairs.

By Mr. HOWARD (for himself, Mr. SNYDER, Mr. YOUNG of Missouri, and Mr. SHAW) (by request):

H.R. 2605. A bill authorizing appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. HOWARD (for himself and Mr. YOUNG of Missouri) (by request):

H.R. 2606. A bill to amend Public Law 96-432 relating to the U.S. Capitol Grounds to authorize additional funds for the acquisition of property for addition to the U.S. Capitol Grounds and for other purposes; to the Committee on Public Works and Transportation.

By Mr. HUGHES:

H.R. 2607. A bill to amend title 5, United States Code, to liberalize certain provisions authorizing reimbursement for expenses of sale and purchase of a residence upon the transfer of a Federal employee; to the Committee on Government Operations.

By Mr. IRELAND:

H.R. 2608. A bill to amend the Export-Import Bank Act of 1945; to the Committee on Banking, Finance and Urban Affairs.

By Mr. KASTENMEIER:

H.R. 2609. A bill to allow the Court of Appeals for the District of Columbia to retain the marshal in office on the date of enactment of the Federal Courts Improvement Act of 1982; to the Committee on the Judiciary.

By Mr. KASTENMEIER (for himself and Mr. MOORHEAD):

H.R. 2610. A bill to amend the patent laws of the United States; to the Committee on the Judiciary.

By Mr. KOGOVSEK:

H.R. 2611. A bill to provide that certain amounts received by the Southern Ute Tribe of the Southern Ute Reservation or members of such tribe shall not be taxable or taken into account for certain other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MURTHA:

H.R. 2612. A bill to reestablish the Reconstruction Finance Corporation, to authorize such Corporation to perform its traditional lending functions, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

H.R. 2613. A bill to establish the Veterans' Administration as an executive department; to the Committee on Government Operations.

By Mr. MONTGOMERY:

H.R. 2614. A bill to amend title 10, United States Code, to establish a Foundation for the Advancement of Military Medicine, and for other purposes; to the Committee on Armed Services.

By Mr. OTTINGER (for himself, Mr. BRYANT, Mr. SWIFT, Mr. EDGAR, Mr. MARKEY, and Mr. SCHEUER):

H.R. 2615. A bill to amend the Energy Conservation in Existing Buildings Act of 1976 to provide for the weatherization of the remaining eligible low-income dwelling units throughout the United States, to create additional employment in weatherization-related industries, and for other pur-

poses; to the Committee on Energy and Commerce.

By Mr. PORTER:

H.R. 2616. A bill to amend the Sherman Act to make unlawful the attempt to enter into a contract, a combination, or a conspiracy in restraint of trade; to the Committee on the Judiciary.

By Mr. RODINO (by request):

H.R. 2617. A bill to amend the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

By Mr. SHELBY (for himself, Mr. MONTGOMERY, Mr. SMITH of New Jersey, Mr. EDGAR, Mr. EVANS of Illinois, and Mr. RICHARDSON):

H.R. 2618. A bill to amend chapter 37 of title 38, United States Code, to authorize the Administrator of Veterans' Affairs to provide mortgage assistance to veterans with loans guaranteed by the Veterans' Administration in order to avoid foreclosure of such loans; to the Committee on Veterans' Affairs.

By Mr. SKELTON:

H.R. 2619. A bill to amend title 18 of the United States Code to provide a more stringent penalty for certain willful destruction, alteration, or abuse of equipment and other resources vital to the operation of the Federal social security system; to the Committee on the Judiciary.

H.R. 2620. A bill to establish a National Commission on Science, Engineering, and Technology Education; jointly, to the Committees on Armed Services and Education and Labor.

By Mr. SWIFT:

H.R. 2621. A bill to authorize appropriations for the Federal Election Commission for fiscal year 1984; to the Committee on House Administration.

By Mr. VOLKMER:

H.R. 2622. A bill to authorize action by the Army Corps of Engineers in Franklin County, Mo., to prevent flood damage along the Meramec River; to the Committee on Public Works and Transportation.

By Mrs. VUCANOVICH:

H.R. 2623. A bill to deauthorize the Humboldt River flood control project, Nevada; to the Committee on Public Works and Transportation.

By Mr. WEISS (for himself, Mr. WAXMAN, Mr. LOWRY of Washington, Mr. AUCOIN, Mr. STUDDS, Mr. YATES, Mr. TORRICELLI, Mr. FRANK, Mr. TOWNS, Mr. SOLARZ, Mr. FAUNTROY, Mr. DELLUMS, Mr. CLAY, Mr. MILLER of California, Mrs. BOXER, Mr. SUNIA, Mrs. SCHROEDER, Mr. DIXON, Mr. WEAVER, Mr. GARCIA, Mr. FAZIO, Mr. MORRISON of Connecticut, Mr. EDWARDS of California, Mr. BERMAN, Mr. BATES, Mr. MCKINNEY, Mr. CROCKETT, Mr. MITCHELL, Mr. EDGAR, Mr. GREEN, Mr. LEVINE of California, Mr. ROYBAL, Mr. RANGEL, Mr. KOSTMAYER, Mr. SABO, Mr. STARK, Mr. DYMALLY, Mrs. COLLINS, Mr. BONIOR of Michigan, Mr. FOGLIETTA, Mr. SIKORSKI, Mr. WHEAT, Mr. LEHMAN of Florida, Mr. STOKES, Mr. SHANNON, Mr. BARNES, Mr. HOWARD, Mr. LELAND, Ms. MIKULSKI, Mr. CONYERS, Mr. BORSKI, Mr. RICHARDSON, Mr. MATSUI, Mr. PANETTA, Mr. DICKS, Mr. COYNE, Mr. HOYER, Mr. SCHUMER, and Mr. GRAY):

H.R. 2624. A bill to prohibit discrimination on the basis of affectional or sexual orientation, and for other purposes; jointly, to the Committees on Education and Labor and the Judiciary.

By Mr. COELHO:

H.J. Res. 239. Joint resolution designating October 2, 1983, as a national day of recognition for Mohandas K. Gandhi; to the Committee on Post Office and Civil Service.

By Mr. CROCKETT:

H.J. Res. 240. Joint resolution proclaiming Nomzamo Winnie Mandela to be an honorary citizen and condemning her banishment to Brandfort, South Africa; jointly, to the Committees on Foreign Affairs and the Judiciary.

By Mr. CROCKETT (for himself, Mr. CONYERS, Mr. DELLUMS, Mr. DOWNEY of New York, Mr. DYMALLY, Mr. EDWARDS of California, Mr. FAUNTROY, Mr. GRAY, Mr. LELAND, Mr. MITCHELL, Mr. STOKES, Mr. WASHINGTON, and Mr. YATRON):

H.J. Res. 241. Joint resolution proclaiming Nelson Mandela to be an honorary citizen of the United States, and requesting his unconditional release from prison in South Africa; jointly, to the Committees on Foreign Affairs and the Judiciary.

By Mr. WISE:

H. Res. 163. Resolution to recognize the city of Nitro, W. Va., as a living memorial to World War I; to the Committee on Post Office and Civil Service.

MEMORIALS

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

85. By the SPEAKER: Memorial of the Legislature of the State of New Mexico, relative to the Southwestern Indian Polytechnic Institute, Albuquerque, N. Mex.; to the Committee on Education and Labor.

86. Also, memorial of the Legislature of the Commonwealth of Massachusetts, relative to Federal children's programs; to the Committee on Government Operations.

87. Also, memorial of the Senate of the State of New Mexico, relative to a tourist facility at the Four Corners Area, N. Mex.; to the Committee on Interior and Insular Affairs.

88. Also, memorial of the Senate of the State of New Mexico, relative to withholding of interest on dividends; to the Committee on Ways and Means.

89. Also, memorial of the Senate of the State of New Mexico, relative to a bilateral and verifiable freeze of nuclear weapons; jointly, to the Committees on Armed Services and 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. HATCHER:

H.R. 2625. A bill for the relief of Maj. Ralph Edwards, U.S. Air Force, retired; to the Committee on the Judiciary.

By Mr. HUTTO:

H.R. 2626. A bill to direct the Secretary of the department in which the U.S. Coast Guard is operating to cause the vessel *Tri Star* to be documented as a vessel of the United States so as to be entitled to engage in the coastwise trade; to the Committee on Merchant Marine and Fisheries.

ADDITIONAL SPONSORS

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

H.R. 100: Mr. AKAKA, Mr. AUCOIN, Mr. BARNES, Mr. BATES, Mr. BERMAN, Mrs. BOGGS, Mr. BONER of Tennessee, Mr. BONIOR of Michigan, Mr. BONKER, Mrs. BOXER, Mr. BROOKS, Mr. BROWN of California, Mr. CLAY, Mr. CLINGER, Mr. COELHO, Mrs. COLLINS, Mr. CONYERS, Mr. CORRADA, Mr. COYNE, Mr. CROCKETT, Mr. DELLUMS, Mr. DE LUGO, Mr. DIXON, Mr. DOWNEY of New York, Mr. DURBIN, Mr. DYMALLY, Mr. EDGAR, Mr. EDWARDS of California, Mr. EVANS of Illinois, Mr. FASCELL, Mr. FAUNTROY, Mr. FAZIO, Mr. FEIGHAN, Ms. FERRARO, Mr. FISH, Mr. FLORIO, Mr. FOGLIETTA, Mr. FORD of Tennessee, Mr. FORD of Michigan, Mr. FRANK, Mr. FROST, Mr. GARCIA, Mr. GINGRICH, Mr. GONZALEZ, Mr. GRAY, Mr. GREEN, Mr. GUARINI, Mrs. HALL of Indiana, Mr. HAWKINS, Mr. HEFTEL of Hawaii, Mr. HORTON, Mr. HOYER, Mr. HUGHES, Mr. JONES of North Carolina, Ms. KAPTUR, Mr. KILDEE, Mr. KOLTER, Mr. LANTOS, Mr. LEHMAN of Florida, Mr. LELAND, Mr. LEVIN of Michigan, Mr. LEVINE of California, Mr. MCGRATH, Mr. MARKEY, Mr. MATSUI, Mr. MAVROULES, Ms. MIKULSKI, Mr. MINETA, Mr. MINISH, Mr. MITCHELL, Mr. MOAKLEY, Mr. MURPHY, Ms. OAKAR, Mr. OBERSTAR, Mr. OTTINGER, Mr. OWENS, Mr. PATTERSON, Mr. PEASE, Mr. PEPPER, Mr. PRICE, Mr. PRITCHARD, Mr. RATCHFORD, Mr. RICHARDSON, Mr. RODINO, Mr. ROE, Mr. ROYBAL, Mr. SAVAGE, Mrs. SCHNEIDER, Mrs. SCHROEDER, Mr. SCHUMER, Mr. SIKORSKI, Mr. SIMON, Mr. SMITH of Florida, Mr. SOLARZ, Mr. STOKES, Mr. SUNIA, Mr. TOWNS, Mr. UDALL, Mr. VANDERGRIFF, Mr. VENTO, Mr. WASHINGTON, Mr. WAXMAN, Mr. WEAVER, Mr. WEISS, Mr. WILSON, Mr. WOLPE, Mr. WON PAT, Mr. WYDEN, Mr. YATES, and Mr. WHEAT.

H.R. 393: Mr. LEHMAN of California.

H.R. 408: Mr. BERMAN, Mr. SWIFT, Mrs. SCHNEIDER, Mr. MCCANDLESS, and Mr. WILSON.

H.R. 500: Mr. CHANDLER and Mr. SCHAEFER.

H.R. 750: Ms. MIKULSKI, Mr. EMERSON, Mr. GARCIA, Mr. SABO, Mr. DYSON, Mr. MORRISON of Washington, Mr. EDGAR, Mr. HORTON, Mr. CROCKETT, Mr. LAGOMARSINO, Mr. WHITLEY, Mr. OXLEY, Mr. PATMAN, Mr. FORSYTHE, Mr. KOGOVSEK, Mr. BARNES, Mr. DAUB, Mr. HUGHES, Mr. OTTINGER, Mr. GRADISON, Mr. EVANS of Iowa, Mr. SUNIA, Mr. FAZIO, Mr. STANGELAND, Mr. BEDELL, Mr. O'BRIEN, Mr. GLICKMAN, Mr. RINALDO, and Mr. WIRTH.

H.R. 904: Mr. CARPER, Mr. CLINGER, Mr. DE LUGO, Mr. DYMALLY, Mr. ECKART, Mr. FEIGHAN, Mr. GUARINI, Mr. HARKIN, Mr. LEVIN of Michigan, Mr. MATSUI, Mr. MINETA, Ms. OAKAR, Mr. RICHARDSON, Mr. SABO, Mr. SHANNON, Mr. SUNIA, Mr. WEAVER, Mr. WEISS, and Mr. WOLPE.

H.R. 905: Mr. SIMON and Mr. FORSYTHE.

H.R. 1015: Mr. LANTOS.

H.R. 1016: Mr. RAHALL, Mrs. KENNELLY, Mr. MOLINARI, and Mr. LANTOS.

H.R. 1031: Mr. KOGOVSEK.

H.R. 1046: Mr. RIDGE.

H.R. 1054: Mr. CHANDLER.

H.R. 1172: Mr. CONYERS.

H.R. 1234: Mr. RICHARDSON, Mr. SAM B. HALL, JR., Mr. LUKEN, Mr. EDGAR, Mr. MARKEY, Ms. OAKAR, Mr. GARCIA, Mr. VOLKMER, Mr. FOWLER, Mrs. SCHROEDER, Mr. LELAND, Mr. ROYBAL, Mr. MINISH, Mr. MCCLOSKEY, and Mr. MARTINEZ.

H.R. 1242: Mr. ANDREWS of Texas, Mr. ASPIN, Mr. BRYANT, Mr. DWYER of New

Jersey, Mr. GEPHARDT, Mr. GUARINI, Mr. SAM B. HALL, JR., Mr. HALL of Ohio, Mr. HOWARD, Mr. KOLTER, Mr. LEHMAN of Florida, Mr. LELAND, Mr. MATSUI, Mr. MITCHELL, Mr. OBERSTAR, Mr. ROTH, Mr. STOKES, Mr. WILLIAMS of Montana, Mr. WORTLEY, Mr. WYDEN, and Mr. FOGLIETTA.

H.R. 1249: Mr. KOSTMAYER and Mr. MILLER of California.

H.R. 1264: Mr. LEVIN of Michigan and Mr. BARNES.

H.R. 1341: Mr. CHAPPIE, Mr. STARK, Mr. LOWRY of Washington, Mr. FISH, Mr. MILLER of California, Mr. THOMAS of California, Mr. PANETTA, Mr. MINETA, Mr. ZSCHAU, and Mr. FORSYTHE.

H.R. 1398: Mr. CARPER.

H.R. 1405: Mr. MICHEL, Mr. DURBIN, and Mr. IRELAND.

H.R. 1436: Mr. WILLIAMS of Montana and Mr. GORE.

H.R. 1494: Mr. PARRIS and Mr. GINGRICH.

H.R. 1544: Mr. CHAPPELL.

H.R. 1554: Mr. D'AMOURS, Mr. NOWAK, Mr. QUILLEN, and Mr. MCEWEN.

H.R. 1587: Mr. ECKART, Mr. HORTON, Mr. NIELSON of Utah, and Mr. VANDERGRIFF.

H.R. 1592: Mr. DASCHLE.

H.R. 1595: Mr. BATES, Mr. DIXON, Mr. DWYER of New Jersey, Mr. UDALL, Mr. SEIBERLING, Mr. ALBOSTA, Ms. SNOWE, Mr. MAVROULES, Mr. HOWARD, Mr. WEAVER, Mr. TORRICELLI, Mr. MACKAY, Mr. SHARP, Mr. CONYERS, Mr. PATTERSON, Mr. CARR, Mr. EVANS of Illinois, and Mr. SIKORSKI.

H.R. 1693: Mr. WEISS.

H.R. 1706: Mr. FAZIO, Mr. STENHOLM, Mr. MAZZOLI, Mr. LIPINSKI, Mr. SHUMWAY, Mr. ZSCHAU, Mrs. SCHNEIDER, and Mr. LEHMAN of Florida.

H.R. 1730: Mr. KASICH, Mr. TAUZIN, Mr. DANIEL, and Mrs. BOGGS.

H.R. 1752: Mr. TOWNS, Mr. MITCHELL, Mr. FAUNTROY, Mr. CROCKETT, Mr. DONNELLY, Mr. KOLTER, Mr. BIAGGI, Mr. MOLINARI, Mrs. SCHNEIDER, Mr. MINISH, Mr. HERTEL of Michigan, Mr. GRAY, and Mr. ASPIN.

H.R. 1755: Mr. BARNARD, Mr. LANTOS, Mr. STOKES, Mr. CONYERS, Mr. STANGELAND, Mr. HARKIN, Mr. DUNCAN, Mr. RAHALL, Mr. STRATTON, Ms. KAPTUR, Mr. LELAND, Mr. WYDEN, Mr. FORSYTHE, Mr. ASPIN, and Mr. FORD of Tennessee.

H.R. 1795: Mr. NICHOLS.

H.R. 1797: Mr. OBERSTAR, Mr. STARK, Mr. SCHUMER, Mr. WHEAT, Mr. DELLUMS, Mr. DONNELLY, Mr. PATTERSON, Mr. ZSCHAU, and Mr. FEIGHAN.

H.R. 1817: Ms. KAPTUR, Mr. GARCIA, Mr. CONYERS, Mr. PATTERSON, Mr. RANGEL, and Mr. BEDELL.

H.R. 1881: Mr. BONIOR of Michigan, Mr. CLINGER, Mr. FRENZEL, Mrs. HALL of Indiana, Mr. KASICH, Mr. LELAND, Mr. LIPINSKI, Mr. LIVINGSTON, Mr. NIELSON of Utah, Mr. PATMAN, Mr. SHELBY, Mr. SUNIA, and Mr. TAUKE.

H.R. 1905: Mr. SAM B. HALL, JR., Mr. WILSON, Mr. KASICH, Mr. MCCURDY, Mr. STOKES, Mr. MOLLOHAN, Mr. LOEFFLER, and Mr. CONTE.

H.R. 1918: Mr. RUSSO and Mr. NEAL.

H.R. 2012: Mr. ROE, Mr. YATES, Mr. CONYERS, Mr. SIKORSKI, Mr. ST GERMAIN, Mr. MITCHELL, Mr. DELLUMS, Mr. FAUNTROY, and Ms. KAPTUR.

H.R. 2034: Mr. CROCKETT, Mr. YATES, Mr. WEAVER, Mr. FAUNTROY, Mr. KASTENMEIER, Mr. FRANK, Mr. BERMAN, Mr. ECKART, Ms. KAPTUR, Mr. GRAY, Mr. FORSYTHE, and Mr. EDGAR.

H.R. 2053: Mr. BEDELL, Mr. DUNCAN, Mr. HEFNER, and Mr. HUGHES.

H.R. 2059: Mr. MAVROULES, Mr. VENTO, Mr. KILDEE, Mr. MORRISON of Connecticut, Mr. LANTOS, Mr. LELAND, Mr. DYMALLY, Mrs. HALL of Indiana, Mr. MRAZEK, Mr. EDGAR, Mr. HOYER, Mr. BERMAN, Mr. FORD of Tennessee, Mr. RATCHFORD, Mr. SEIBERLING, Mr. FAZIO, Mr. EDWARDS of California, Mr. MINETA, Mr. HERTEL of Michigan, Mr. STARK, Mr. LONG of Maryland, Mr. MCKERNAN, Mr. WAXMAN, Mr. MOAKLEY, Mr. SHANNON, Mr. LEHMAN of California, and Mr. PATTERSON.

H.R. 2099: Mr. PORTER, Mr. MARRIOTT, Mr. SAM B. HALL, Jr., Mr. YATES, Mr. MARKEY, Mr. KINDNESS, Mr. LELAND, Mr. AKAKA, Mr. ROE, Mrs. SCHROEDER, Mr. LAGOMARSINO, Mr. STOKES, Mr. WORTLEY, Mr. ROTH, Mr. BARNES, Mr. KILDEE, Mr. BROWN of Colorado, Mr. STANGELAND, Mr. WALGREN, and Ms. KAPTUR.

H.R. 2100: Mr. PEASE, Mr. YATES, Mr. FRANK, Mr. MARKEY, Mr. SMITH of Florida, Mr. HOWARD, Mr. ROE, Mrs. SCHROEDER, Mr. WORTLEY, Mr. BARNES, Mr. RATCHFORD, Mr. KILDEE, Mr. WALGREN, and Ms. KAPTUR.

H.R. 2124: Mr. FLIPPO, Mr. CHAPPIE, Mr. MCDADE, Mr. STUMP, Mr. MCCAIN, Mr. CHENEY, Mr. OBERSTAR, Mr. MONTGOMERY, Mr. GREGG, Mr. NIELSON of Utah, Mr. SHUMWAY, Mr. RUDD, Mr. WYDEN, Mr. SMITH of New Jersey, Mr. BLILEY, Mr. MCNULTY, Mr. MURTHA, Mr. WHITTAKER, Mr. VOLKMER, Mr. MCEWEN, Mr. ANTHONY, Mr. WOLPE, and Mr. RAY.

H.R. 2151: Mr. PORTER, Mr. NIELSON of Utah, Mr. CHAPPIE, Mr. BLILEY, Mr. RITTER, and Mr. FORSYTHE.

H.R. 2193: Mr. NIELSON of Utah, Mr. FORSYTHE, Mrs. KENNELLY, Mr. REID, Mr. OLIN, Mr. BREAUX, and Mr. BARNES.

H.R. 2204: Mr. WALGREN, Mr. BONIOR of Michigan, Mr. MITCHELL, Mr. DUNCAN, Mrs. KENNELLY, Mr. LONG of Maryland, Mr. FAUNTROY, Mr. KASICH, Mr. FRANK, Mr. KINDNESS, Mr. NEAL, Mr. YOUNG of Alaska, Mr. GINGRICH, Mr. DE LA GARZA, Mr. SCHUMER, Mr. STOKES, Mr. KASTENMEIER, Mr. BARNES, Mr. SMITH of Florida, Mr. RATCHFORD, and Mr. LEHMAN of Florida.

H.R. 2220: Mr. MOLLOHAN, Mr. BILIRAKIS, and Mr. RICHARDSON.

H.R. 2232: Mr. CROCKETT, Mr. FAUNTROY, Mr. STOKES, Mr. MURPHY, Mr. MARKEY, Mr. RAHALL, Mr. SCHUMER, Mr. MINETA, Mr. WOLPE, and Ms. KAPTUR.

H.R. 2233: Mr. PEASE, Mr. CROCKETT, Mr. RATCHFORD, Mr. FAUNTROY, Mr. STOKES, Mr. MURPHY, Mr. MARKEY, Mr. RAHALL, Mr. SCHUMER, Mr. MINETA, Mr. WOLPE, and Ms. KAPTUR.

H.R. 2262: Mr. COELHO, Mr. COYNE, Mr. FAZIO, Mr. HALL of Ohio, Mr. MARTIN of New York, Mr. MINETA, Mr. PATTERSON, Mr. WHITTAKER, and Mr. WIRTH.

H.R. 2306. Mrs. HALL of Indiana, Mr. HILLIS, Mr. MARKEY, Mr. FORD of Tennessee, Mr. MURPHY, Mr. MCHUGH, Mr. D'AMOURS, Mr. LUNDINE, Mr. SCHEUER, Mr. HOWARD, Mr. MCDADE, Mr. DOWDY of Mississippi, Mr. LAFALCE, Mr. RAHALL, Mr. STOKES, Mr. WILLIAMS of Montana, Mr. GARCIA, Mr. WHEAT, Mr. CLINGER, Mr. FAZIO, Ms. KAPTUR, Mr. NOWAK, Ms. MIKULSKI, Mr. SOLARZ, Mr. RICHARDSON, Mr. LUKEN, Mr. JEFFORDS, Mr. WILSON, Mrs. COLLINS, Mr. FRANK, and Mr. REID.

H.R. 2323: Mr. ROE, Mr. KINDNESS, Mr. FAUNTROY, Mr. FOGLIETTA, Mr. KOGOVSEK, Mr. FROST, Mr. STOKES, Mr. SMITH of Florida, Mr. FRANK, Mr. HOWARD, Mr. GRADISON, Mr. KASTENMEIER, Mr. BARNES, Mr. RATCHFORD, Mr. WON PAT, and Mr. FRENZEL.

H.R. 2351: Mr. EDWARDS of California and Mr. PATTERSON.

H.R. 2373: Mr. BARTLETT.

H.R. 2441: Mr. FORSYTHE and Mr. DANNEMEYER.

H.R. 2447: Mr. RUDD.

H.R. 2506: Mr. BILIRAKIS.

H.R. 2560: Mr. GLICKMAN, Mrs. SCHROEDER, and Mr. WHEAT.

H.J. Res. 97: Mrs. BYRON.

H.J. Res. 137: Mr. BARNES, Mr. BEVILL, Mrs. BOGGS, Mrs. BYRON, Mr. D'AMOURS, Mr. DWYER of New Jersey, Mr. EDWARDS of Alabama, Mr. EMERSON, Mr. FISH, Mr. FLIPPO, Mr. FRENZEL, Ms. KAPTUR, Mr. LIVINGSTON, Mr. LONG of Louisiana, Mr. MCNULTY, Mr. MOLLOHAN, Mr. MOORE, Mr. MORRISON of Connecticut, Mr. NATCHER, Mr. NICHOLS, Mr. OBERSTAR, Mr. O'BRIEN, Mr. PASHAYAN, Mr. RICHARDSON, Mr. ROBERTS, Mr. ROEMER, Mr. SABO, Mr. SILJANDER, Mr. SKEEN, Mr. STAGGERS, Mr. STANGELAND, Mr. STUMP, Mr. VALENTINE, Mr. VANDERGRIFF, Mr. WHITEHURST, Mr. WISE, Mr. WON PAT, Mr. WYDEN, Mr. KOLTER, and Mr. STENHOLM.

H.J. Res. 160: Mr. LANTOS.

H.J. Res. 184: Mr. HATCHER, Mr. FORSYTHE, Mr. SAM B. HALL, Jr., Mr. KRAMER, Mr. DOWDY of Mississippi, Mr. LEHMAN of California, Mr. RUDD, Mr. WILSON, Mr. KOSTMAYER, Mr. PANETTA, Mrs. HOLT, Mr. DICKINSON, Mr. FAZIO, Mr. EVANS of Iowa, Mr. FISH, and Mr. OWENS.

H.J. Res. 214: Mr. LIVINGSTON.

H.J. Res. 219: Mr. BENNETT, Mr. SMITH of Florida, and Mr. CHAPPELL.

H. Con. Res. 9: Mr. EDGAR.

H. Con. Res. 23: Mr. COATS, Mr. HAMMERSCHMIDT, Mr. HUGHES, Mr. LENT, Mr. MOLINARI, Mr. SAWYER, and Mr. STENHOLM.

H. Con. Res. 39: Mr. CARR, Mr. EDWARDS of Alabama, Mr. HAMMERSCHMIDT, Mr. OBERSTAR, Mr. RUDD, Mr. LANTOS, Mr. SNYDER, Mr. STARK, Mr. YOUNG of Alaska, and Mr. DONNELLY.

H. Con. Res. 63: Mr. CARPER, Mr. CARR, Mr. MACK, Mr. RINALDO, and Mr. DENNY SMITH.

H. Con. Res. 98: Mr. SOLOMON.

H. Con. Res. 107: Mr. WAXMAN, Mr. OTTINGER, Mr. DIXON, and Mr. PORTER.

H. Res. 17: Mr. EDWARDS of California, Mr. KEMP, Mr. SLATTERY, and Mr. TORRICELLI.

H. Res. 45: Mr. HEFTEL of Hawaii, Mr. GUNDERSON, Mr. STENHOLM, Mr. LEVINE of California, Mr. BEDELL, Mr. LONG of Maryland, and Mr. WISE.

H. Res. 119: Mr. LELAND.

H. Res. 155: Mr. ADDABBO, Mr. BROWN of California, Mr. BARNES, Mr. DE LUGO, Mr. DONNELLY, Mr. DWYER of New Jersey, Mr. FASCELL, Mr. FISH, Mr. FLORIO, Mr. FOGLIETTA, Mr. FORSYTHE, Mr. FOWLER, Mr. FRANK, Mr. GRADISON, Mr. HOWARD, Mr. JACOBS, Mrs. KENNELLY, Mr. MAZZOLI, Mr. MOAKLEY, Mr. NEAL, Mr. O'BRIEN, Mr. PRITCHARD, Mr. RATCHFORD, Mr. ROE, Mr. ROEMER, Mr. SMITH of New Jersey, Mr. SOLARZ, Mr. TORRICELLI, Mr. VALENTINE, Mr. VOLKMER, and Mr. YOUNG of Missouri.

PETITIONS, ETC.

Under clause 1 of rule XXII,

75. The SPEAKER presented a petition of Rockingham County Board of Supervisors, Harrisonburg, Va., relative to the general revenue sharing program; which was referred to the Committee on Government Operations.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.J. RES. 13

By Mr. LEVITAS:

—Add the following new section at the end of the bill:

SEC. 3. The Congress proposes that the House Committee on Foreign Affairs and the Senate Committee on Foreign Relations study measures relating to reductions pursuant to the first section, and relating to concurrent and complementary arms control proposals pursuant to section 2, especially those aimed at progressive reductions in the number of destabilizing weapons through a mutual "build-down" or other verifiable processes.

—Page 5, line 8, immediately before the period, insert ", with such reductions to be achieved within a reasonable, specified period of time".

—Page 5, line 23, immediately before the period, insert the following:

, especially those aimed at progressive reductions in the number of destabilizing weapons through a mutual "build-down" or other verifiable processes.

By Mr. LOTT:

—Page 5, after line 23, insert the following:

SEC. 3. Any item both sides do not agree to freeze would not be frozen.

By Mr. MARTIN of North Carolina:

—Page 5, after line 23, insert the following:

SEC. 3. The extent to which any nuclear warhead, missile or delivery system may be modernized shall be subject to negotiation between the parties.

By Mr. WALKER:

—On page 2, immediately after "nuclear weapons." in the first sentence, insert the following:

"Whereas the greatest challenge facing the United States is the preservation of freedom, and Americans are by and large supportive of United States deterrence policies which have made the preservation of freedom possible;".

—On page 5, after line 13, add the following new section:

"(7) Nothing in this resolution shall be construed by United States negotiators to mandate any agreement that would jeopardize our ability to preserve freedom.".

H.R. 1190

By Mr. BEDELL:

—On page 2, line 6, strike section 2.

—On page 9, line 5, strike section 5.

H.R. 1983

By Mr. COLEMAN of Texas:

—Page 16, after line 11, insert the following new subsection:

"(h) In providing assistance under this title, the Secretary shall seek to assure a reasonable distribution of funds among eligible areas taking into account the residential mortgage foreclosures and the numbers of unemployed persons in units of general local government, giving particular consideration to units of general local government having unemployment rates exceeding the national average.".

By Mr. McKINNEY:

—Page 9, after line 3, insert the following new paragraph:

"(5) the Secretary has determined that the value of the liquid assets of such mortgagor does not exceed $7,500 in the case of an individual, or such other amount as the Secretary shall determine taking into consideration variations for family size and geographical location, except that the Secretary shall not include as liquid assets of such mortgagor—

"(A) the principal residential property of such mortgagor;

"(B) the household goods, the personal effects, and an automobile of such mortgagor, to the extent the value of such items does not exceed an amount determined by the Secretary to be reasonable; and

"(C) any other property of such mortgagor that the Secretary determines is so essential to the means of self-support of such mortgagor as to require its exclusion as an asset under this paragraph;".

Redesignate the subsequent paragraphs, and any references to such paragraphs, accordingly.

By Mr. PARRIS:

—Page 13, after line 21, insert the following new subsection (and redesignate the subsequent subsections accordingly):

(d) Not later than the beginning of the 6-month period preceding the scheduled termination of assistance payments on behalf of any mortgagor under this title, such mortgagor shall seek to enter into an agreement with the mortgagee involved to provide for the resumption of full mortgage payments by such mortgagor following such termination of assistance payments.

By Mr. WORTLEY:

—Page 7, after line 14, insert the following new subsection:

(d) Notwithstanding any other provision of this section, the Secretary may not institute or reinstitute the program of assistance established in this title in any district unless, following the occurrence or reoccurrence of the delinquency rate condition described in subsection (a)(2), the Secretary determines that such program will not result in any increase in the number or rate of foreclosures by financial institutions and other mortgagees with respect to mortgages on residential property in such district.

—Page 7, after line 14, insert the following new subsection:

(d) Notwithstanding any other provision of this section, the Secretary may not institute or reinstitute the program of assistance established in this title in any district unless, following the occurrence or reoccurrence of the delinquency rate condition described in subsection (a)(2), the Secretary determines that such program will not adversely affect the financial stability of financial institutions that are subject to Federal supervision and are holding mortgages on residential property in such district.

SENATE—*Tuesday, April 19, 1983*

(Legislative day of Monday, April 18, 1983)

The Senate met at 2 p.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Hear the word of the Lord, O house of Jacob, and all the families of the house of Israel. Thus says the Lord: What wrong did your fathers find in me that they went far from me, and went after worthlessness, and became worthless?—Jeremiah 2 :4,5, RSV. *My people have changed their glory for that which does not profit, says the Lord.*—Jeremiah 2 :11 RSV.

We are not primitive in our idolatry, Eternal God. We do not make idols of wood and iron and stone and bow down to them. We are very sophisticated in our religion. We worship power and wealth and pleasure and prestige and popularity. And we become like the gods we worship. Power makes us arrogant and manipulative. Wealth makes us selfish and materialistic. Pleasure makes us shallow and superficial. Prestige and popularity make us proud and superior. When we follow "hollow gods" we become hollow souls.

Forgive us, Lord, for our idolatry and help us to worship Thee as we were created to do, so that we become like Thee in righteousness, justice and truth. We pray this in the matchless name of Jesus, the Humble Servant of all. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader is recognized.

THE JOURNAL

Mr. STEVENS. Mr. President, I ask unanimous consent that the Journal of the proceedings to date be approved.

Mr. BYRD. Mr. President, I object.

The PRESIDENT pro tempore. The objection is heard.

THE KASTEN AMENDMENT

Mr. STEVENS. Mr. President, I state for the information of the Senate that there has been considerable consideration given to the possibility of attempting to work out a modification of the Kasten amendment to avoid the problems of the cloture vote today. It is my understanding that that may not be agreeable, but I do want the Senate to know that we are attempting to do that. In my judgment, it would be in the best interest of all concerned if we could have a bipartisan solution to the problem that has been presented to the Senate. I hope that, within the hour, we shall be able to make some kind of recommendation to the Senate that the Senate will agree to with regard to handling this matter.

I reserve the remainder of the leadership time.

RECOGNITION OF THE MINORITY LEADER

The PRESIDENT pro tempore. The minority leader is recognized.

SENATOR GLENN ON NATIONAL DEFENSE

Mr. BYRD. Mr. President, the distinguished Senator from Ohio Mr. GLENN, has been one of the most thoughtful Members of this body on the subject of our national security posture. As a career Marine Corps officer, and as an astronaut, he has contributed in unique ways to further American military strength and technological leadership. He has continued to contribute as a Member of this body in his balanced and independent assessments of our military strength.

Senator GLENN has recently authored a wide-ranging article, published by the Center for National Policy, on the broad problem of our national defense in the context of our national economic vitality, our national unity, and our assets in fields of education and technological prowess. He has a number of specific suggestions which should be of interest to my colleagues.

I ask unanimous consent that the article be printed in the RECORD in its entirety.

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

RETHINKING DEFENSE

(By John Glenn)

The Center for National Policy generously has invited me to put down on paper some of my thoughts on how our country should assure its future security. I welcome the opportunity to participate in the Center's valuable work, which has contributed much to illuminate public policy issues.

Though the subject of defense is vast, the principles that I believe our defense must follow do not take long to state. They reflect certain world realities that the current Administration has too often failed to face. I would like in these pages to review my fundamentals, and from them to sketch the new directions in which I believe defense planning should be heading.

WHAT WE NEED BESIDES MILITARY FORCES

A city does not protect itself from fire simply by buying fire trucks. It looks to the overall goal—avoiding loss of life and damage to property—and seeks to achieve that by a combination of efforts. It enforces building codes to lessen hazards; it teaches its citizens fire prevention; it arranges for one group of firefighters to help another in emergencies; it installs hydrants in populous areas; it punishes arson; and it makes sure the equipment on hand is versatile and designed both to deal with small blazes and to avert large conflagrations. The city also maintains a level of taxes and funding sufficient to pay for what is necessary to keep the risk tolerably low.

Similarly, I believe the security of our country depends on a great deal more than just buying military weapons, forces, and equipment—though these are, however much we might wish otherwise, an essential part of it. For the United States to exist as a free, prosperous and safe country—for national security in the broadest sense—we need a great deal more than just military forces.

First of all, we need a strong and productive economy—something that has been noticeably lacking for the past few years. We need it partly because a sound economy is an element of strength and influence in the world. We need it also because a strong economic base is necessary to build and buy military forces, which cost more than they used to, and will not become cheaper.

A united people, under a just government, provides the internal cohesion needed for external strength. Integrity is the sure foundation for our public life—a government that keeps faith with our own people at home, and our friends abroad. This is something we tend to overlook when talking about defense, but we should not. It is time to reemphasize that we are a single nation of Americans, in a country committed to social justice for all, and that we face certain external threats together. The whole is greater than the sum of the parts. We are much more than simply a collection of groups.

Education must be encouraged, in order to make the best use of the talents of our people, which are the ultimate source of economic and military strength. We should be supporting and encouraging our best students, and providing more incentives for the study of mathematics, science, and foreign languages, the skills that we shall need in the next twenty years. Yet studies published in the past month show the achievement level of top students going down, particularly in math and science. Education is our most crucial capital investment, yet the

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

Reagan Administration has shown too little interest in it.

Technology must continue to be developed. It is the source of much of our current wealth. It has been the means for us to counter Soviet military forces without trying to match them one-for-one. Technology also is the basis for our future economic potential.

Access to critical minerals, many of which now are obtainable only from abroad, is essential both for prosperity and defense.

Allies are crucial, because we cannot go it alone in the world. We proably shall never again in our lifetimes have the dominance that existed at the end of World War II, when Europe was prostrate and we were the world's only nuclear power. We have good and strong allies, particularly in Western Europe and Japan. While firmly insisting that they do their fair share, we should avoid clumsiness that can create unnecessary frictions.

Diplomacy in that connection is crucial. Too many wars in human history have been fought because of diplomatic ineptitude and failure. The skills of our diplomats are crucial, just as are the military forces to back them up and give weight to what they say.

Arms control is perhaps the single most important diplomatic mission, one calling for the most able negotiators we have. Our goal is to maintain a balance of military power in the world, and arms control is by far the preferred route to that end.

It is only in the context of these related factors, each of which supports our national security, that one can look at our military forces. Just as the city's goals is prevention of loss from fire, so our overall goal is not military strength for its own sake, but total national security. To reach that goal requires attention to all the factors listed above, and to military forces as well.

WHY WE NEED MILITARY FORCES

We face, and cannot prudently ignore, a massive buildup of armaments by the Soviet Union that began after the Cuban Missile Crisis of 1962 and has continued without respite as much effort to defense as we do each year, and within their defense budget they spend more of their budget to accumulate weapons and less to pay their soldiers. As a result, their expenditures for weapons procurement and military research are nearly double ours. There is nothing in history that compares to the Soviets' sustained military effort except Hitler's arming of Germany in the 1930s.

The Soviet military effort has seriously challenged the nuclear superiority we once enjoyed. Soviet ground forces out-number ours and have greater firepower. However, our military situation is not as hopeless as some say. When one counts allies on both sides, the numbers are more even. We still have a technological edge, in aircraft and electronics, for instance, though the Soviets have narrowed that gap. In strategic nuclear forces we are still in a range of rough equivalence—such that the Soviets could not attack us with nuclear weapons and escape devastation themselves.

The disturbing aspect is not so much the current balance as the adverse trends. I believe that we must keep our military forces in a range sufficient at least to balance those of the Soviet Union and thus reduce the risk of war. And in the long run, it is cheaper to maintain a steady improvement than to fall behind and resort to expensive crash programs later.

The forces we buy should be designed, first, to maintain such a balance and, second, to serve the less crucial but still important missions that our country's world interests require. Military forces exist for no other reason than to deter and neutralize external threats and to serve our foreign policy.

Planning those forces therefore requires a strategy, not just a set of military programs. Force structure and hardware should follow strategy, not lead it—as they seem to do at present. Strategy, in its turn, is possible only in the context of a coherent, well-thought-out foreign policy that takes account of our national interests and plans how to attain our national objectives in realistic ways. Only in light of reasonable and thought-out goals can we appreciate what the real threats to the United States are; how they can best be countered; how to invest in the troops and weapons best able to prevail if necessary, and best able, by their perceived strength, to prevent war in the first place.

At the very simplest level, our strategy surely must include:

Maintaining the security of the West from nuclear attack;

Freedom of the seas, to reach our allies and trading partners;

Peace and stability in East Asia;

Security of Western Europe from Soviet attack of any kind;

Security for Israel;

The inhibition of proliferation of nuclear weapons;

Open access for Europe, Japan and ourselves to the oil of the Middle East; and

Maintenance of a level of order in the Third World at least sufficient to limit conflicts from becoming major-power confrontations, and insure access to vital natural resources.

WHAT MILITARY FORCES DO WE NEED?

Given these strategic imperatives, what forces do we need? To decide that requires setting priorities among programs, something the current Administration too often has failed to do.

The level of our defense effort of course must reflect our economic condition. But, security can be considered our most important social program, in that a primary function of government is to keep our people alive, independent, and free. It necessarily is related most to the external threat we face. In that, there is nothing new. During the Constitutional Convention in the summer of 1787, one delegate proposed to limit the U.S. army forever to 5,000 men. George Washington, who was presiding, turned to another delegate and whispered, "Amend the motion to provide that no foreign enemy shall invade the United States with more than 3,000 soldiers at any one time."

Nuclear military forces

Over the past two years, millions of sincere and concerned Americans have taken a second look at the nuclear weapons that have mounted into the thousands on both sides and asked, "Where is it all leading? How can it end, except in nuclear war?" The peril they see is real. Their concerns deserve an answer. In my judgment, as desirable as a truly verifiable nuclear freeze may be, and as much as I support the freeze, it does not go far enough. There must be a step-by-step plan to achieve that desired end. It is not enough to advocate a freeze, if the freeze perpetuates unnecessarily high levels of strategic arms, or is one-sided and the Soviets continue to add to their arsenal to a point where they might eventually feel tempted to launch a nuclear attack or attempt nuclear blackmail or non-nuclear aggression against our allies. We must not alter the balance unilaterally in a way that would increase such risks. We must instead by our actions and our determination convince the Soviets that the nuclear arms race is pointless, and that they must come to the table, and limit, and cut.

It is not enough to pretend that one can call the Soviet leaders on the telephone, as some have proposed, and persuade them in an afternoon to alter the course they have followed for 20 years. We cannot return to the days when John Foster Dulles could rattle our missiles to get our way. Nor can we expect to deal with the Soviets by charm. It is not enough, either, to talk casually, as the Reagan Adminstration too often has done, about "nuclear warning shots," or "winnable nuclear wars." Such notions belong in nightmares and science fiction, not in our government's policy formulation process. Military strength is one thing; delusions about the nature of nuclear war are quite something else.

What are needed are careful planning, strategy, and positions that reflect the needs and the power of both countries. The only safe and sensible route to nuclear security is to pursue arms control with mutual, balanced and verifiable limitations and reductions of the nuclear weapons in our and the Soviets' arsenals. And while the process is pressed, we must maintain a nuclear deterrent so secure that no Soviet leader, even in his most irrational moment, could expect to enhance his country's position by attacking the United States.

In short, the problem is exactly what our citizens perceive: the danger of nuclear war. The solution is firmness and patience. There is no quick and simple way to alter reality to our advantage. The short-run necessity is to maintain a balance sufficient to deter; the continuing long-term effort must be arms control.

Deterring a Soviet nuclear attack against the United States and our allies does not necessarily require that our nuclear forces mirror theirs. Rather, the essential factor is the assurance that, even after a Soviet attack against our nuclear forces, enough would survive to launch a devastating counterattack. With that countervailing ability, the need in fact to use nuclear weapons is least likely to arise.

The safest arrangement of our strategic nuclear forces for nearly three decades has been the so-called "triad" of land-based ballistic missiles, submarine-based ballistic missiles, and strategic bombers. One important observation to be made about the triad is that during the time we have had it—how much because of it we cannot be sure—there has been no nuclear war. We diminish risk by basing our nuclear deterrent in three totally different ways. We multiply the technical and military problems of an adversary who would want to knock out all three with a sudden strike. The redundancy of the systems therefore enhances nuclear stability and lessens the danger of nuclear war.

I support the continued splitting of our deterrent force among these different modes. It appears prudent to stay with a plan that maximizes deterrence until such time as the Soviets are willing by arms control to make appropriate reductions along with us. Without a triad, we would need to build more nuclear weapons to achieve the same deterrent effect.

Our land-based force is the subject of much current debate. The value of the land-based deterrent rests not primarily in its

hard-target capability but in the additional balance it gives our nuclear triad. So long as land-based ICBMs have any survivability at all, they complicate the planning of a potential attacker. If we allow our land-based missiles to become vulnerable to a first strike, the Soviets could concentrate all their attention on rendering our submarines and bombers vulnerable. We should not hazard our national independence, or even existence, on the dubious wishful thinking that Soviet breakthroughs in anti-submarine warfare are impossible and that our Poseidon/Trident submarine forces will remain permanently invulnerable. That is simply too great a risk to ask the American people to bear.

It would be a mistake, however, to equate the survivability of the land-based force with the proposed heavy MX missile. I believe that the large ten-warhead MX does not meet our long-term needs and have supported a much smaller, single-warhead missile for our nuclear deterrent. A defense centered around a small, mobile missile is inherently more survivable than the large, virtually immobile MX. As we move toward a world of very high accuracy in warheads, deception and concealment become crucial. A small missile has fundamental advantages in this respect and can be based in many ways for which the MX simply is too large and clumsy. At sea we base our missiles on submarines, not islands. In the same way, on land it is mobility and concealment that are the essentials of a credible deterrent force. I have long advocated development of a small, mobile missile as an alternative to the MX, and made just such a proposal on the Senate floor three years ago, but lost the vote. If we get busy now we could build and deploy such a system in about the same time it would require to deploy the MX in a "dense pack" array.

I realize that by not offering a quick and easy solution to nuclear armaments, I shall disappoint some readers. Indeed, I am disappointed, too, but I am not discouraged. Many people find the indefinite extension of the nuclear "balance of terror" emotionally, if not logically, unacceptable. They point out that past balances of power, while they may have preserved the peace for some period, eventually have broken down. Deterrence is by its nature a theory that can be proved in retrospect only, as year after year war is avoided. We never can prove for certain that deterrence is the source of peace, or that deterrence will remain permanently effective.

These objections carry weight. Nuclear war must be made impossible, or probability suggests that it might sooner or later occur. Yet to abolish nuclear weapons effectively without running unacceptable risks will require a period of growing together among the nations of the world, a period of gradual abatement of Soviet desires for extending their hegemony, a period hard to imagine being scarcely less than several generations.

Arms control has a key role to play in helping us survive for the foreseeable future. I believe that, if brought forward by an administration that genuinely plans for success, meaningful arms control can be achieved.

I have long advocated a sequence of proposals that would start with nuclear arms limitations between the superpowers, move on to reductions, promote the cause of nonproliferation, seek to involve other nuclear weapons states, and address conventional arms reductions as well.

Nothing could do more good for the future of deterrence and the prevention of nuclear war than an effective, verifiable arms control agreement with the Soviets that deliberately bolsters the survivability factor (the ability to withstand sudden attack) in existing or future nuclear weapons. We should strive to reinforce the impossibility of a successful first strike and encourage both sides to invest in survivable systems. We should not be obsessed with numbers, even if they are reductions. Most particularly, we should offer proposals aimed at heading off technological breakthroughs in nuclear weaponry that might prove dangerous and destabilizing to both sides.

One area in which such arms-control initiatives are possible is space. Both we and the Soviets depend increasingly on satellites for communications and intelligence—both passive and defensive. But space remains the one area where man has learned to travel in which he has not yet fought a war. Surely, we should give priority to negotiations with the Soviets, to agree to verifiable restrictions on space-based weapons systems.

I realize how unpleasant the subject of nuclear weapons is for most Americans to contemplate. It is nothing that any of us enjoys thinking about. But I firmly believe that the only way to preserve peace, and ultimately to diminish the threat of nuclear war, is to look at the problem squarely and to devise a rational strategy to deal with it, rather than to imagine that there are quick and easy solutions. Peace is the goal, and the necessity. The task of leadership is to find the rational ways to preserve it. Arms control, and a stable deterrent force, pursued with patience and resolve, are in my judgment the dependable means to that end.

Conventional military forces

Preservation of peace and protection of our interests abroad rest most immediately upon our ability to deter aggression by means short of resort to nuclear weapons. In the 1950's, when the United States had a practical monopoly of nuclear weapons, it was possible to threaten "massive retaliation" against aggression at any level, rather than to plan to resist conventional attacks by retaliating with conventional forces. We still, particularly in Europe, rely in part on our nuclear guarantee to deter conventional attack by the Soviets. That limited nuclear reliance has become a part of our political guarantee to preserve the peace in Western Europe. In order to keep the Soviets from nullifying it by the modern and dangerous SS-20 mobile missiles they already have deployed in Europe, I support modernization of our own nuclear weapons there. Again, the goal is stability and balance.

Nuclear arms would not have to play such a significant role in Europe if NATO's conventional forces were adequate in their own terms. NATO's conventional forces do not now match those of the Soviets and the Warsaw Pact, though they are sufficient to make a Soviet attack very costly.

The challenge, therefore, is for the Western Europeans to do more in the conventional area. They are well capable economically of doing this and, over the longer term, they must. Their gross economic product, taken together, well exceeds that of the United States. Their per capita income is comparable to, and in some cases higher than ours.

The power of the United States is not infinite. Our other defense burdens, in the Persian Gulf, the Third World, and the high seas, are taxing our resources. Americans ultimately will find it unacceptable to pay a disproportionate share to do for Europe what the Europeans can be doing for themselves, particularly when they depend more then we do on Midldle Eastern oil. For example, we are committed to provide 10 of our 16 army divisions to Europe within 10 days of NATO mobilization. More than four of those U.S. divisions are permanently stationed in Germany and duplicate troop equipment for others is in place in Europe. Our allies could contribute more, for instance, to the cost of storing and manufacturing that equipment and housing our troops. The Japanese also could do more, as Prime Minister Nakasone acknowledged in his recent visit.

Such adjustments need not, however, be precipitous. In our efforts to counter Soviet aggression and expansionism, a key U.S advantage lies in the fact that we have numerous rich and productive allies, while the Soviets have only poor dependents and subjects. It is not in America's interest to sour allied relations by hasty action or ill-tempered confrontations.

Europe, however, is a special case that reflects the basic military balance problem between the U.S. and the USSR: nuclear parity no longer permits us to add a nuclear weapons "edge" to the scales, to offset imbalances created by vastly larger Soviet conventional forces.

Beyond that, however, conventional forces deserve more emphasis in our defense effort because to the extent that conventional forces are able to head off threats to the peace, the danger of nuclear war is diminished. Conventional forces that were adequate in an era of nuclear monopoly are not adequate now. I am well aware that conventional forces are costly—currently they take up almost five times as much of the defense budget as do strategic nuclear weapons. But if we are serious about protecting this country's interests while avoiding nuclear war, we must buy the kind of conventional forces our foreign policy demands.

I wish that I could promise that improving our conventional forces will be inexpensive. I cannot. But I do think that savings are possible, partly from changes in the way the Pentagon is run, and partly from making sure that the weapons we add to the inventory are being bought because they are needed, and not just because they have been developed.

The striking truth about conventional warfare since World War II is that it has gone on virtually as though nuclear weapons did not exist. Numerous wars have been fought. Smaller, non-nuclear powers have fought against nuclear powers and against each other. Our assumption has to be that this pattern will continue except insofar as we can deter it.

While war between superpowers will continue to be inhibited by the danger of escalation, there should be no blinking at the fact that nuclear parity, by making nuclear weapons even more unlikely to be used, favors the side with more conventional forces. Nuclear weapons never have been of more than limited value in redressing the conventional balance; and except under circumstances such as prevail in NATO, parity has now decoupled nuclear and conventional war.

The proper reaction to the enhanced danger of conventional war is not to deny it, but to change it by correcting the relevant conventional force weaknesses.

The Soviet Union is a formidable adversary. Its low personnel costs and total lack

of accountability to its own public are a permanent advantage in raising conventional forces. But the situation is by no means hopeless. To seek once again to redress this weakness of the West by searching for an illusory nuclear superiority would be useless and self-deceptive. Instead, we should take advantage of strategic factors that favor the West.

The Soviet Union is a land power, virtually self-sufficient, sharing land borders with nearly all of its allies (which are few and poor). The Soviets, moreover, share borders with nearly all their potential targets for aggression. The Soviets can drive a tank to most of the places they might want to go, including Europe, the Persian Gulf and Asia. When Russian leaders created a large army, therefore, and its supporting air power, they created an instrument of attack that can project Soviet power abroad. Their ports, however, are few, their fleet traditionally weak, but changing rapidly into a major power projection force.

The United States, by contrast, is virtually an island power. Our neighbors are friendly, and we need devote almost nothing to defense of our borders. But we are a trading nation dependent on international ties, with many and valuable allies separated from us by broad oceans. To project our power and protect our interests abroad, therefore, we must invest heavily in long-range air and sea weapons and transport, which are in some respects more vulnerable to interdiction than their land equivalents.

Over the past 20 years, the Soviets have tried to remedy the defects in their strategic situation. They have greatly increased their fleet and have increased their air transport capability, both to go overseas and to respond to situations where land transport may be possible but too slow. But their capacities remain significantly less than ours. We currently retain overall superiority at sea, though they are challenging it. We retain superior capacity for air transport. The comparative technological superiority of our conventional weapons, while greatly reduced below that of the past, is not yet negligible. Best of all, we continue to enjoy the benefit of major allies who field significant forces and who do so of their own free choice rather than by compulsion.

A Soviet division in Murmansk is of very little significance to America's defense, unless it can be moved to threaten something we value. A very large percentage of Soviet forces will continue to be tied down in defensive missions: against China, against potential Eastern European unrest, and in Soviet Central Asia. Another segment is fighting in Afghanistan. The remainder is best configured to fight in Europe, in a war that is least likely to occur. The portion of Soviet forces that is both available and deployable, using current Soviet assets, is significant. But it is within the capacity of U.S. and allied forces to handle those conventionally, provided we invest in appropriate forces in a timely manner.

In relying on conventional forces to deter aggression by the Soviets or a Soviet-backed proxy, we cannot avoid considering the ways we might have to use our forces. We thus must ask where the potential gains are, from a Soviet perspective, that also are potentially significant losses from our perspective.

Europe and the Far East would be enormously significant targets if a conflict did occur, but given the risks and the certainty of fierce resistance, the actual probability of conflict in such areas must be assessed as small, except on the Korean peninsula. Kim Il-Sung of North Korea retains a measure of independence from both his Soviet and Chinese backers and might launch an attack if tempted by U.S./South Korean weakness. Numerous targets of opportunity could be catalogued in the Third World, and in fact the Soviets (and their Cuban or other surrogates) have shown great willingness to meddle in such regions in recent years, especially in Africa.

In our defense planning, we naturally prepare for the danger that can threaten our very national existence; such danger comes only from the Soviet Union. In preparing for this greatest danger, we can lose sight of lesser but more likely threats. We have fought several times since World War II, but never directly against the Soviets.

We assume, perhaps too easily, that forces able to deal with the Soviets can deal with any lesser foe. But we no longer can guarantee that a Third World nation is automatically an easy opponent (even leaving aside the chance of Soviet assistance) or that the mere rumor of our power will suffice to intimidate an aggressive dictator. Third World armed forces are growing rapidly in size and sophistication; they often have modern, highly lethal arms; they cannot necessarily be dealt with by token forces and second-rate equipment.

In short, Third World threats to American interests are secondary when compared to the Soviet menace, but they are neither negligible nor ignorable. If we concentrate too much on the Soviets, in our weapons and in our deployment of forces, we may run limited but still substantial risks in conflicts that have little to do with the U.S./Soviet rivalry. Yet we must avoid overpreparation for peripheral dangers. Third World conflicts are not, merely by virtue of being more likely, more important than the Soviet threat. A proper balance is required.

In the Persian Gulf oil fields, Third World dangers and the Soviet threat come together. That area is the one target whose conquest by the Soviets would make a real difference in the world balance, that is weakly held, far from American centers of power, reasonably close to Soviet centers of power, and might thus be both a practicable and worthwhile objective for Soviet aggression. I share the concern expressed by so many at the dangerous consequences for the West of such Soviet action. Some steps have already been taken to make possible an American counter to such aggression. I have some doubts about the effectiveness of those steps. The Rapid Deployment Force, now renamed "Central Command," is a case of sending our supply train half-way around the world, ahead of the troops, and expecting it to be there when needed.

Technology

How should our defense budget reflect the pace of weapons technology? The short answer is, wisely. Too much dispute has centered on whether technology is a worthwhile thing in weaponry. To me, that is a ridiculous argument. Of course we want to use the highest technology. That is our "ace-in-the-hole" against Soviet superior numbers and manpower. To attempt to match them with "simple weapon" versus "simple weapon," and man for man, just throws away our greatest advantage—technically superior and more capable weapons systems. But it also depends on whether the innovations work, and whether they are worth what they cost. That must be decided case by case. What is certain is that technology is here to stay, and cannot be avoided.

A POSITIVE NATIONAL SECURITY PROGRAM

We need an administration that will take charge of the Defense Department. We need planning for national security that will shape our military programs to the needs of our foreign policy, instead of allowing costly weapons programs to develop bureaucratic lives of their own. Our weapons should be shaped by our policy, and not vice versa.

What can be done? A great deal. We can enhance the military security of the United States by efforts both inside and outside the defense budget. For example:

For broader national security

1. Fix the economy. The productivity of our people is what fuels our defense effort. The disastrous waste of the past years, the loss in output, the failure to use our resources, must be ended.

2. Stop painting our defense posture as worse than it is. A great disservice of the Reagan Administation has been its constant refrain of our military weakness. The fact is that, counting their and our allies, we still are in a range of rough military equivalence with the Soviets. What is disturbing is the trend toward their pulling ahead. But we have it in our power to arrest that trend, and maintain a balance, without bankrupting the United States. We should not delude ourselves or our allies, or our adversaries, into thinking that safety is beyond our grasp. We are quite capable of doing what is needed.

3. Plan to be able to support a steady but realistic growth in real military expenditures—so long as the Soviets continue their arms buildup. The key here is steady, planned growth—not the unsustainable spurts that the Reagan Administration has set the stage for, and not the Reagan-Weinberger approach of simply letting the military service bureaucracies in the Pentagon have a blank check to buy whatever they want, without real priorities.

4. Pursue arms control as an integral part of our security effort, letting the Soviets know that they have nothing to gain by trying to outdistance us, because we shall not allow that to happen.

5. Press our allies for more conventional forces effort. The way to do this is not the Reagan method of threats and bluster and failure to consult. Instead, we should let our allies know in specific terms what can be done for the common defense—for example, new programs for cooperative production of equipment, and greater efforts for interoperability. As we do more to guard their oil supply in the Middle East, they can do more to deter war on the central front in Europe.

6. Support the educational base on which adequate defense depends. Out educational expenditures should be targeted on mathematics, science and engineering, and foreign languages—crucial areas in which this country is falling behind. Along with other educational efforts we need to emphasize and fund programs, training and opportunities including some for the most gifted of our children, whose contributions to the future will far outweigh their numbers. We need to support the technological discoveries which will support both our economy and our military effort. And we need to expand our skills to deal with the non-English-speaking world, because assuredly we shall have to do so in the next generation.

7. Support basic research. The Reagan Administration has been carelessly cutting the relatively small federal expenditures that fund research and development. That is short-sighted and foolish. Basic research is

our ticket of admission to the future, the source of prosperity of the next generation. It also historically has been the engine of our defense effort, and a way to avoid dependency on the rest of the world. The payoffs far exceed the minimal expense.

8. More generally, use government to make those capital investments that are too large for the private sector to undertake—also vital components of our national defense mobilization base. Public-sector capital investment of this kind built our country, transformed it to what it is today. The need for such public efforts is almost as old as the republic—the establishment of post offices and post roads, the building of canals in the 1830s, the land-grant college system set up by the Morrill Act in 1862, grants to build the transcontinental railroads, the Tennessee Valley Authority since the 1930s, support of air transportation in the 1930s, the G.I. Bill that moved a generation of veterans into the middle class, federally-insured home mortgages, the space program. These are the great successes of government capital-building; these are where the free market cannot do the job by itself; and today such expenditures will also help provide a foundation for strong defense.

For better defense

Turning to the Pentagon in particular, there are some reforms that can make our defense work better and actually save money:

1. Replace the Joint Chiefs of Staff system. Our central military staff organization was designed during World War II, and it is no more suited to current needs than would be the weapons of that era. One of the first to complain of its deficiencies was President Dwight Eisenhower, who did not hesitate to state that if he had organized his own military staff like the JCS, he could not have done his job. Yet no administration so far has addressed this overdue task. It is time to follow the lead of the British and most other modern powers, and establish a central military staff that is not controlled by the bureaucracies of the four military services—one that can recommend hard program choices, and that can give useful military advice to the civilian leadership. We need officers on that staff who are properly trained for their jobs, and who can look to the joint system as well as to their individual services for assignments and promotions. The present system is overdue for modernization.

2. Establish an independent office of test and evaluation in the Defense Department, reporting directly to the Secretary of Defense. One source of the problem of weapons that do not work has been inadequate and unrealistic testing before production begins. Right now testing is for the most part in the hands of the same people responsible for development. That sort of conflict of interest cannot avoid unwise decisions. Like JCS reform, this organizational change does not cost a single dollar, but will pay large dividends over the long run.

3. Develop a small, accurate and mobile land-based missile that will be able to fill that part of our strategic deterrent without the basing limitations that plague MX.

4. Allocate more defense funding to "readiness"—flying hours for pilots, steaming time for ships, ammunition and supplies for realistic training exercises.

5. Cancel or replace some of the current military procurement programs that simply cost too much in proportion to what they deliver. Examples of programs to be considered for elimination are the infantry fighting vehicle ($1.5 million each), the DIVAD antiaircraft gun, and the expensive ($800 million each) but too specialized DDG-51 class destroyers designed solely for fleet air defense. Canceling or cutting back some of these programs now, before they reach their peak expenditure years, will ease the pressure on the defense budget two and three years from now, where giant deficits loom.

6. Continue modernization of our weapons and equipment. Although in some instances new weapons have not delivered what they were supposed to, in many cases they have. Cruise missiles, for example, with their high technology computerized guidance systems, have revolutionized the equations of warfare, and to our advantage. The effective use of modern aircraft and advanced electronics by the Israelis in the 1982 war with Syria is another example of technology's success when coupled with wise tactics and good training. We cannot afford to fall behind the pace of modern weaponry, or to throw away the advantage that the technological genius of this country has given us.

7. Buy and maintain the capability for deterring aggression on a conventional scale in parts of the world outside NATO, such as the Persian Gulf. While bases near key trouble spots can be enormously valuable, we cannot expect, nor could we afford, to have airbases and ports near every potential source of trouble. For that reason, we need to do more to obtain adequate airlift to move troops and equipment, and we need to maintain sufficient amphibious forces to deal with the need for landing on unfriendly shores. The Reagan Administration's attention to these needs has gone little beyond lip service, and its Rapid Deployment Force, or Central Command, is by any name little more than a collection of organizational charts and wishes, notably lacking troops or equipment. The basic requirement is not the Rapid Deployment Force itself, but rather the ability for the United States to be able to establish quickly a credible military presence where and when needed.

8. Reform the military retirement system at the same time Congress addresses Social Security and other federal retirement plans. Military retirement pay now consumes 7 percent of defense outlays, nearly $17 billion in FY 1984, and the obligations are spiraling upward each year but are totally unfunded. We must not break any commitments to military people who have retired or who have chosen a career under current retirement plans; but we must devise a sensible and financially sound plan for the future.

9. In general, pay more attention to the unglamorous points of the defense budget—logistics, mines and minesweepers for the navy, better communications at all levels, better airlift and sealift, fringe benefits that are not just empty promises to people in uniform.

THE TASK AHEAD

The management of defense in the nuclear age does not mean a call to battle, still less to a crusade. Such terms are ill-adapted to the realities of nuclear stalemate. Rather it is the management of long-term rivalry in a way that preserves our freedom and prosperity and permits survival. The threat of mutual annihilation has made obsolete the concept of total military victory over another superpower. But it nonetheless leaves our military with important and essential missions: to deter the nuclear war that would leave no victor and to help deter, or if need be win, the threats of conventional war that remain all too common. For that purpose, we need two things: a balanced, and above all survivable, nuclear deterrent force; and conventional forces that can defeat a variety of enemies wherever our national interest may require.

Our nuclear forces have already received some attention here. We need survivable land-based missiles, which are most likely to be small and mobile. We need the B-1 bomber, because the aging B-52s will not last forever and the "Stealth" is too far in the future and technically too uncertain to depend upon today. We need submarines, in at least current numbers and including a new class of smaller submarines, some of them perhaps less-expensive diesels, firing long-range cruise missiles or a few ballistic missiles each. Such a mixture maximizes protection against a breakthrough that might undercut deterrence. We can afford these things without undue sacrifice.

For conventional forces we need to continue to modernize and to make the best use of our technology, which is our single greatest military advantage. At the same time, we need to balance capability against cost and reliability to be sure that defense dollars are spent in the most effective total way. And we need a Defense Department organized and staffed to be able to make such judgments.

Cost-effective management of the defense effort is essential, as we struggle to make our available resources fit—nowhere more so than in conventional forces, where 85 percent of defense expenditures are made. Yet another of the Administration's disappointments, to those of us who support a strong defense, has been its record on management. The uniformed services are notoriously unable to resolve spending priorities when interservice rivalries are involved, as they nearly always are. Almost as well-known is their preference for hardware over readiness, if one or the other must be squeezed. Such rivalries and preferences, and the need to defend turf, even interfere with the Joint Chiefs' ability to advise our President about defense threats and strategy. The result is waste. The problem lies not in the officers but in the system. Such steps are not glamorous. They create no "photo opportunities." But they mean billions of dollars in savings, and greater military effectiveness and deterrence, in the future.

Meanwhile, making do with the current imperfect system, certain realities of the conventional warfare arena remain truisms. In order to deter effectively, we need the capacity to reach the enemy wherever aggression occurs. That means long-range aircraft, transports and tankers, a high seas navy second to none, money for sealift, modern fighter aircraft, and naval amphibious capacity. We do not always need the most expensive type of each weapon, but we do need weapons able to defeat the enemy, bearing in mind the increasing sophistication of the Third World and that, in some conventional war scenarios, the Soviets can deploy more numbers than we. We need to rely more on burden-sharing with our allies, accepting the fact that those who do more will expect to have their ideas accorded more respect.

CONCLUSION

In 1963 John F. Kennedy outlined what he called "A Strategy of Peace." That is not the same thing as a world without any conflicts or rivalries, but it is a worthy and more attainable goal. Our national security policy—of which defense planning is an essential part—should look forward to an en-

vironment in which human conflicts are resolved without resort to mass violence. The best way to do that, in my judgment, is by tough, realistic and sensible diplomacy, backed up by an economically healthy country and by military forces sufficiently strong and modern that no adversary would want to risk fighting them, at any level of violence.

The current debates over the defense budget and particular military programs can be healthy if they contribute to greater public understanding of these serious issues—and if they are not confined to defense alone. For defense issues cannot be adequately addressed, in my view, in a vacuum—any more than a physician could expect to treat the arms or legs without understanding how they relate to the cardiovasular system and the nervous system. Military programs exist in the context of the threats we face in the world, the economy we have and the society in which we live, and they reflect our physical resources, our institutions, and the talent and resources of our people.

The key to getting control of defense planning and spending is to get control of our own foreign policy—to examine what threats we face and what we must accomplish in the world to maintain our country's security, and to build forces designed to that goal. From foreign policy decision, we can determine what military capabilities we need; from capabilities needed, we can make decisions as to specifically which defense programs to pursue. We cannot, and need not, buy everything. But we must buy what we truly need.

The Democratic Party has a long tradition of supporting a strong defense, while maintaining the kind of free and prosperous society in which the human spirit can realize its full potential. As one who spent 23 years in the United States Marine Corps, I respect the role of our military forces, and the sacrifices and patriotism of our citizens and their families who dedicate their careers to that calling. At the same time, like a musician who loves the symphony but can hear false notes, I am sensitive to what can be done to make our armed forces work better in the service of our country, within the constraints of other demands on our resources.

With the right armed forces—serving under a government that cares for its people and responds to their needs, supported by an economy invigorated by hard work, talent and initiative, and in an America that still is the country of choice for millions of men and women who want to live their lives in freedom—we can maintain the safety of this country and help to create a more stable world in which peace can flourish.

Mr. BYRD. Mr. President, for the moment, I ask unanimous consent that I may reserve the remainder of my time, also.

ORDER OF BUSINESS

Mr. STEVENS. Mr. President, it is my understanding that there is a special order following the leader's time.

The PRESIDENT pro tempore. The Senator is correct.

Mr. STEVENS. I ask unanimous consent that the remainder of the leader's time recur for use after Senator MOYNIHAN's special order.

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

QUORUM CALL

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

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

The bill clerk called the roll, and the following Senators answered to their names:

[Quorum No. 4 Leg.]

Armstrong	Heflin	Murkowski
Biden	Jackson	Pell
Burdick	Jepsen	Pryor
Byrd	Kasten	Stafford
Chafee	Kennedy	Stennis
Cohen	Levin	Stevens
Cranston	Long	Thurmond
Dole	Lugar	Trible
Eagleton	Mattingly	Warner
Ford	McClure	
Grassley	Metzenbaum	

The PRESIDING OFFICER (Mr. LUGAR). A quorum is not present. The clerk will call the names of the absent Senators.

MOTION TO ADJOURN

Mr. STEVENS. Mr. President, I move that the Senate adjourn until 12 noon tomorrow.

Mr. BYRD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alaska. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Alabama (Mr. DENTON), the Senator from Oregon (Mr. HATFIELD), the Senator from Maryland (Mr. MATHIAS), the Senator from Delaware (Mr. ROTH), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I also announce that the Senator from Tennessee (Mr. BAKER) is absent to attend the funeral of a relative.

The PRESIDING OFFICER (Mr. PRESSLER). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 31, nays 63, as follows:

[Rollcall Vote No. 56 Leg.]

YEAS—31

Andrews	Hatch	Rudman
Chafee	Hecht	Simpson
Cohen	Heinz	Stafford
Danforth	Kennedy	Stevens
Dole	Laxalt	Thurmond
Domenici	Levin	Tower
Durenberger	Lugar	Wallop
Garn	McClure	Warner
Goldwater	Metzenbaum	Wilson
Gorton	Packwood	
Grassley	Quayle	

NAYS—63

Abdnor	Biden	Bradley
Armstrong	Bingaman	Bumpers
Baucus	Boren	Burdick
Bentsen	Boschwitz	Byrd
Chiles	Huddleston	Nickles
Cochran	Humphrey	Nunn
Cranston	Inouye	Pell
D'Amato	Jackson	Percy
DeConcini	Jepsen	Pressler
Dixon	Johnston	Proxmire
Dodd	Kassebaum	Pryor
Eagleton	Kasten	Randolph
East	Lautenberg	Riegle
Exon	Leahy	Sarbanes
Ford	Long	Sasser
Glenn	Matsunaga	Specter
Hart	Mattingly	Stennis
Hawkins	Melcher	Symms
Heflin	Mitchell	Trible
Helms	Moynihan	Tsongas
Hollings	Murkowski	Zorinsky

NOT VOTING—6

Baker	Hatfield	Roth
Denton	Mathias	Weicker

So the motion was rejected.

CLOTURE MOTION

Mr. STEVENS. Mr. President, a parliamentary inquiry. What is the matter now before the Senate?

The PRESIDING OFFICER. The matter before the Senate is that under rule XXII, 1 hour having passed since the Senate convened, the clerk will report the motion to invoke cloture.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the Kasten amendment No. 522 to S. 144.

Bob Kasten, William Proxmire, Paula Hawkins, David L. Boren, John P. East, Jesse Helms, Wendell H. Ford, Walter D. Huddleston, Steven D. Symms, J. Bennett Johnston, Ernest F. Hollings, John Melcher, Nancy Landon Kassebaum, David H. Pryor, Orrin G. Hatch, Don Nickles, J. James Exon, Jeremiah Denton, Jennings Randolph, Thad Cochran, and Robert C. Byrd.

CALL OF THE ROLL

The PRESIDING OFFICER. Pursuant to rule XXII, the Chair now directs the clerk to call the roll to ascertain the presence of a quorum.

The bill clerk proceeded to call the roll.

Mr. GOLDWATER. Mr. President, a point of order.

The PRESIDING OFFICER. The Senate will be in order. Those conversing will retire to the cloakrooms.

Mr. GOLDWATER. Mr. President, my observation is that a quorum is present.

The PRESIDING OFFICER. A quorum call is in progress.

Mr. GOLDWATER. I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Is there objection?

Mr. McCLURE. I object.

The PRESIDING OFFICER. The Senate will be in order. Those conversing will please retire to the cloakrooms.

The quorum call will proceed.

The bill clerk continued the call of the roll, and the following Senators answered to their names:

[Quorum No. 5 Leg.]

Abdnor	Ford	Melcher
Andrews	Garn	Metzenbaum
Armstrong	Glenn	Mitchell
Baker	Goldwater	Moynihan
Baucus	Gorton	Murkowski
Bentsen	Grassley	Nickles
Biden	Hart	Nunn
Bingaman	Hatch	Pell
Boren	Hawkins	Percy
Boschwitz	Hecht	Pressler
Bradley	Heflin	Proxmire
Bumpers	Heinz	Pryor
Burdick	Helms	Quayle
Byrd	Huddleston	Randolph
Chafee	Humphrey	Riegle
Chiles	Inouye	Rudman
Cochran	Jackson	Sarbanes
Cohen	Jepsen	Simpson
Cranston	Johnston	Specter
D'Amato	Kassebaum	Stafford
Danforth	Kasten	Stennis
DeConcini	Kennedy	Stevens
Denton	Lautenberg	Symms
Dixon	Laxalt	Thurmond
Dodd	Leahy	Tower
Dole	Levin	Trible
Domenici	Long	Tsongas
Durenberger	Lugar	Wallop
Eagleton	Matsunaga	Warner
East	Mattingly	Wilson
Exon	McClure	Zorinsky

The PRESIDING OFFICER (Mr. ABDNOR). A quorum is present.

INTERNATIONAL TRADE AND INVESTMENT ACT—S. 144

Mr. STEVENS. Mr. President, I ask unanimous consent that there be a minute on each side just to explain what is going on here; not for any debate, but just a comment.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Reserving the right to object, Mr. President, I shall not object, because I think the distinguished Senator is entitled to have an opportunity to make an explanation. Would he make it 2 minutes on each side, with the understanding that it be for the purpose only of explaining the delay; no motion and nothing to interrupt the vote on cloture, which is automatic under the rule?

Mr. STEVENS. I have no objection to giving the Senator that.

Mr. BAKER. Mr. President, I would like to put the request, if I may.

Mr. BYRD. The Senator may put it.

Mr. BAKER. If the Senator will yield to me.

Mr. STEVENS. Yes.

Mr. BAKER. Mr. President, I thank the minority leader.

I ask unanimous consent that there now be 4 minutes equally divided for discussion of this issue and that no motion, no amendment, and no other procedural motion may be in order other than debate.

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

The Chair recognizes the Senator from Wisconsin.

Mr. KASTEN. Mr. President, I hope that the Senate will vitiate the cloture motion and that we will not vote cloture tonight. In the case that we cannot vitiate the motion, I urge those people who are in favor of repeal of the withholding on interest and dividends, in favor of the 10-percent withholding regulation, to vote with me against cloture.

In the last 3 or 4 hours we have been able, working with representatives of the administration, Senator DOLE, Senator STEVENS, and others, to reach an agreement which I think solves the problems that all of us have been trying to solve. We will not have withholding until July of 1987, and only in July of 1987 will we have withholding if we have been able to demonstrate that we have not gotten the compliance that we all hope and believe that we can get by increased penalties, by matching up the 1099 forms, and by other changes that have been made in the IRS and Treasury.

So I hope that we could avoid the cloture motion completely or, if not, cloture would fail because, if we invoke cloture tonight, it would mean that we would not be able to modify the Kasten amendment along the basic guidelines that you have just described.

I remind the Senate that if we do not vote cloture tonight, there still is a Kasten cloture motion which is scheduled for tomorrow. And if something were to happen and this agreement were to fall through or upon further examination this agreement would be found to be not workable, at that point we would change and once more vote. That vote is scheduled, and it is not now my intention to ask unanimous consent that tomorrow's cloture motion be vitiated, only tonight's motion, so that we have an opportunity to amend the Kasten motion along the guidelines of the modifications that have been tentatively reached tonight.

I yield to the Senator from Kansas.

The PRESIDING OFFICER. The 2 minutes allotted the Senator have expired.

The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, I presented to my caucus today the proposal that Mr. STEVENS had made concerning a possible compromise package and his desire to vitiate the cloture vote. There were those Senators in caucus who felt they wanted to vote on the cloture motion. The motion had been introduced, timely filed, and they wanted to vote on the cloture motion. The caucus took no position pro or con, contrary to what may have been reported to some people in the press galleries, I understand.

The Democratic Caucus took no position pro or con, and the President's name was not mentioned, but certain Senators wanted a vote on the motion. They did not know how they would explain to their constituents if the cloture vote were to be vitiated and they were to acquiesce in it. They wanted to vote. Some were for cloture, some were against cloture. They asked that there be a vote, and so for the record I explain my reason for seeing that the wishes of those Senators were carried out to the best of my ability.

(Mr. EXON addressed the Chair.)

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Is a question in order of the Senator from Wisconsin so that I might know how to vote?

Mr. KASTEN. I would be pleased to yield.

Mr. EXON. The statement that the Senator just made was very similar to the understanding that the Senator explained to me 3 or 4 hours ago on the floor, and I congratulate the Senator for his work. Do I understand that the President has agreed to sign off on this and agreed to this? Do I further understand that if this bill, which carries the Kasten amendment, does not proceed through the Congress, there has been an agreement that the White House and the leadership on that side of the aisle have agreed to allow it to come forth on some bill that will go to the President?

Mr. KASTEN. It is my understanding that the representatives of the administration we have been working with today are not speaking officially for either the President or the Secretary of the Treasury, who is now in Mexico.

The PRESIDING OFFICER. All time has expired.

Mr. KASTEN. I ask unanimous consent to proceed for an additional 2 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. DECONCINI. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. BYRD. Mr. President, I ask unanimous consent that the Senator may have 1 minute to respond.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered.

Mr. KASTEN. We were working with Mr. Chapoton and others in the Treasury along with, on the telephone, people from the administration, also from OMB. The Secretary of the Treasury has not returned from Mexico. He has not reviewed the details of this. Therefore, they have not taken a firm position. It is my hope, and frankly my understanding, that those administration officials who have worked with us over the afternoon will be doing everything they can to encourage both the President and the Secretary of the Treasury to agree to these modifications, but at this par-

ticular point I cannot tell the Senate whether they will or not. Senator DOLE has spoken with Congressman ROSTENKOWSKI. I have been unable to reach him on the phone, but the Congressman has through his conversations said that if a measure similar to this, which is a modification rather than a flat repeal, were to come to the Ways and Means Committee, he would have hearings on it. That is about as far as we can go. I suggest to the Senator from Nebraska that we did not have any assurances anywhere along the line on this trade reciprocity bill. We are trying to do everything we can to act in good faith. If it turns out that this procedure falls apart at any step of the way, we are not precluded from offering a repeal amendment at some other time.

VOTE

The PRESIDING OFFICER. All time has expired. The question is, Is it the sense of the Senate that debate on the Kasten amendment numbered 522 to S. 144 shall be brought to a close? The yeas and nays are automatic under the rule. The clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Alabama (Mr. DENTON), the Senator from Minnesota (Mr. DURENBERGER), the Senator from Oregon (Mr. HATFIELD), the Senator from Nevada (Mr. LAXALT), the Senator from Maryland (Mr. MATHIAS), the Senator from Oregon (Mr. PACKWOOD), the Senator from Delaware (Mr. ROTH), the Senator from Wyoming (Mr. SIMPSON), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I further announce that, if present and voting, the Senator from Wyoming (Mr. SIMPSON) would vote "nay."

Mr. CRANSTON. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Tennessee (Mr. SASSER), and the Senator from Massachusetts (Mr. TSONGAS) are necessarily absent.

The PRESIDING OFFICER. Is there any other Senator in the Chamber desiring to vote?

The result was announced—yeas 34, nays 53, as follows:

[Rollcall Vote No. 57 Leg.]

YEAS—34

Baucus	Glenn	Mitchell
Bentsen	Heflin	Moynihan
Boren	Helms	Nunn
Burdick	Huddleston	Pell
Byrd	Humphrey	Pryor
Chiles	Inouye	Randolph
DeConcini	Jackson	Riegle
Dixon	Johnston	Sarbanes
Eagleton	Leahy	Stennis
East	Long	Zorinsky
Exon	Matsunaga	
Ford	Melcher	

NAYS—53

Abdnor	Goldwater	Murkowski
Andrews	Gorton	Nickles
Armstrong	Grassley	Percy
Baker	Hart	Pressler
Bingaman	Hatch	Proxmire
Boschwitz	Hawkins	Quayle
Bradley	Hecht	Rudman
Bumpers	Heinz	Specter
Chafee	Jepsen	Stafford
Cochran	Kassebaum	Stevens
Cohen	Kasten	Symms
Cranston	Kennedy	Thurmond
D'Amato	Lautenberg	Tower
Danforth	Levin	Trible
Dodd	Lugar	Wallop
Dole	Mattingly	Warner
Domenici	McClure	Wilson
Garn	Metzenbaum	

NOT VOTING—13

Biden	Laxalt	Simpson
Denton	Mathias	Tsongas
Durenberger	Packwood	Weicker
Hatfield	Roth	
Hollings	Sasser	

The PRESIDING OFFICER. On this vote, there are 34 yeas and 53 nays. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to.

REQUEST FOR ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, there will be no more votes tonight.

Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business to extend not past the hour of 7:50 p.m. in which Senators may speak for not more than 3 minutes each.

PROPOSED COMPROMISE ON KASTEN AMENDMENT

Mr. BYRD. Mr. President, reserving the right to object, and I will not, but I hope someone will put in the RECORD an explanation for the compromise that has been worked out on the other side of the aisle. To my knowledge——

The PRESIDING OFFICER. Will the Senator suspend? Let there be order in the Senate please. Senators will be in order. The Senator will continue.

Mr. BYRD. I thank the Chair. To my knowledge, and I may be wrong in this, I know of no Democrat who is familiar with the details, the infinite details, of this package, this compromise. So far as I am concerned, it is a pig in a poke. I have heard it explained in generalities about 2 or 3 hours ago but I do not know what went on in the last 2 hours, and so far as I am concerned I voted for cloture on this side of the aisle not knowing what is in the compromise package that was worked out on the other side. I do not know of any Democrat who had any input into the compromise at all.

So before we reach the time to vote for or against cloture on the Kasten amendment tomorrow—which calls for outright repeal of the withholding tax—I hope there will be some explanation in the RECORD or on the floor tomorrow of just what this compromise is. What does it entail? What are the details? We, on this side of the aisle, have the right to know that. So I am not going to vote blindly against cloture on the Kasten amendment until I understand what the compromise is. I think we on this side of the aisle are entitled to that.

Mr. KASTEN. Will the Senator yield?

Mr. BYRD. Yes.

Mr. KASTEN. I agree with the Senator we ought to know what we are voting on tomorrow. We are still working, we have a couple of pages here of some of the legislative language, but what I would like to do at this point is to read into the RECORD, and then ask they expand on it somewhat, the basic provisions.

Mr. BYRD. May I interrupt the Senator at that point? The majority leader has the floor. I merely reserved the right to object. I do not object. I simply wanted to state what I said for the benefit of any Senators interested and I do not object to the majority leader's request.

The PRESIDING OFFICER. Is there objection——

Mr. MELCHER. Reserving the right to object——

Mr. BAKER. If the Chair will recognize me, I think the Senator from Wisconsin wishes to speak and I withdraw my request for the moment.

Mr. MELCHER. Mr. President, very briefly, I would like to just trace through the budget estimates that Treasury has made since the first of the year on withholding tax on savings. As I have previously stated in the debate on withholding tax on savings, the Treasury has been overestimating the revenue this provision would gain. Earlier in the debate when we were on this amendment I felt that the Treasury had overstated the amount that could possibly be collected and I just want to run through quickly the four points which they established the baseline on January 31, 1983, in the Office of Management and Budget and the President's budget said there would be $25.887 billion through fiscal year 1988 from interest and dividend withholding.

On March 2, 1983, in a letter from Secretary Regan to the Senate Finance chairman he stated that the Treasury attached a reestimate of revenue effect of withholding of interest and dividends and that included expanded information reporting and that estimate was down from $26 to $22.7 billion.

While we were debating this matter a few weeks ago in material prepared for the Senate Budget Committee and the impact on revenues of Senator KASTEN's proposal, the estimate was trimmed back to $18.2 billion over the

coming fiscal years through 1988 that the withholding tax would generate.

Now, in April of this year the current budget estimate of April 1983, a periodic reestimate updating previous numbers required by the Congressional Budget Act of 1974 and prepared by the Office of Management and Budget revealed new totals on April 12. In a table entitled "Change in Budget Receipts," it subtracted $8.1 billion due to end-of-year withholding. That is the explanation.

So from January 31 until April 12 the estimate has been changed from $23.887 billion through fiscal 1988 down to $10.1 billion. Yes, indeed, there was overestimating and we may get some more new estimates lowering the estimate again as we debate this matter in the coming days.

Mr. DOLE. Mr. President, I appreciate the Senator from Montana's comments. In fact, I commented on pretty much the same thing yesterday, but I think there are reasons for the changes in estimates and we will be discussing those. Much of the change is due to efforts by the Treasury to encourage those who are opposing withholding on interest and dividend income to support the legislation, the law that was passed last year. Of course, the numbers did change, and they dropped when Treasury authorized yearend withholding which the banks did not like, but which helps the savers, and when Treasury made some of the changes that the banks asked for. There will be a full explanation of that provided. But, nonetheless, It is confusing, as the Senator from Montana pointed out, to have almost a monthly change in the revenue figure. I am certain that if, in fact, the compromise that has yet to be fully explained is adopted there will be another change.

But I would just suggest, as I said as candidly as I could in a discussion today in the Republican policy luncheon, that as I counted the votes last night, the hard votes on cloture, I had only 28. So I went down to the White House last night to see how many they had. They did not have any, so I still had 28, and it seemed to me at that point we had two ways to go: To go ahead and make the fight, and lose, and have the repealer passed with only the requirement that you attach the 1099's, which we were told produced no revenue at all, or to try to work out some compromise where we could preserve most of the revenue. I would say, under the compromise we have tentatively agreed on, we will lose about $5.2 billion compared to current law which raises about $17.7 billion more than pre-TEFRA law. That is a loss, but it also retains about two-thirds of the initial estimate, and it does delay withholding until 1987 on interest and dividends. At that time if we do not have a 95-percent compliance rate as certified by a GAO study subject to the two Houses' approval, then withholding would take place.

But much of the revenue is picked up in what we call backup withholding. There have been a lot of arguments on this floor that we do not want to go after the honest taxpayers; we want to go after the other taxpayers. I frankly believe that withholding is good tax policy. The Senator from Kansas has not changed his mind on withholding, but he has changed his views on what is possible to achieve.

We provide for backup withholding for taxpayers who fail to comply with the law. We require those who send out 1099's to do it by first-class mail, in official form. We do require that magnetic tape filing be required, with a 1-year waiver authority for hardship cases, perhaps for that place in Montana. Deer Lodge, I believe, was the one the Senator mentioned to me about 1 month ago. We also require that copies of the 1099 forms be attached to the return. That is at the insistence of the Senator from Alaska, Senator MURKOWSKI, and others, who believe that is part of the way you solve this problem. That is not the view of the IRS.

We also have a broad civil penalty of $1,000 for individuals who attempt to avoid or attempt to evade income tax on interest or dividends.

There is still some drafting being done. I am not certain what support this amendment will have. As the Senator from Wisconsin properly noted, the President has not indicated that he would support this bill. He has only indicated that he would veto repeal.

This is not repeal; it is delay. And it does provide backup withholding in some cases and has some other provisions that I think the President might agree with. I cannot speak for the President. I have no authority to speak for the President. I did receive at least some indication from those we met with at the White House that it was all right to explore certain areas. That is precisely what we did.

I would just suggest that we hope to discuss this matter in detail tomorrow, unless cloture is invoked. The reason we prefer that cloture not be invoked is that under cloture, much of this amendment would not be germane, and much of the revenue we hope to retain would not be picked up. In my view that would be contrary to what I believe is the general policy of the Senate.

I do not know of any Senator who is going to stand up and say we ought to let anybody who does not pay their taxes just escape. The President thinks the best way is to just have withholding. Very honestly, we did not have the votes for that. I cannot predict what will happen to this bill when it leaves the Senate. I did meet with the chairman of the Ways and Means Committee this morning. He still feels as I do, that withholding is the best way. Again, I cannot speak for the chairman of the Ways and Means Committee and would not make any effort to do that.

Mr. DANFORTH. I wonder if the Senator from Kansas will yield for a question.

Mr. DOLE. I yield.

Mr. DANFORTH. I would like to inquire as to where we stand now. Is a cloture vote now scheduled for tomorrow on the original Kasten amendment? Is that scheduled?

Mr. DOLE. Yes; we come in at noon and I understand it will be 1 hour after the Senate convenes.

Mr. DANFORTH. And then it is my understanding that the Senator from Wisconsin would again urge Senators to vote against cloture?

Mr. KASTEN. Or to vitiate the cloture motion.

Mr. DANFORTH. Then, at that time, the bill would be open for amendment, is that it, and the Senator from Wisconsin would intend to offer a substitute amendment?

Mr. KASTEN. If the Senator from Missouri will yield, it is the hope of the Senator from Wisconsin that there may be an opportunity tomorrow, possibly by stretching out the time by unanimous consent, agreeing to vote on the cloture motion 2 hours after we meet, that there would be something like that tomorrow so we would have an opportunity to work out the details of this modified amendment before the second cloture vote is vitiated.

Mr. DANFORTH. Could I inquire further of the majority leader? If the compromise amendment is offered, then is it the intention of the majority leader to ask for a time agreement on that compromise amendment?

Mr. BAKER. Mr. President, as the Senator knows, I have been away from the city until just a short time ago. I have not yet had an opportunity to talk to the Senator from Wisconsin, the Senator from Kansas, or the Senator from West Virginia. I am willing to do that. It sounds like a good idea to me. The honest answer is I have not yet discussed that with the principals.

Mr. DANFORTH. I wonder if I can be considered one of the principals for the purpose of negotiating a time agreement. I would very much like to be consulted.

Mr. BAKER. The Senator is always one of the principals in every respect. I will add him to the list of those I will consult.

Mr. DANFORTH. I very much thank the majority leader for that.

As I understand it, the Senator from Wisconsin intends to offer his substitute amendment tomorrow.

Mr. KASTEN. It is likely to be a Dole-Kasten or Kasten-Dole substitute

amendment. We intend to work together on it.

Mr. DANFORTH. And that would be open for debate or any motions that may or may not be in order.

Mr. BAKER. If the Senator will yield for a moment, I do not know exactly what the parliamentary situation is because I was not here. I unfortunately was attending my uncle's funeral.

In any event, if I recall the procedure correctly, all of the slots in the amendment tree have been filled and it would require unanimous consent or the withdrawal of an amendment in order to do this. But I am sure that could be done. Indeed, if consent not be given to do it, we can attempt to do it in another way. I pledge to the Senator I will get this matter procedurally before the Senate.

Mr. DANFORTH. Again, can the majority leader assure me that I can be consulted before any agreement is reached as to a time certain to vote on the Kasten or the Kasten-Dole amendment?

Mr. BAKER. I give the Senator that assurance.

Mr. DANFORTH. The amendment, when offered, is an amendment to the so-called reciprocity bill. How does the majority leader view the reciprocity bill? It has always been my view that it was introduced in the Senate really to get a hearing and to be marked up and reported by the Finance Committee and then to wait for a House bill. Then it became the vehicle for the Kasten amendment.

If the Kasten amendment or a Kasten amendment is adopted, do we then go on to consider the details of the reciprocity bill?

Mr. BAKER. Yes; Mr. President. I represented on the floor some weeks ago in colloquy with the Senator from Wisconsin and the Senator from Kansas that when we chose the reciprocity bill as the vehicle, it was because it would go through the complete process in the Senate. What the House intends to do with it remains to be seen. I must say that I think the House would find the vehicle as so amended not proper. But I think the matter will find its way through the Senate process.

Mr. DOLE. Mr. President, I believe the indication I received this morning is that the House Ways and Means would have hearings on this matter.

I would want the record to show that we did try to contact the distinguished Senator from Missouri at noon today in an attempt to bring him into the negotiations. He was unavoidably absent. I know he has an interest in this as well as the reciprocity portion of the legislation.

I would only say finally that any of these figures for revenue gain from backup withholding that I referred to will be based in large part on whether or not the Congress is willing to provide the Treasury with the necessary supplemental appropriations to carry out what the Congress says they should do to follow up mismatches. I want the record to indicate that. I think that is an area we will have to cover at a later time.

Mr. KASTEN. Will the majority leader yield?

Mr. BAKER. Mr. President, I do not have the floor. I would be pleased for the Senator to seek recognition.

Mr. KASTEN. Mr. President, the following is the summary of the tentative compromise:

Backup withholding proposal for interest and dividends.

Point No. 1. Delay until July 1, 1987. Mandatory withholding on interest and dividends will commence on July 1, 1987, only if the 1985 compliance rate for individuals is not at least 95 percent as reported by GAO and only if both Houses of Congress approve the funding of the GAO report within 90 days.

Point No. 2. Backup withholding. Present law backup withholding will be expanded to apply to interest and dividend income at a 20-percent rate and to include the following cases: No prior year return, after notice by IRS, and prior year underreporting of interest income by $50, after notice by IRS. Certification procedures to insure correct taxpayer identification numbers may be prescribed.

Point No. 3. Return format. Copies of 1099 information reports will be required to be matched with filed returns. Magnetic tape filing will be required with 1-year waiver authority for hardship.

Point No. 4. IRS matching. The IRS will be required to implement a better program for matching interest and dividend information returns with tax returns. Treasury will submit a report on necessary supplemental appropriations.

Point No. 5. Stricter payor penalties. A negligence penalty will apply to payors who do not have a certified statement from account holder providing his TIN, with increased penalties for gross negligence.

A no-fault penalty will apply to payors who do not file an information return, with increased penalties if the payor fails to file a large percentage of information returns.

A negligence penalty will apply to payors who do not impose backup withholding when required.

Point No. 6. Fraud penalty. A $1,000 civil penalty will apply to individuals who attempt to evade or avoid income tax on interest and dividends.

Mr. BYRD. Mr. President, would the Senator yield?

Mr. KASTEN. I shall be pleased to yield.

Mr. BYRD. What assurance will the Senate have that the next Congress will not undo this?

Mr. KASTEN. I have no assurance as to what the next Congress may or may not do, but we did not have that assurance on the bill in general.

Mr. BYRD. Will the Senator read once more the paragraph that dealt with the congressional veto?

Mr. KASTEN. The details of the congressional veto will be worked out in the legislation. What I am giving here is the elements. What I read is that the compliance must be at least 95 percent as reported by GAO and only if both Houses of Congress approve the findings of the GAO report within 90 days.

I say to the Senator that the legislation says that the GAO will report to us not later than January of 1987 as to their analysis of the 1985 compliance. Then, within the same kind of process we have for legislative veto now, which has to follow a fast track veto process in order to force a vote, we cannot delay a vote from occurring. There needs to be an affirmative vote in the House that we agree with the GAO that there is 95 percent noncompliance and an affirmative vote in the Senate that we agree with the GAO. It is envisioned that that vote will take place sometime between January when the vote is before us and July when withholding will trigger in.

If either House decided that the GAO report was not accurate and did not properly reflect the rate of compliance, the GAO would then be required to go back, reanalyze 1985, and during the period that they are reanalyzing 1985 to get the additional information Congress would want, withholding will not take effect.

Mr. BYRD. Mr. President, the Senator's explanation is helpful. Is there a fast track approach built into this as part of the mechanism?

Mr. KASTEN. It is built into the legislation.

Mr. BYRD. It will be built into the legislation?

Mr. KASTEN. It is my understanding that it will be built into the legislation.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. The majority leader.

Mr. BAKER. Mr. President, if there are no further remarks in this respect, I wish to amend my request for a period for the transaction of routine morning business. There has not been such a period today.

I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 8:10 p.m. in which Senators may speak.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

WITHHOLDING OF DIVIDENDS AND INTEREST

Mr. D'AMATO. Mr. President, on July 1, 1983, a 10-percent withholding on dividends and interest will go into effect. It has been argued by the proponents of withholding that the revenue gained by the Treasury will approximate $18 billion over the next 5 years. Given the current Federal budget deficit problem, I can certainly sympathize with attempts to improve the situation.

However, these revenues will be extracted at a tremendous cost from the Nation's middle class and financial institutions. Therefore, I strongly support repeal of this onerous and burdensome provision.

I do believe, however, that the small minority of people not reporting earned interest and dividend income, at a time when there is 90 percent reporting, should be encouraged to do so. For this reason, I have cosponsored the amendment offered by my distinguished colleague from Wisconsin which will repeal the current withholding provision and add a new requirement that taxpayers attach copies of their 1099 tax forms to their tax returns. This added reporting will greatly encourage compliance without penalizing either the middle class or the financial institutions that they rely upon.

The potential financial penalty arising from implementation of the new withholding requirement to which I am referring is of immense proportions. Peat Marwick Mitchell & Co., a leading accounting firm, has estimated that the more than 14,000 commercial banks will pay a total of $3 to $6 billion in the first year alone to implement a withholding system. It is further estimated that the average middle-size bank will have to pay approximately $400,000 annually to manage the withholding requirements. Some people may say that commercial banks can afford this burden, but the reality is that these added operating expenses will be passed on to consumers and small businesses in the form of both higher fees and borrowing rates. Obviously, these costs will negate any benefit that withholding may have for the Treasury.

Where some would erroneously argue that commercial banks can absorb these costs, no one would claim that the savings and loan industry can afford any added outlays. The United States League of Savings has estimated that, in 1983, the savings and loan industry will lose $750 million. Withholding will add another $200 million to these losses. During 1982, in my home State of New York, the savings and loan industry lost $404 million. Losses undubiously will continue in 1983 if abetted by $16 million in added witholding costs. This may be enough to push many of New York's savings and loans over the brink, ultimately to the detriment of their depositors.

One such possible savings and loan, Bowery Savings Bank, will pay an estimated $550,000 in the first year that the withholding provisions are in effect. This institution is already receiving FSLIC assistance. It should not be forced to pay an additional $550,000 to meet new Federal regulations.

In the case of a smaller entity, Central Federal Savings in Long Beach, N.Y., will bear an added $73,000 in higher costs to manage the withholding program in the first year alone. The bank serves primarily the small businesses and savers of Long Island. These customers will foot the bill at a time when the recession is just ending.

Mr. President, my point is that withholding is a people issue. Directly or indirectly, the little people will absorb the higher costs incurred by the banks. These are the same people that have been most hurt by the high cost of banking during the recession. We cannot in good conscience further injure these individuals and their businesses.

There are other problems in the withholding provisions. With unemployment at double-digit levels, this is no time to discourage the reinvestment of savings. The accumulation of capital is needed badly if we are to finance new projects and put people back to work. Withholding of dividends and interest stifles reinvestment. The main thrust of the Reagan administration economic program has been the accumulation of capital. It will be that much harder for corporations and consumers to save for the future if dividends and interest are withheld. Indisputably, this will have the effect of exacerbating the current unemployment problem.

Finally, although the new withholding law contains exceptions for many of the poor and elderly, the required procedures which these individuals will have to go through in order to obtain their needed exemptions are complicated. Many will not understand the exemption procedures or will not learn of them in time. Thus, many of those who well deserve to be exempted from withholding—those who need all of their income now, not at some future tax refund date—will, in effect, be denied and exemption.

The amendment we are now considering would greatly reduce the reporting requirements. By simply requiring that 1099 forms be attached to tax returns, the Treasury Department has estimated that compliance will increase from 90 percent to 97 percent. If we are able to obtain such a large improvement through this alternate procedure, I see no reason to impose the nightmare of withholding.

Mr. President, as I have already stated, dividend and interest withholding is a people issue. Current law would increase banking costs, exacerbate unemployment, and create a quagmire of reporting. This amendment does quite the opposite, while still increasing taxpayer compliance. Consequently, I would urge its passage.

NEW YORK TIMES OPPOSITION TO THE FREEZE IS DEAD WRONG

Mr. PROXMIRE. Mr. President, this morning's New York Times leads off its editorial page with a free-swinging attack on the nuclear freeze movement. How discouraging—that the paper that has given this country the wisest and most prudent advice for so long on so many subjects now carps and whines about a movement that has mobilized remarkably strong public support to stop the arms race.

With a nifty professional touch, the Times establishes its objectivity by starting off with a few meaningless compliments for the freeze that must be obvious to anyone. Sure, says the Times, the freeze movement has rallied widespread public support, tempering the belligerency of the Reagan administration. It has provoked public interest in arms control. It has influenced the Scowcroft commission to recommend that we move to single warhead from multiwarhead missiles—thus providing for a more survivable, less first-strike oriented deterrent.

But having softened up the freeze sympathizers, it thunders that the formula comes down to a simplistic: "stop now!" And then what? asks the Times. The freeze, they say, offers nothing else, nothing except—stop!

Of course, the Times is dead wrong. The freeze would stop production, deployment and testing, and it would then turn to negotiating reductions of nuclear weapons and eventually negotiating elimination of the weapons. Obviously, reductions of nuclear weapons must follow, perhaps by several years, the initial negotiations, and the elimination of such weapons may be generations away. And sure, all of this may be as impossible as landing a man on the moon seemed 25 years ago or the idealistic notion 200 years ago that the American democracy would survive and outlast every other constitutional government on Earth.

The freeze does face a painfully difficult and rocky road ahead. The odds are very likely against success. But it represents our best chance for survival.

Then the editorial charges that the resolution calls for an immediate

freeze, while, the editorial points out, the negotiations would take several years. And the resolution calls for a verifiable halt in producing nuclear arms. "Nice but infeasible," says the Times.

Mr. President, if we take this editorial attack word by word, we find that the freeze stands up very well. From the beginning, the freeze advocates have insisted that any freeze be mutual and verifiable. Obviously, it does not go into effect until the negotiations have been completed and the finished product accepted by both sides. Then and only then do we have an "immediate" freeze. "Immediate" refers to the moment when both sides accepts the negotiations. Then and only then do we have in place the means to verify the mutuality of the freeze. That should not be too hard for the Times to understand.

Until we conclude these resolutions, there is no way on Earth we can make them either mutual or verifiable. After that and only after that agreement has been accepted would it go into effect. The Times argues that the freeze would paralyze "America in a potentially vulnerable Minuteman land missile deployment while doing nothing about the Soviet Union's potential first-strike force." Nonsense. By the time the freeze can be negotiated, we can make adjustments, and we have the Scowcroft commission itself finding that the window of vulnerability was shut after all, that the submarine and bomber deterrent of America could and would survive any Soviet first strike with an overwhelming capability.

Finally, the Times calls on freeze advocates in the Congress to support the "build down" proposal that would provide that we could modernize our nuclear arsenal as long as we reduced by two missiles or two warheads for every one missile or one warhead we brought into our arsenal. What an argument for never agreeing to an end to the arms race. Certainly this has a simple, easy plausibility, until we think about it. But how would we administer a "build down"? The single constant in military conflicts over the last hundred years is the assurance that as long as the marvels of our scientific laboratories are devoted to the development of weapons of death and destruction, new means of human extermination will develop that will eventually assure the end of mankind on Earth. Ah, the marvels of "modernization." Our ancestors would trade two swords for one bullet-firing musket any day, and two bullet-firing muskets for one machine gun, and two machine guns for a conventional airplane-dropped bomb, and two conventional bombs for one fat A-bomb of the kind we dropped at Hiroshima, and two fat bombs for a hydrogen bomb. Get the idea? "Build down" sounds great. We would destroy two of our stationary land-based missiles for one submarine missile—just as accurate but with far greater mobility and far less vulnerability. What a nightmare to administer a "Build-down" Treaty! In every "build down," a judgment would have to be made on the tradeoff. Does anyone really believe that either the Soviet Union or the United States would trade two for one unless they believed they were enhancing their military security and power? Of course not. Does anyone believe that the "build-down" would not simply turn to our scientific labs with an incentive to come on like gangbusters, with ever newer and more devastating super weapons?

So, yes indeed, the freeze has its problems. It carries serious risks. But the very simplicity which the Times deplores constitutes its strength. Stop. Stop as soon as we negotiate the freeze and agree on both sides. We should condition that stop on verification by the most meticulous inspection we can negotiate. To those who say the Soviets would never agree, I say let us try. Both countries gain from vigorous and thorough verification. All of us know that it is essential, the key to peace—indeed in the long run, very likely the key to mankind's survival on Earth.

Mr. President, I ask unanimous consent that the editorial from today's New York Times entitled "Stop Nukes; Then What?" be printed at this point in the RECORD.

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

[From the New York Times, Apr. 18, 1983]

'STOP NUKES'; THEN WHAT?

The nuclear freeze resolution that comes up before the House of Representatives tomorrow is a primal scream against mankind's atomic predicament. O.K., agreed: The overhanging nuclear nightmare justifies screaming. But then what? To exclaim "Stop nukes now" displays passion, but no practicality. What's the next sentence? Where is the credible arms control policy that freeze advocates have failed so far to advance?

To its credit, the movement has aroused widespread public support, undoubtedly tempering the belligerency of the Reagan Administration's statements and helping to induce the reasonable new proposal for the Euromissile negotiations in Geneva. The freeze movement has also stirred Congressional interest in arms control—probably influencing the Scowcroft commission's far-sighted proposal to replace destabilizing multi-warhead missiles with small, single-warhead "Midgetman."

Yet the proposals of the freeze movement itself have barely evolved past the original, simplistic formula of "stop, now."

The House resolution still calls for an "immediate" freeze through negotiations with Moscow. Yet such negotiations would have to take several years. The resolution still calls for a "verifiable" halt in producing nuclear arms. Nice, but infeasible.

A freeze would ban weapons modernization—thus halting improvements in weapons that would stabilize the balance of terror. The resolution calls for but fails to give useful "special attention" to destabilizing first-strike weapons. It woud freeze America in a potentially vulnerable Minuteman land-missle deployment while doing nothing about the Soviet Union's potential first-strike force. The remedy, the ingenious Scowcroft proposal to create "Midgetman," would be barred.

Is there some way to harness all this political energy to constructive arms control ends? There is talk of a conference committee compromise between House and Senate resolutions, but the best that could produce is a least-common-denominator compromise. What's needed is a new approach to the arms control dilemma along the lines suggested by the Scowcroft report.

Two imaginative precursors of this proposal are already before Congress: the "build-down" proposal sponsored by Senators Nunn and Cohen would require dismantling of two older nuclear weapons for every new one deployed. Representative Gore's comprehensive plan would also move the superpowers toward the Scowcroft goal of reducing multiple-warhead missiles. Both would build on the SALT treaties, but emphasize ceilings on warheads rather than launchers and missiles.

A dozen or more pro-freeze senators have endorsed the build-down idea. Unfortunately, instead of welcoming such innovations, many freeze enthusiasts attack them. And the House Democratic leadership continues to press for the freeze resolution: stop, now. But there's still no next sentence. Where is the program to match the piety?

THE GENOCIDE CONVENTION: IT IS TIME FOR PRESIDENT REAGAN TO ACT

Mr. PROXMIRE. Mr. President, Sunday's Washington Post carried an excellent article by Haynes Johnson on the need for ratification of the Genocide Convention.

The article lauds the President and Vice President for their eloquent speeches during activities last week commemorating the Holocaust and honoring its survivors.

But Mr. Johnson goes on to point out that these words need to be backed up by action and that action is ratification of the Genocide Convention—a treaty that would "put the United States unequivocally on record as backing what it says it supports"—the right of national, ethnic, racial, and religious groups to live free from fear of another Holocaust.

He also goes on to make an argument which I have not stressed in my own speeches and which deserves emphasis. He notes that "the treaty would deny sanctuary and compel extradition of war criminals, such as the Nazis who committed Holocaust atrocities."

Mr. President, the treaty is just that simple. It is an affirmation of the right to live and an affirmation that criminals—those committing the most

heinous crime known to man—will face certain punishment.

Mr. President, I ask unanimous consent that Haynes Johnson's column be printed in the RECORD.

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

[From the Washington Post, April 17, 1983]

REAGAN'S ELOQUENCE CANNOT MASK FAILURE TO PUSH GENOCIDE PACT

(By Haynes Johnson)

In a city of stale conventions and constantly staged protests, all aimed at gaining national exposure through the media, the gathering of Holocaust survivors here last week set an extraordinary example of genuine emotion and meaning. It also provided a stark contrast in the differing ways the Reagan administration shows its support, or lack of it, for the universal question of human rights abuses as grotesquely typified by the Holocaust.

To sit among the audience in the cavernous assembly hall at the new D.C. Convention Center was to witness many poignant scenes. What was being seen was too personal and intimate. It made an observer feel like an intruder. It made you want to avert your eyes.

Men and women slowly marched down the aisles, gazing into the audience as they silently held up hand-lettered signs bearing names of their concentration camp or home town. Ocassionally another man or woman would stand and look intently at a sign, then, in a burst of emotion and shedding of tears, would embrace the person carrying it. They had found a personal link to their tragic past. These encounters, repeated throughout the convention center, were painful and stirring and moving beyond the capacity of mere words to convey.

The point here is not to attempt to recapture those scenes or retell the conversations that kept springing up, many of them so eloquent and, again, so personal. That has been done, and well, by the press. The point, now that it's over, is to address other questions, and criticisms, about the event.

Why, it is being asked, was the United States government officially commemorating the victims of the Holocaust and honoring the survivors not only in ceremonies here, but also around the country? Why is the government underwriting creation of the new Holocaust Memorial Museum that will be housed here? If a memorial to European victims of Nazi mass murder is in order, why not one to other oppressed groups who experienced mass extermination? Why not one to the Cambodians? Why not a memorial to groups closer to home? Why not one to black slaves imported into this country? Why not one to call public attention to atrocities suffered by American Indians?

These are all legitimate questions to which the Reagan administration provided compelling answers. President Reagan and Vice President Bush, in appearances before the gathering last week, matched the emotional moment their with own statements.

In his formal, written greeting to the survivors, the president said: "This gathering will heighten our awareness of the events that led to the Holocaust and serve to renew our commitment to a moral vision that will never permit such atrocities again." In his appearance before them, he reiterated that theme by saying: "Our most sacred task now is ensuring that this greatest of human tragedies, the Holocaust, never fades—that its lessons are not forgotten."

Bush, in his remarks formally setting aside two federal buildings to house the Holocaust Memorial Museum, was, if anything, more eloquent. "Never again in the history of man will we allow human rights to be so viciously abused," he said. And he struck exactly the right note when he said the museum "will show what can happen" just as "the Holocaust serves as a universal warning."

Together, they drew the essential lessons about the universality of the tragedy: the quintessential example of man's inhumanity to man. Would that their words were equally clear and forthright on a directly related question of human rights abuses, one springing out of the Holocaust experience itself. Sadly, they are not.

For 34 years, a treaty committing the United States to opposition to genocide has been pending before the Senate. Despite the backing of president after president and ratification by about 85 nations, it continues to languish in the Senate. Failure to ratify this treaty remains a stain on this country, one even more embarrassing in the context of the Holocaust observances in Washington last week and the official endorsement of them.

The treaty had its inception in the horrified international reaction to Nazi atrocities of World War II. Immediately after the war and liberation of the survivors from their concentration camps, the U.N. General Assembly passed a resolution declaring genocide a crime under international law. In June, 1949, President Truman submitted the treaty to the Senate, with a strong appeal that it be ratified. It immediately fell afoul of domestic politics of the rankest sort.

Specifically, the genocide treaty became trapped in the civil rights—U.S. vs. states—struggles that dominated the politics of the 1950s and early 1960s. It became a controversial example of internationalism and of the possibilities that its sanctions against human-rights abuses could be applied internally to incidents in this country, especially during the bloody civil rights confrontations that occurred in the Deep South.

Although those arguments no longer have any relevance in the America of the 1980s, the genocide treaty remains a fervent rallying cry among the far right-wing groups, such as the Liberty Lobby and John Birch Society. They continue to organize a militant campaign against the treaty, flooding Capitol Hill with literature and enlisting support of such politicians as Republican Sens. Jesse Helms and John P. East of North Carolina and Strom Thurmond of South Carolina.

The argument these senators and the far right make against the treaty is that it would be a sellout of the United States and a negation of the Bill of Rights.

Little more than a year ago, Senate Foreign Relations Committee Chairman Charles H. Percy (R.-Ill.) was saying publicly that he believed there were enough votes in the Senate then to ratify the treaty. Helms immediately vowed a filibuster. Even though the Foreign Relations Committee has reported the treaty favorably four times over the long decades, the treaty has reached the Senate floor only once. That time it was stymied by a filibuster.

Arguments against the treaty are patently phony. Basically, all the treaty would do is deny sanctuary and compel extradition of war criminals, such as the Nazis who committed Holocaust atrocities. And it would put the United States unequivocally on record as backing what it says it supports. Yet, with high irony, the greatest present stumbling block to ratification comes from the Reagan administration. Despite all of the fine words last week, the administration has been unwilling to confront the right wing squarely on this issue.

Which side is it really on? If it truly believes in one set of principles, as expressed so well by the president and vice president, how can it not put the weight of law and moral authority of the government strongly behind this treaty seeking to prevent future Holocausts?

OUTDOOR RECREATION

Mr. SPECTER. Mr. President, I rise today to join my colleague, the chairman of the Subcommittee on Public Lands and Reserved Water, Senator WALLOP, in sponsoring the National Outdoor Recreation Resources Review Act of 1983.

This bill would authorize the creation of a bipartisan National Outdoor Recreation Resources Review Commission. This Commission would be responsible for studying and recommending appropriate policies and activities for Government agencies at the Federal, State, and local levels and for the private sector to insure the availability of quality recreation resources and facilities now and in the future. The Commission would be required to transmit a report on its review and recommendations to the Congress within 18 months after its appointment and would cease to exist within 6 months after submitting this report.

The findings and recommendations of the Outdoor Recreation Resources Review commission (ORRRC), which existed from 1958 to 1962, contributed significantly to the protection of our land and water resources and the expansion of recreation activities. However, changes in national and regional demographics, economic conditions, lifestyles, and technology have resulted in dramatic growth and change in recreation demand beyond the 1962 projections of the ORRRC. Nationally, leisure expenditures have grown from $58 billion a year in 1965 to $244 billion in 1981, a 47-percent increase in inflation-adjusted dollars. In my own State of Pennsylvania, expenditures for outdoor recreation are projected to continue to grow 17 percent at public areas and 20 percent at private facilities over the next 10 years.

As society has changed over the years, the definition of recreation has broadened to include activities other than the traditional forms of outdoor recreation. The bill we introduce today represents a starting point. It is important that as this bill is considered, we not overlook these additional aspects.

Formation of this Commission was recommended in a study conducted by

the Outdoor Recreation Policy Review Group, a group of six prominent business and conservation leaders under the direction of Laurance S. Rockefeller, chairman of the ORRRC. This study indicated that in spite of the increased demand for recreation, governments at all levels are doing less in providing outdoor recreation opportunities. For instance, the Bureau of Outdoor Recreation, the Federal agency recommended by the ORRRC to provide national leadership in outdoor recreation, has been dismantled. Federal expenditures for outdoor recreation have decreased by almost 50 percent between the years of 1978 and 1982. Recent State and Federal reports indicate that the quality of the public recreation estate—both resources and facilities—is deteriorating. In addition, a significant portion of the public recreation estate is underused and could accommodate increased use with better planning and increased investment.

Public and private recreation resources and programs contribute not only to environmental quality, but to physical and mental health and to our Nation's economic vitality. Spending for recreation and leisure is a major component of the economy and continues to grow. Leisure is one of the fastest growing sectors of the national economy, and 1 out of every 15 jobs in the country is directly related to the support of leisure. In my own State of Pennsylvania, 400,000 jobs and $11.8 billion per year in consumer spending have been traced to the leisure industry.

The American public seeks an increasing array of recreation experiences, yet public and private efforts to satisfy this demand are limited by inadequate coordination, increasing fiscal constraints, growing demands on land, water and recreation resources and lack of basic information. Thus, there is a need to review and anticipate public recreation interests and demand and recommend appropriate policies to insure the availability of quality recreation resources and facilities for this and future generations. It is for this reason that I support the National Outdoor Recreation Resources Review Act of 1983.

UNITED NATIONS REGULATIONS

Mr. PRESSLER. Mr. President, the April 25, 1983 issue of U.S. News & World Report contains a significant article entitled, "As U.N. Tries To Regulate Just About Everything—." I ask unanimous consent that the text of this article be printed in the RECORD following my remarks.

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

(See exhibit 1.)

Mr. PRESSLER. Mr. President, as this Senator from South Dakota indicated on two previous occasions in recent weeks, the prospect of increasing regulation of U.S. agricultural and other exports by international organizations represents a serious long-term danger to the health of our economy.

There is too much interference with U.S. trade efforts resulting from the policies of individual nations. We cannot tolerate imposition of additional restrictions and barriers created by the misguided bureaucracies of international organizations. American agriculture, small business firms, and companies active in the export of U.S. goods and services will face insurmountable competitive odds if we simply ignore what is happening.

I oppose the creation of a "new international economic order" by decisions of international organizations. We are overwhelmingly outnumbered in these organizations, yet we provide the largest single share of the assessed and voluntary contributions which these new bureaucracies depend on to carry out their questionable objectives.

May I remind Senators that my subcommittee of the Senate Foreign Relations Committee will hold hearings on this problem, including the proposed U.S. ECOSOC "Consumer Protections Guidelines" on May 19, 1983. I will convene this hearing at 10 a.m. that day in Dirksen 419. All Senators should attend or insure that they have staff in attendance. Interested Senators are welcome to provide written testimony.

My Senate Resolution 115 expresses the heart of this problem and I encourage those who are interested to check the RECORD for April 15, 1983 at page S4737 and March 22, 1983 at page S3573. My colleagues' cosponsorship of this resolution will be welcomed, not only by this Senator but by the millions of Americans whose livelihood depends upon healthy export growth.

Mr. President, there is also a constitutional dimension to this issue. We must realize that property and economic rights are integral parts of American freedom. It would be a devastating blow to our freedom if these rights were to be severely restricted or eliminated by unnecessary and adverse regulations imposed by international organizations.

EXHIBIT 1

[From the U.S. News & World Report, April 1983]

AS U.N. TRIES TO REGULATE JUST ABOUT EVERYTHING—

(By Clemens P. Work)

(It's one thing to control aviation, drugs, shipping. But U.S. opposes rules that would redistribute wealth.)

Even as the Reagan administration struggles to roll back excessive bureaucratic rules at home, Americans are getting tangled in a little-noticed web of international regulation imposed by the United Nations.

Many of the U.N. rules are endorsed by the U.S. as vital to avoid anarchy in an increasingly complex world—much as traffic lights are needed in population centers to avert traffic chaos.

These include global safety standards for ships and aircraft, health certificates for travelers to some regions, uniform postal rates and assignment of space on broadcast bands.

But another form of international regulation is causing growing concern in Washington. This involves an attempt by poorer nations to wrest a greater share of the world's wealth—and political power—from the industrial West.

Politically inspired regulations approved or proposed by the U.N. in the last few years are designed primarily to foster such a redistribution of economic and political power over a wide range of issues. Among them are moves aimed at—

Giving lesser-developed nations guaranteed shares of the profits from cargo shipping and undersea mining of ocean-bed mineral nodules by industrial countries.

Granting the Third World a say in the behavior of multinational corporations and in the marketing of drugs, chemicals and infant formulas.

Authorized nations, including dictatorships and Communist regimes, to impose controls on the movement of public information and commercial data over their borders.

Even though the world economic recession has tempered some of the Third World's stridency, U.S. officials are concerned about the growing scope of the restrictions sought by developing nations. In a recent speech, Ambassador to the U.N. Jeane Kirkpatrick charged the world body with practicing "global socialism."

"The dominant ideology in the U.N. concerning economic regulation is a version of class war," she said. She charged that international bureaucrats who know little about what they are regulating make matters worse.

In a classic encounter between the haves and have-nots, the United States often finds itself in a small minority of developed countries or standing alone against the world.

For example, in December, the U.S. was outvoted, 146 to 1, on a resolution to compile for the developing countries' benefit a U.N. register of all "harmful products." The U.S. opposed the extra $140,000 cost, of which it pays a fourth.

At the root of the U.S.'s more controversial regulations is muscle flexing by developing countries in their postcolonial phase. With their power enhanced by the one-country, one-vote structure of the U.N. General Assembly, they have sought since 1974 to use the U.N. as a tool to shift the global political and economic balance. They started with a resolution calling for a "New International Economic Order" (NIEO).

REPARATIONS

Over U.S. objections, poorer nations demanded reparations from the developed world, claiming a right to aid from richer states.

"The problem with the NIEO is that it tends to view the world's riches as a fixed pie which must be cut up another way," observes Raymond J. Waldmann, a former assistant secretary in both the U.S. State and Commerce departments.

An American diplomat at the U.N. argues further: "Not only do they want a bigger share, they want to get control of the knife that slices it."

One example of recent wealth-transfer regulations: The Law of the Sea Treaty, signed in Jamaica last December by 120 nations but not by the U.S.

This gives a new United Nations agency, the International Seabed Authority, the sole power to license the harvesting of ore-rich nodules from the ocean floor. Mining companies and consortia must sell the extraction technology they have developed to an international mining company, called the Enterprise, which will share it with less developed countries.

At the same time, the treaty would require the U.S. to pick up most of the cost, even though it might have no say in the authority's operation. Forty-six other countries, including Britain and West Germany, have joined the U.S. in rejecting these regulations.

In addition to the U.S. boycott of the new treaty, President Reagan on March 10 asserted an exclusive right to exploit minerals within 200 miles of America's coastline.

Next target of worldwide regulation: Shipping. U.N. standards are designed to build up developed countries' fleets, but they endorse price fixing, cargo sharing and restrictive cartel arrangements prohibited by U.S. law.

CODE OF CONDUCT

A code of conduct written by the U.N. Conference on Trade and Development (UNCTAD) contains detailed regulations on how shipping agreements between countries must be organized and operated.

Most controversial is a provision that aims to guarantee that developing nations get a bigger share of cargoes in and out of their ports. Trading partners adopting the code could split most of the cargo shipped between their countries. Freighters of the U.S. and other mercantile nations that shun the code would not be bound by such arrangements, but they could still be hurt by greater competition in the lucrative business of carrying cargo between foreign ports.

The Reagan administration is opposing the plan, even though a Department of Transportation report estimates that a greater "forced market share" of cargo in and out of U.S. ports would actually boost U.S.-carrier revenues by 500 million dollars. Washington complains that the proposal is anticompetitive and contrary to American antitrust laws.

Nonetheless, France, Germany, Belgium and other European Common Market countries are expected to ratify the code this year with some amendments favorable to the U.S., thus bringing it into effect. They are intent on blocking the rapid expansion of Communist-flag fleets that are cutting into the traditional business of Western European maritime nations.

A more volatile issue is U.N. regulations being directed specifically toward the export and marketing of pharmaceuticals, health products such as infant formulas and contraceptives, pesticides and "harmful products."

Developing nations also are attacking what they claim is exploitive behavior by the multinational corporations that make these products.

Through codes of conduct—a regulatory device that has flowered at the U.N.—these countries are attempting to "redress existing worldwide economic imbalances" and to transfer technology to themselves on more favorable terms.

Rubina Khan, a staff official for the U.N. Director-General for Development and International Economic Cooperation, alleges that "pharmaceutical companies represent [multinationals] at their worst." Main complaints are that drug companies overcharged and dump dangerous drugs in the Third World.

The drug industry counters that its return on equity in developing countries is half of what it is in Western Europe and the United States. Jay Kingham, international vice president of the Pharmaceutical Manufacturers Association, says costs may be higher on some new drugs, "but that's only to make up for transportation and government intervention in those countries."

"DOMINATION STRATEGY"

To offset what they call a "strategy of domination used by industrialized countries," two U.N. agencies, the Industrial Development Organization (UNIDO) and the World Intellectual Property Organization (WIPO), have urged greatly weakening patent and trademark protection.

Kingham, speaking for American drug manufacturers, complains that this initiative—currently stalled—would undermine some of the most basic concepts of private industry.

Washington lawyer James R. Phelps says: "It appears that the pharmaceutical industry is destined to be a testing ground on which the future of the [New International Economic Order] will be decided."

On the horizon is a proposal by Health Action International—a coalition of health and consumer-activist groups from 55 nations assisted by the U.N.—to ban advertising and promotion of prescription drugs.

The regulation emulates the World Health Organization's Breast-Milk Substitutes Marketing Code, adopted in the wake of charges that misleading promotion of infant formulas had led to infant deaths in undeveloped countries.

International regulators now are zeroing in on pesticides. Environmentalists insist that an industry-backed marketing code now before the U.N. Food and Agriculture Organization in Rome is too weak.

"There's a lot of concern that the code will legitimize labeling and marketing practices that are harmful to consumers," says David Chatfield of Friends of the Earth. "Pesticide makers should not be able to claim that their products can do everything but the dishes."

ASBESTOS

Consumer groups and international trade unions are backing yet another marketing code aimed at restricting asbestos marketing. They hope to have it approved by the U.N.'s International Labor Organization in June.

Critics claim that other U.N. specialized agencies, created to smooth technical and scientific cooperation, are bowing to pressure from the U.N.'s political majority of developing nations. The most noteworthy example: The U.N. Educational, Scientific and Cultural Organization (UNESCO), which is embroiled in a major controversy over attempts to regulate the news media.

A "New World Information Order" proposed by the U.N. would allow international licensing of journalists and a code of ethics—measures that most in the Western media believe would pose a significant threat to their ability to gather and distribute news freely, and—not coincidentally—give Third World media a bigger share of the market.

UNESCO has now modified its position to acknowledge the role of the press in "monitoring abuses of power," but the controversy over controls has not yet been resolved.

The communications industry faces restrictions from another direction with approval by the U.N. Commission on Peaceful Uses of Outer Space of a treaty prohibiting the satellite transmission of television signals into foreign countries without their permission.

"The battle isn't over," says Leonard Marks, a World Press Freedom Committee official. "The critics have been rebuffed, but they haven't been silenced."

The practical effect of U.N. wealth-transfer regulations remains to be seen. Is it a political salve for the poorer countries of the Southern Hemisphere? Might it serve as a safety valve for those of the Northern?

The U.N. code on transnational corporations has been on the negotiating table for six years and is probably years more from completion. The code on transfer of technology is even further from adoption.

Paxton Dunn of the U.S. Council for International Business says, "I can't conceive of a code being voted over the objection of the U.S. and having it mean anything. But our position is positive. A good code would clear the air and make a better investment climate."

At the U.N., where each word in a document is charged with worlds of meaning, U.S. insistence on "balanced and universal treatment" for multinationals has given some developing countries cold feet about the proposed rules to control transfer of technology.

The modified language would impose obligations on them to treat multinationals fairly and would cover state-run enterprises as well as private firms.

Notes Samuel K. B. Asante, chief legal adviser to the U.N. Centre on Transnational Corporations, "They never thought it would get to that point."

FEARS ARE DIMINISHING

The changing climate of foreign investment and the worldwide business recession have also acted to make many Third World nations less fearful of the multinationals and more concerned about losing economic benefits that these corporations bring.

Still, most observers agree, U.N. activity has stimulated greater national regulation. But it also has made industrialized countries aware—sometimes painfully so—of Third World problems.

American diplomats can only bristle at the bruising, lopsided votes against U.S. interests. For now, says one member of the U.S. mission, "we'll just keep on talking."

FINANCIAL DISCLOSURE FILING OBLIGATIONS

Mr. STEVENS. Mr. President, title I of the Ethics in Government Act of 1978 requires Members to file a public financial disclosure report covering calendar year 1982 on or before May 15, 1983. Forms and instructions applicable to this filing requirement are now being sent to Members and certain staff.

In addition to this requirement for a report from Members, the act and Senate rules provide for three categories of Senate staff who are required to submit a report. These categories are:

(A) Senate employees who meet all of these criteria: First, they are em-

ployed by the Senate on May 15, 1983; second, they were employed by the Senate for at least 61 days in 1982, and, third, they were paid for at least 60 days in 1982 at or above the rate of pay in effect for GS-16 of the General Schedule. Staff are considered "employed" by the Senate as of May 15, 1983, if they are actually receiving a Senate salary as of that day; those who are carried on the disbursing office's records as "When Actually Employed" individuals are not Senate employees on that day unless they actually receive payment for services performed on that day. The rates of pay in effect for grade GS-16 during 1982 were $54,755 in the period January 1 to September 30, and $56,945 in the period October 1 to December 31.

(B) If a Member does not have an employee on his or her personal staff who meets all three of the criteria enumerated in the preceding paragraph, then he or she is required by the act to designate an employee as a "Principal Assistant," who must file a disclosure report on or before May 15, 1983.

(C) Senate employees who were designated, pursuant to Senate rule 41, to handle political funds at any time during 1982 must file a financial disclosure report on or before May 15, 1983, covering calendar year 1982. If an employee designated to handle political funds is also required to submit a disclosure report due to the requirements set forth in either paragraph (A) or (B) above—That is, salary level and period of employment, or designation as a "Principal Assistant"—then a duplicate report is not required.

The Ethics Committee staff will attempt, with the assistance of the Disbursing Office, to identify those staff who are required to file a report, and to provide them with the necessary forms and instructions. However, it is each individual's responsibility to ascertain whether he or she is obligated to file a report.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-869. A communication from the Director of the Office of Management and Budget transmitting, pursuant to law, the cumulative report on rescissions and deferrals as of April 1, 1983; jointly, pursuant to the order of January 30, 1975, to the Committee on Appropriations and the Committee on the Budget.

EC-870. A communication from the Assistant Secretary of Energy for Management and Administration transmitting, pursuant to law, a report on the obligation of funds in excess of authority; to the Committee on Appropriations.

EC-871. A communication from the Director of the Defense Security Assistance Agency transmitting, pursuant to law, a report on a foreign military sale to the Federal Republic of Germany and other NATO consortium nations; to the Committee on Armed Services.

EC-872. A communication from the Acting Deputy Assistant Secretary of Defense for Manpower, Reserve Affairs, and Logistics (Military Personnel and Force Management) transmitting, pursuant to law, the Annual Testing Report for overseas dependents' schools; to the Committee on Armed Services.

EC-873. A communication from the Acting Assistant Secretary of the Army for Installations, Logistics, and Financial Management transmitting, pursuant to law, a report on a decision to convert the training and audiovisual support center activity at Fort Bliss, Tex., to performance under contract; to the Committee on Armed Services.

EC-874. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Review of the Neighborhood Reinvestment Corporation's Financial Statements for the Year Ended September 30, 1982"; to the Committee on Banking, Housing, and Urban Affairs.

EC-875. A communication from the Chairman of the Board of Governors of the Federal Reserve System transmitting, pursuant to law, the 69th Annual Report of the Board; to the Committee on Banking, Housing, and Urban Affairs.

EC-876. A communication from the Chairman of the National Credit Union Administration transmitting, pursuant to law, the Board's report on the feasibility and desirability of permitting credit unions to compensate members of their boards of directors; to the Committee on Banking, Housing, and Urban Affairs.

EC-877. A communication from the Chairman of the Advisory Council on Historic Preservation transmitting a draft of proposed legislation to continue the authorization for appropriations for the Council through fiscal year 1986; to the Committee on Energy and Natural Resources.

EC-878. A communication from the Assistant Secretary of Energy for Conservation and Renewable Energy transmitting, pursuant to law, a report on a delay in the required annual revisions to the OTEC Program Management Plan; to the Committee on Energy and Natural Resources.

EC-879. A communication from the Assistant Secretary of the Interior transmitting a draft of proposed legislation to withdraw and reserve certain public lands in Nevada for use by the Navy as a bombing range; to the Committee on Energy and Natural Resources.

EC-880. A communication from the Director of the Minerals and Management Service, Department of the Interior, transmitting, pursuant to law, a report on a refund of excess royalty payments to Texas Gas Exploration Corp.; to the Committee on Energy and Natural Resources.

EC-881. A communication from the Acting General Counsel of the Department of Energy transmitting a draft of proposed legislation to reduce costs and the public reporting burden of the Energy Information Administration; to the Committee on Energy and Natural Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

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

S.J. Res. 45. Joint resolution designating the week of November 20, 1983, through November 26, 1983, as "National Family Week";

S.J. Res. 78. Joint resolution to authorize and request the President to issue a proclamation designating April 24 through April 30, 1983, as "National Organ Donation Awareness Week";

S.J. Res. 81. Joint resolution to authorize and request the President to designate October 16, 1983, as "World Food Day"; and

S.J. Res. 82. Joint resolution designating November 1983 as "National Alzheimer's Disease Month."

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

S. Res. 112. A resolution expressing the sense of the Senate with respect to the protection of refugees and civilians caught in the armed conflict on the border between Thailand and Kampuchea.

By Mr. McCLURE, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 267. A bill entitled the "Coal Distribution and Utilization Act of 1983" (with additional and minority views) (Rept. No. 98-61).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary:

William H. Barbour, Jr., of Mississippi, to U.S. district judge for the Southern District of Mississippi.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. GRASSLEY (for himself and Mr. HEFLIN):

S. 1080. A bill to amend the Administrative Procedure Act to require Federal agencies to analyze the effects of rules to improve their effectiveness and to decrease their compliance costs, to provide for a periodic review of regulations, and for other purposes; read the first time.

By Mr. FORD:

S. 1081. A bill to authorize the Interstate Commerce Commission to adjust rail rates to reflect cost decreases due to deflation; to the Committee on Commerce, Science, and Transportation.

By Mr. FORD (for himself and Mr. HUDDLESTON):

S. 1082. A bill amending title 49 of the United States Code with respect to standards for rail rates and determinations of rail carrier market dominance, with respect to railroad accounting principles, and for other purposes; to the Committee on Commerce, Science, and Transportation.,

By Mr. TSONGAS:

S. 1083. A bill to amend the Immigration and Nationality Act to provide that aliens who die while serving with the United States armed forces during certain periods of hostilities may be considered to have been citizens of the United States at the time of such aliens' death; to the Committee on the Judiciary.

By Mr. McCLURE (by request):

S. 1084. A bill to designate additional rivers as components of the National Wild and Scenic Rivers System, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. SPECTER:

S. 1085. A bill to provide an additional ten weeks of unemployment compensation for individuals participating in a job training program for dislocated workers under title III of the Job Training Partnership Act; to the Committee on Finance.

By Mr. CRANSTON:

S. 1086. A bill to repeal section 212(a)(4) of the Immigration and Nationality Act, as amended, and for other purposes; to the Committee on the Judiciary.

By Mr. HATCH:

S. 1087. A bill to authorize appropriations for the National Science Foundation for fiscal year 1984; to the Committee on Labor and Human Resources.

By Mr. INOUYE:

S. 1088. A bill for the relief of Ms. Loida Queja Caberto; to the Committee on the Judiciary.

S. 1089. A bill for the relief of Mr. Vergil Rey Ravarra Flores; to the Committee on the Judiciary.

By Mr. WALLOP (for himself, Mr. BAKER, Mr. BIDEN, Mr. BUMPERS, Mr. CHAFEE, Mr. COHEN, Mr. CRANSTON, Mr. DANFORTH, Mr. DOLE, Mr. DOMENICI, Mr. DURENBERGER, Mr. GORTON, Mr. HATFIELD, Mr. HEINZ, Mr. JACKSON, Mr. JOHNSTON, Mr. LAXALT, Mr. LUGAR, Mr. McCLURE, Mr. MELCHER, Mr. QUAYLE, Mr. ROTH, Mr. SPECTER, Mr. STAFFORD, Mr. STEVENS, Mr. SYMMS, Mr. THURMOND and Mr. WARNER):

S. 1090. A bill to establish a National Outdoor Recreation Resources Review Commission to study and recommend appropriate policies and activities for government agencies at the Federal, State, and local levels and for the private sector, to assure the continued availability of quality outdoor recreation experiences in America to the year 2000, and for other purposes; to the Committee on Governmental Affairs.

By Mr. HATCH:

S. 1091. A bill entitled the "Mathematics and Science Education Act of 1983."; to the Committee on Labor and Human Resources.

By Mr. STEVENS:

S. 1092. A bill for the relief of Doctor Waldemar Nedo Giancaspero and Rosa A. Giancaspero, husand and wife; to the Committee on the Judiciary.

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

S. 1093. A bill to provide for research on the evaluation and assessment of education in mathematics and sciences; to the Committee on Labor and Human Resources.

By Mr. DODD:

S. 1094. A bill to amend the Vocational Education Act of 1963 to make grants to the States for high-technology vocational education programs; to the Committee on Labor and Human Resources.

By Mr. McCLURE (for himself, Mr. SYMMS, Mr. MELCHER, Mr. BRADLEY and Mr. LAXALT):

S. 1095. A bill to amend the Strategic and Critical Materials Stock Piling Revision Act of 1979 in order to prescribe the method for determining the quantity of any material to be stockpiled under such Act, and for other purposes; to the Committee on Armed Services.

By Mr. GORTON (for himself, Mr. PACKWOOD and Mr. DANFORTH):

S. 1096. A bill 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; to the Committee on Commerce, Science, and Transportation.

By Mr. PACKWOOD:

S. 1097. A bill to consolidate and authorize certain atmospheric and satellite programs and functions of the National Oceanic and Atmospheric Administration under the Department of Commerce; to the Committee on Commerce, Science, and Transportation.

S. 1098. A bill to consolidate and authorize certain ocean and coastal programs and functions of the National Oceanic and Atmospheric Administration under the Department of Commerce; to the Committee on Commerce, Science, and Transportation.

S. 1099. A bill to consolidate and authorize certain marine fishery programs and functions of the National Oceanic and Atmospheric Administration under the Department of Commerce; to the Committee on Commerce, Science, and Transportation.

S. 1100. A bill to consolidate and authorize program support and certain oceanic and coastal programs and functions of the National Oceanic and Atmospheric Administration under the Department of Commerce; to the Committee on Commerce, Science, and Transportation.

S. 1101. A bill to authorize appropriations for certain fishery programs; to the Committee on Commerce, Science, and Transportation.

S. 1102. A bill to provide authorization of appropriations for title III of the Marine Protection, Research, and Sanctuaries Act of 1972; to the Committee on Commerce, Science, and Transportation.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRASSLEY (for himself and Mr. HEFLIN):

S. 1080. A bill to amend the Administrative Procedure Act to require Federal agencies to analyze the effects of rules to improve their effectiveness and to decrease their compliance costs, to provide for a periodic review of regulations, and for other purposes; read the first time.

(The remarks of Mr. GRASSLEY and Mr. HEFLIN on this legislation appear earlier in today's RECORD.)

By Mr. FORD:

S. 1081. A bill to authorize the Interstate Commerce Commission to adjust rail rates to reflect cost decreases due to deflation; to the Committee on Commerce, Science, and Transpartion.

ADJUSTMENTS OF RAIL RATES

● Mr. FORD. Mr. President, during the consideration of the Staggers Rail Act of 1980, Congress sought to help the railroads recover their inflationary cost with minimal regulatory intervention. Automatic increases in the Staggers Act replaced the time-consuming general rate increase proceedings which were characteristic prior to 1980. As stated in the Senate Report on the Staggers Act:

The railroads' financial difficulties may be attributed, in part, to the time lag involved in recovering cost increases. This section will help assure that rail rates reflect a carrier's current costs by adding a new subsection . . . to provide a zone of rate freedom for adjustments not in excess of the carrier's increased costs . . . (Senate Report No. 96-470, pp. 19-20).

Section 203 of the act, 49 U.S.C. 10707a, states that the Interstate Commerce Commission shall publish a "rail cost adjustment factor" at least quarterly as a basis for a zone of rail rate flexibility for individual carrier rate changes. The section specifically states:

10707a(a)(2)(B)—Commencing with the fourth quarter of 1980, the Commission shall, as often as practicable but in no event less often than quarterly, publish a rail cost adjustment factor which shall be a fraction, the numerator of which is the latest published Index of Railroad Costs (which index shall be compiled or verified by the Commission, with appropriate adjustments to reflect the changing composition of railroad costs, including the quality and mix of material and labor) and the denominator of which is the same index for the fourth quarter of 1980 . . .

At no time during the drafting of the Staggers Act did the sponsors ever envision a situation where the cost-of-living rate would decrease instead of increase, since the act was drafted during an economic period when inflation was rising steadily. Therefore, section 203 is silent on the issue of rate decreases when there is a reduction in inflationary costs from the previously published rail cost adjustment factor. Today, due to various causes, some railroad costs are actually decreasing. The legislation that I am introducing today will remedy this situation.

Pursuant to the mandate of section 203 of the Staggers Act, the Commission adopted a cost recovery index which measures the changes in the average price of goods and services purchased by the railroads in providing transportation services, Ex Parte No. 290 (Sub-No. 2), Railroad Cost Recovery Procedures, 364 I.C.C. 841 (1981). Thereafter, the Commission published an index of costs by which railroads may multiply their rates on a quarterly basis. Rates increased by the cost index are immune from challenge on reasonableness grounds.

The Commission's decision in Ex Parte No. 290 (Sub-No. 2), supra, was affirmed by the U.S. Court of Appeals for the District of Columbia on May 4, 1982. On April 19, 1982, the Commission ordered the proceeding reopened.

In that April 19, 1982, decision, the Commission denied a petition for a declaratory order on decreases in the index. This request was filed by the National Industrial Traffic League. The Commission stated the section 203 of the Staggers Act did not appear to contemplate reductions, nor did the Commission's Ex Parte No. 290 (Sub-No. 2) rules.

Mr. President, it is time that the Congress corrected this oversight in the Staggers Act. Shippers and eventually consumers should benefit from the reduction of costs to the railroads due to deflation.●

By Mr. FORD (for himself and Mr. HUDDLESTON):

S. 1082. A bill amending title 49 of the United States Code with respect to standards for rail rates and determinations of rail carrier market dominance, with respect to railroad accounting principles, and for other purposes; to the Committee on Commerce, Science, and Transportation.

RAILROAD ACCOUNTING PRINCIPLES

● Mr. FORD. Mr. President, the present Commissioners on the Interstate Commerce Commission have chosen to ignore the duties imposed by the Congress in the Staggers Rail Act of 1980 (Public Law 96-448). Recent ICC decisions have cleared the way for railroads to charge shippers as much as they want. The majority on the ICC have exempted coal bound for export from rail rate regulation and have proposed coal rate guidelines which would allow railroads to raise rates by 15 percent above inflation each year for domestic coal shipment without ICC overview. The ICC virtually has granted unlimited pricing freedom for coal movements and have left captive coal shippers with little recourse before the Commission.

Over 65 percent of all coal produced in this country is transported by rail with 85 percent of this amount captive to the railroads. Captive shippers are those shippers who lack viable transportation alternatives and are captive to the railroads. Coal is the railroads' most important commodity and in the record coal-hauling year of 1981 coal amounted to one-fifth of the railroad industry's entire revenues. Railroad profits should soar with the recent actions of the ICC. The major coal-hauling railroads are now highly profitable with just the pricing freedoms allowed under the Staggers Act. The railroads can no longer be considered financially hard-hit as they were when Congress passed the Staggers Act.

The history of the Staggers Act makes clear that what was intended by both the House and the Senate was that coal movements were to receive continued protection from monopolistic pricing practices. The Staggers Act provides that the ICC has a statutory duty to protect captive shippers from unreasonably high rates in those situations where the railroads face no effective transportation competition. The present Commission has done just the opposite. The recent changes in rate regulation and market dominance is not required by the Staggers Act but rather is reflective of the general attitude of the present Commissioners on the ICC that regulation of the rail industry should be greatly reduced in all areas. I am sure that I join with many of my colleagues in stating that I may well have voted for my last "deregulation" legislation and may well have supported my last deregulatory confirmation.

The railroads state that they operate in a keenly competitive environment and the Staggers Act allowed new pricing freedoms in the commodities where there is competition. There is no competition in eastern Kentucky. Coal shippers in eastern Kentucky are lucky to get the one and only railroad to move their coal. There has been a great improvement in the movement of eastern Kentucky coal but it has come with great cost and not without the involvement of the Governor of Kentucky, several former Governors, and the entire congressional delegation. Since the ICC has so implemented the Staggers Act in such a creative matter, I see no benefit for the eastern Kentucky coal shipper except for the provision which provides the ability to enter into long-term contracts for specific movements. Coal shipments will never be competitive and due to the nature of the commodity must continue to be regulated.

The financial health of the railroads was the major factor in the drafting of the Staggers Act. I supported the Staggers Act since it represented a well balanced approach to the captive shipper problem. The passage of the Long-Cannon amendment in the Senate and the Staggers-Rahall-Lee-Loeffler compromise in the House provided the needed balance in ratemaking for captive shippers. The Staggers Act as passed by the Congress included needed protections for captive shippers through continued regulation of rates in captive markets. Rates in competitive transportation markets were to be immune from ICC jurisdiction but the ICC was directed to continue to regulate those markets where railroads face no competition.

In enacting the Staggers Act, Congress rejected proposals that would have accomplished what the Commission has done with market dominance through agency rulemaking. The railroad industry made major efforts during the consideration of the Staggers Act to do away with the definition of market dominance established by the 4-R Act (Railroad Revitalization and Regulatory Reform Act of 1976, Public Law 94-210). The final version of the Staggers Act left the fundamental concept of market dominance unchanged from that set forth in the 4-R Act.

The bill would establish three basic tests in the determination of market dominance for the ICC to investigate a rate:

First, establishment of a revenue-to-variable cost ratio as the threshold for ICC jurisdiction over rail rates contained in the Staggers Act;

Second, consideration of whether a shipper has a substantial investment in railroad related plant and equipment; and

Third, whether 70 percent or more of a specific movement was handled by the rail carrier.

The last two tests were used by the ICC prior to the recent market dominance proceeding.

The bill provides guidance to the Commission in determining revenue adequacy by requiring the use of standard depreciation accounting and ratios indicative of financial health such as return on investment and bond ratings.

The bill also contains standards for determining whether rail rates are reasonable. The ICC would have to consider the relationship of the rate to the cost to the railroad of providing the service and whether the traffic involved is being required to pay an unreasonable share of the carrier's fixed costs.

It is time for the Senate to again send a message to the ICC. In 1980, the Senate instructed the ICC to consider the national energy goals in determining the impact of rail rates. The present ICC is only concerned with the revenues of the railroads. The Congress needs to change the direction of the ICC and return to rate regulation for captive shippers.

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

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

S. 1082

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 10101a(1) of title 49, United States Code, is amended by striking out "and the demand for services" and inserting in lieu thereof "among carriers to provide transportation services."

(b) Section 10101a(6) of such title is amended to read as follows:

"(6) to maintain reasonable rates where there is an absence of effective competition as defined in section 10709(a);"

SEC. 2. (a) Section 10701a(b)(2)(B) of title 49, United States Code, is amended to read as follows:

"(B) The rail carrier establishing the challenged rate shall have the burden of proving that such rate is reasonable if—

"(i) such rate is greater than that authorized under section 10707a of this title and the Commission begins an investigation proceeding under section 10707 of this title to determine whether such rate is reasonable; or

"(ii) such rate results in a revenue-variable cost percentage for the transportation to which the rate applies that is equal to or greater than the lesser of the percentages described in clauses (i) and (ii) of section 10707a(e)(2)(A) of this title."

(b) Section 10701a(b)(2) of such title is amended by adding the following new subparagraph at the end thereof;

"(C) The rail carrier shall have the burden of going forward with evidence responsive to the factors set forth in subparagraphs (B) and (D) of paragraph 3 of this subsection."

(c) Section 10701a(b)(3) of such title is amended to read as follows:

"(3) In determining whether a rate described in paragraph (1) of this subsection is reasonable, the Commission shall consider, among other factors, evidence of the following—

"(A) the relationship of the rate to the cost to the rail carrier of providing the service;

"(B) whether the traffic involved is being required to pay an unreasonable share of the carrier's fixed costs;

"(C) the impact of the rate on the attainment of national energy goals; and

"(D) the extent of additional revenues, if any, required by the carrier in order to achieve adequate revenues as established by the Commission under section 10704(a)(2) of this title, while taking into account the factors described in section 10707a(e)(2)(C) of this title.".

SEC. 3. Section 10704(a)(2) of title 49, United States Code, is amended by inserting "(A)" after "(2)", and by striking all that follows the first sentence and inserting the following new subparagraphs:

"(B) Such standards and procedures shall provide for consideration of—

"(i) indicators of financial health including but not limited to bond ratings, return on investment, return on shareholders' equity, return on total capitalization, fixed charge coverage, debt-to-equity ratio, and operating ratio;

"(ii) the current cost of equity capital; and

"(iii) the actual cost of debt capital at the time such debt was incurred.

"(C)(i) In computing return on investment, the Commission shall include in the investment base the depreciated original cost, as determined by standard depreciation accounting practices, of only those assets which are used and useful in providing railroad transportation service, less the amount of the railroads' deferred tax reserves.

"(ii) The Commission shall commence within 60 days of the date of enactment of this Act a rulemaking proceeding in which the burden of proof shall rest upon the rail carriers to determine for each of the Class I railroads the extent to which its railroad assets are used and useful in providing railroad transportation service. The Commission shall update its evaluation of each rail carrier's investment base each year in connection with its annual revenue adequacy determination.

"(iii) Until a railroad's investment base has been properly determined in accordance with this subparagraph, the Commission shall consider as a major factor in its revenue adequacy determination funds flow analyses projecting the extent to which available funds will fulfill its fund requirements.

"(D) Revenue levels established under this paragraph should—

"(i) provide a flow of net income plus depreciation adquate to support prudent capital outlays, assure the repayment of a reasonable level of debt, permit the raising of needed equity capital, and cover the effects of inflation; and

"(ii) attract and retain capital in amounts adequate to provide a sound transportation system in the United States.

"(E) The Commission shall make an adequate and continuing effort to assist those carriers in attaining revenue levels prescribed in this paragraph, recognizing, however, the need to maintain rates at reasonable levels where there is market dominance as defined in section 10709(a).".

SEC. 4. Section 10707a(a)(2)(B) of title 49, United States Code, is amended by inserting ", and changes in railroad productivity, volume and output mix" after "labor" in the parenthetical clause.

SEC. 5. (a) Section 10709(d)(2) of title 49, United States Code, is amended to read as follows:

"(2) In making a determination under this section, the Commission shall find that the rail carrier establishing the challenged rate has market dominance over the transportation to which the rate applies if—

"(A) the rate charged results in a revenue-variable cost percentage for such transportation that is more than—

"(i) 1970 percent during the period beginning on the effective date of this paragraph and ending September 30, 1983;

"(ii) 175 percent during the period beginning October 1, 1983, and ending September 30, 1984; and

"(iii) the cost recovery percentage during each 12-month period beginning on or after October 1, 1984; and either

"(B) within the 12-month period immediately preceding the beginning of such determination process, more than 70 percent of the transportation to which the challenged rate applies was by railroad; or

"(C) a shipper, with respect to the transportation of whose property the challenged rate applies, has made a substantial investment in railroad equipment or rail-related plant which prevents or makes impracticable the use of a mode of another rail carrier or transportation other than railroads; or

"(D) on the basis of other factors and circumstances there is an absence of effective competition for the transportation to which the rate applies.

For purposes of clause (iii) of subparagraph (A) of this paragraph, the cost recovery percentage shall in no event be less than a revenue-variable cost percentage of 170 percent or more than a revenue-variable cost percentage of 180 percent.".

(b) Section 10709(d) of such title is amended by adding the following new paragraph at the end thereof:

"(6) No person, class of persons, transaction, or service may be exempted by the Commission under section 10505 of this title from the application of a provision of this subtitle with respect to any transportation unless a rail carrier is determined under this section not to have market dominance over such transportation, unless such transportation is pursuant to a contract entered into under section 10713 of this title.".

(c) Section 10709 of such title is amended by adding the following new subsection at the end thereof:

"(e) In determining the existence or absence of effective competition for purposes of this section, the Commission shall consider only transportation competition for movement of the same commodity from the same point of origin to the same destination.".

SEC. 6. Section 11161(f) of title 49, United States Code, is amended to read as follows:

"(f) The members of the Board shall be appointed by the Comptroller General within 120 days after the enactment of this subsection. The Board shall cease to exist three years after its members have been appointed.".

SEC. 7. Except as otherwise provided, the Commission shall conclude a proceeding to establish procedures for the implementation of the amendments made by this Act within 180 days after the date of enactment of this Act.●

By Mr. TSONGAS:

S. 1083. A bill to amend the Immigration and Nationality Act to provide that aliens who die while serving with the U.S. Armed Forces during certain periods of hostilities may be considered to have been citizens of the United States at the time of such aliens' death; to the Committee on the Judiciary.

POSTHUMOUS NATURALIZATION OF CERTAIN ALIENS

● Mr. TSONGAS. Mr. President, I am today introducing legislation to provide that aliens killed while serving in the U.S. Armed Forces during periods of hostilities be deemed U.S. citizens.

This legislation does not single out any individuals by name, but would confer the honor of posthumous citizenship on all those who are eligible under the law.

I want to take a moment to tell my colleagues about the origin for this idea, the story of a valiant young marine corporal.

Wladyslaw (Scotty) Staniszewski came to this country in 1964 from Scotland. His parents, Rosina and Frank, had moved here first in 1963. The father was a World War II refugee from Poland who was at one time imprisoned by the Russians in a Siberian concentration camp. Rosina and Frank became U.S. citizens in 1970, but Scotty did not because he had died 3 years earlier in Vietnam while serving our country in the Marine Corps.

Scotty's life came to a tragic end before he could fulfill his dream of becoming a U.S. citizen. It takes 7 years to earn the right to become a citizen. But, as Gabriel P. Brinsky, national legislative director of the AMVETS, pointed out in an article in Stars and Stripes, it should take "only a moment in battle to earn it." The veterans agent in Brockton, Mass., James Malone, put the point this way: "This is an injustice to tell the parents of a deceased American veteran that their son cannot have U.S. citizenship because he was killed in combat before he satisfied a 7-year residency requirement."

This brave and patriotic young man had been in this country only 18 months when he was drafted. He could have returned to Scotland on his British passport. He chose to enlist in the Marines, and he told his mother, "If this country is worth living in, it is worth fighting for." Scotty went to Vietnam in 1967, and he was killed in

July, 2 weeks after his 20th birthday, when he was struck with shrapnel from a fragmentation grenade during combat.

Scotty made the ultimate sacrifice that we, as Americans, can make. He gave his life for our country. I think we should be able to say, he gave his life for his country as well.

Mr. President, the legislation I am introducing today is strongly supported by the AMVETS and the Veterans of Foreign Wars.

I urge my colleagues to support this bill to honor Scotty Staniszewski and others like him who have earned U.S. citizenship by their valiant service to this Nation.●

By Mr. McCLURE (by request):

S. 1084. A bill to designate additional rivers as components of the National Wild and Scenic Rivers System, and for other purposes; to the Committee on Energy and Natural Resources.

DESIGNATION OF COMPONENTS OF THE WILD AND SCENIC RIVERS SYSTEM

● Mr. McCLURE. Mr. President, at the request of the administration, I send to the desk for appropriate reference a bill to designate additional rivers as components of the National Wild and Scenic Rivers System, and for other purposes.

Mr. President, this draft legislation was submitted and recommended by the Department of Agriculture, and I ask unanimous consent that the bill, a section-by-section analysis, and the letter of transmittal which accompanied the proposal from the Secretary of Agriculture be printed in the RECORD.

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

S. 1084

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Wild and Scenic Rivers Act of October 2, 1968 (82 Stat. 906; 16 U.S.C. 1271-1287) is amended as follows:

TITLE I.—AMENDMENTS TO SECTION 3 RELATING TO COMPONENTS OF THE NATIONAL WILD AND SCENIC RIVERS SYSTEM

SEC. 101. Subsection 3(a)(16) is amended by adding the following sentence at the end thereof:

"Notwithstanding any other provision of this Act, the installation and operation of facilities or other activities within or outside the boundaries of the Pere Marquette Wild and Scenic River for the control of lamprey eel shall be permitted subject to such restrictions and conditions as the Secretary of Agriculture may prescribe for the protection of water quality and other values of the river."

SEC. 102. Subsection 3(a)(21) North Fork American is amended by striking out "agencies of the Departments of Interior and Agriculture as agreed upon by the Secretaries of such Departments or as directed by the President." and substituting "the Secretary of Agriculture. Public lands administered by the Secretary of the Interior through the Bureau of Land Management within the Wild and Scenic River corridor west of Range 11 East, Mount Diablo Meridian, shall hereafter be National Forest System lands to be administered by the Secretary of Agriculture as part of the Tahoe National Forest, the boundary of which is modified as generally depicted on a map entitled 'Tahoe National Forest Inclusion of North Fork American Wild and Scenic River, September 1980'."

SEC. 103. Section 3(a) is amended by inserting the following new paragraphs at the end thereof:

"(51) CLARKS FORK, WYOMING.—The segment from the property line between private and National Forest System lands approximately one-half mile below the Crandall Bridge downstream to the boundary of the Shoshone National Forest as generally depicted on a map entitled 'Proposed Clarks Fork Wild River' which is on file and available for public inspection in the Office of the Chief, Forest Service, United States Department of Agriculture, and is also part of a document entitled 'Clarks Fork of the Yellowstone, Wild and Scenic River Study'; to be administered by the Secretary of Agriculture.

"(52) ELK, COLORADO.—The main stem upsteam from the confluence with the South Fork, the North and South Forks to their headwaters, and the Middle Fork to the confluence of Gilpin Creek and Gold Creek as generally depicted on a map entitled 'Proposed Elk Wild and Scenic River' which is on file and available for public inspection in the Office of the Chief, Forest Service, United States Department of Agriculture, and is also part of a document entitled 'Elk Wild and Scenic River Environmental Impact Statement and Study Report'; to be administered by the Secretary of Agriculture.

"(53) Conejos, Colorado.—The North, Middle, and El Rito Azul Forks from their sources to their confluence with the Conejos River, thence the Conejos River to its confluence with the South Fork (but excluding the Platoro Reservoir as authorized by Public Law 485 and Public Law 76-260 and the segment of river downstream from the Platoro Reservoir to the boundary between Section 23 and 24, Township 26 North, Range 4 East, New Mexico and Sixth Principal Meridians) and the South Fork from Glacier Lake to its confluence with the Conejos River as generally depicted on a map entitled 'Preferred Alternative, Proposed Wild and Scenic River Area Boundary' which is on file and available for public inspection in the Office of the Chief, Forest Service, United States Department of Agriculture, and is also part of a document entitled 'Conejos Wild and Scenic River Study—Final Environmental Impact Statement'; to be administered by the Secretary of Agriculture.

"(54) Los Pinos, Colorado.—The segment from the confluence of the North Fork and Rincon La Vaca downstream to the Northern boundary of the Granite Peak Ranch; and, the tributaries, Lake Creek, Flint Creek, Rincon La Vaca, Rincon La Osa, Snowslide Canyon Creek, and Sierra Vandera from their headwaters to their point of confluence with the Los Pinos River as generally depicted on a map entitled 'Los Pinos—Wild and Scenic River' which is on file and available for public inspection in the Office of the Chief, Forest Service, United States Department of Agriculture; to be administered by the Secretary of Agriculture.

"(55) Verde, Arizona.—The segment beginning at the boundary between National Forest and private land in Sections 26 and 27, Township 13 North, Range 5 East, Gila-Salt River Meridian, downstream to the vicinity of Table Mountain approximately 14 miles upstream from Horseshoe Reservoir, as generally depicted on a map entitled 'Verde River—Wild and Scenic River' which is on file and available for public inspection in the Office of the Chief, Forest Service, United States Department of Agriculture; to be administered by the Secretary of Agriculture: *Provided,* That this designation shall not prevent water users receiving Central Arizona Project water allocations from diverting that water through an exchange agreement with downstream water users in accordance with Arizona water law.

"(56) Au Sable, Michigan.—The segment of the main stem from the project boundary of the Mio Pond project downstream to the project boundary at Alcona Pond project as generally depicted on a map entitled 'Au Sable River' which is on file and available for public inspection in the Office of the Chief, Forest Service, United States Department of Agriculture; to be administered by the Secretary of Agriculture.

"(57) Snake River, Wyoming.—The segment beginning about one mile below Astoria Hot Springs downstream to the entrance to Palisades Reservoir as generally depicted on a map entitled, 'Potential Classification Boundary' in a document entitled 'Snake River—Wyoming, A Potential Wild and Scenic River' which is on file and available for public inspection in the Office of the Chief, Forest Service, United States Department of Agriculture; to be administered by the Secretary of Agriculture.

"(58) Piedra, Colorado.—The segment from its confluence with Indian Creek upstream to the boundary between Sections 8 and 9, Township 36 North, Range 3 West, New Mexico Principal Meridian, and the Middle Fork from the boundary between Sections 10 and 15, Township 37 North, Range 3 West, New Mexico Principal Meridian to its headwaters as generally depicted on a map entitled 'Proposed Piedra Wild and Scenic River' which is on file and available for public inspection in the Office of the Chief, Forest Service, United States Department of Agriculture, and is also part of a document entitled 'Piedra River Final Environmental Impact Statement and Wild and Scenic River Study'; to be administered by the Secretary of Agriculture.

TITLE II.—STUDY RIVERS

SEC. 201 Section 5(a) is amended by deleting subsection 5(a)(71).

SEC. 202. Section 5(b) is amended as follows:

(a) Add the following proviso at the end of Subsection 5(b)(1): *"Provided further,* That effective on the dates of designation for potential addition, studies of the rivers named in Subparagraphs (31), (34), (38), (44), (49), and (55) shall be completed and the reports thereon transmitted to the Congress not later than January 1, 1986."

(b) Delete the wording of the first Subsection 5(b)(4) beginning with "There are authorized . . ." and insert in lieu thereof the sentence "For the purposes of conducting the studies of rivers named in Section 5(a), there are authorized to be appropriated such funds as are necessary."

(c) Renumber the second Subsection 5(b)(4) beginning with "The studies of the river . . ." as 5(b)(5) and to renumber Subsection 5(b)(5) as Subsection 5(b)(6).

TITLE III.—AMENDMENTS TO PUBLIC LAW 90-542, AS AMENDED

SEC. 301. The first sentence of Section 3(b) is amended as follows:

(a) Delete the words "date of this Act" and insert in lieu thereof the words "date of such designation";

(b) Delete the second parenthetical statement and insert in lieu thereof the parenthetical statement, "(which boundaries shall include an average of not more than three hundred and twenty acres of land per mile measured from the ordinary high water mark on both sides of the river)".

(c) Delete the semicolon and the remainder of the sentence after the words "its various segments" and insert in lieu thereof a period.

SEC. 302. The second sentence of Section 3(b) is amended as follows:

(a) Delete the words "Said boundaries," and insert in lieu thereof the words "Notice of the availability of said boundaries and".

(b) Delete the words "and development plans".

SEC. 303. Add a new Subsection 3(c)(i) as follows:

"3(c)(i) The Federal agency charged with the administration of each component of the National Wild and Scenic Rivers System shall prepare a comprehensive management plan for such river which shall provide for the protection of the river values. The plan shall address the costs and effects of resource protection alternatives, necessary development of lands and facilities, appropriate user capacities, and other management practices or techniques necessary to achieve the purposes of the Act. The plan shall also identify alternatives to protect the wild and scenic river values by means other than land acquisition. Where the river flows through Federal lands, the plan shall be coordinated with resource management planning for these adjacent Federal areas. Such plans shall be prepared after consultation with State and local governments and the interested public, and may be prepared in conjunction with plans prescribed by law for adjacent Federal lands. For rivers designated after January 1, 1982, the plans required by this subsection shall be prepared within three full fiscal years after the date of designation, and notice of the completion and availability of such plans shall be published in the Federal Register. For rivers designated in Subparagraphs (1) through (50) inclusive, all boundaries, classifications, and plans completed as of the date of enactment of this Subsection shall be valid and shall be reviewed for conformity with the requirements of this Subsection within eight years through regular agency planning processes. Notice of modifications to the boundaries and classifications for designated rivers shall be published in the Federal Register as provided in Subsection (b) of this Section."

SEC. 304. Add a new Subsection 3(c)(ii) as follows:

"3(c)(ii) For rivers designated in Subparagraphs (51) through (58) of Section 3(a), no money shall be appropriated for the acquisition of lands or interests in lands until the comprehensive management plan required by this subsection is prepared: *Provided,* That there is authorized to be appropriated such sums from the Land and Water Conservation Fund as may be necessary for the acquisition of lands and interests in lands identified for acquisition by the comprehensive management plans for said rivers, and for interim emergency acquisitions of lands or interests in lands as determined by the appropriate Secretary to be necessary to protect the values of said rivers, but such sums for emergency acquisitions shall not exceed a total of $500,000 for each of said rivers."

SEC. 305. Section 4(c) is amended as follows:

(a) Insert after the first sentence the following new sentence: "When five percent or more of the lands within one-quarter mile of a river proposed for designation are under the jurisdiction of another Federal Department or agency, the Secretary of the Interior, in exercising his authority pursuant to the provisions of Subsection 2(a)(ii) of this Act, shall not approve the designation without the concurrence of the head of such Department or Federal agency."

SEC. 306. Section 4 is amended by adding a new Subsection (d):

"(d) For study purposes, the study area of any river proposed in Section 5(a) of this Act for potential addition to the National Wild and Scenic Rivers System, unless otherwise provided, shall comprise that area measured within one-quarter mile from the ordinary high water mark on both sides of the river: *Provided,* This section shall not be construed to limit the possible scope of the study report to address areas which may lie more than one-quarter mile from the river."

SEC. 307. Section 5 is amended by adding a new Subsection (e):

"(e) If a river or portions thereof designated for study under this section are not designated as components of the National Wild and Scenic Rivers System before the end of the time period provided in Section 7(b), then study status shall terminate."

SEC. 308. (a) Section 6(a) is amended as follows:

Add the following sentence at the end thereof:

"When a tract of land lies partly within and partly outside the boundaries of a component of the National Wild and Scenic Rivers System, the appropriate Secretary may, with the consent of the landowner for the portion outside the boundaries, acquire the entire tract and the land or any interest therein so acquired outside the boundaries shall not be counted against the 100 acres fee title limitation. If not needed for outdoor recreation, administrative, or other purposes in furtherance of this Act, such lands or interests, may be disposed of by sale, lease, or exchange as provided in Section 14A."

(b) Section 6(b) is amended by inserting in the first sentence the words "outside the ordinary high water mark on both sides of the river" after the word "acreage", and inserting the words "in fee title" after the word "owned."

SEC. 309. (a) The second sentence of Section 7(a) is amended by deleting the words "approval of this Act" and inserting in lieu thereof the words, "designation of a river as a component of the National Wild and Scenic Rivers System".

(b) Section 7(b) is amended as follows:

(1) In the first sentence after Subparagraph (i) insert a new Subparagraph (ii) as follows:

"(ii) during such interim period from the date a report is due and the time a report is actually submitted to the Congress."

(2) Redesignate existing Subparagraph (ii) as Subparagraph (iii).

(3) In the second sentence, insert the word "unreasonably" before the word "diminish".

(4) At the end of the second sentence, delete the words "approval of this Act" and insert in lieu thereof the words, "designation of a river for study as provided for in Section 5 of this Act".

SEC. 310. Section 8(a) is amended by deleting the period at the end of the sentence and inserting in lieu thereof a colon, followed by the words: *"Provided,* That this provision shall not be construed to limit the authorities granted in Section 6(d) or Section 14A of this Act."

SEC. 311. Section 12(c) is amended by deleting the words "Secretary of the Interior" and inserting in lieu thereof the words "Administrator, Environmental Protection Agency".

SEC. 312. Section 14 is amended by designating the existing section as Subsection (a) and adding a new Subsection (b) as follows:

"(b) For the conservation purposes of preserving or enhancing the values of components of the National Wild and Scenic Rivers System, and environs thereof as determined by the appropriate Secretary, landowners are authorized to donate or otherwise convey qualified real property interests to qualified organizations consistent with Subsection 170(h)(3) of the Internal Revenue Code of 1954, as amended, including, but not limited to, right-of-way, open space, scenic, or conservation easements, without regard to any limitation on the nature of the estate or interest otherwise transferable within the jurisdiction where the land is located."

SEC. 313. Delete the existing Section 14A and substitute in lieu thereof the following revision:

"Where necessary or desirable to achieve the purposes of this Act, the appropriate Secretary may sell, lease, or exchange Federally owned lands or interests therein which are within or adjacent to the boundaries of any component of the National Wild and Scenic Rivers System: *Provided,* that such sale, lease, or exchange shall be subject to such reservations, restrictive covenants, or other terms and conditions as may be necessary or desirable to achieve the purposes of the Act. In the exercise of this sale or lease authority, the Secretary shall utilize the standards and procedures provided at Section 5(a) of Public Law 90-401 including the provisions for a right of first refusal by the last owner of record. The exercise of the exchange authority shall be consistent with the value provisions of Section 6(d) of this Act. The proceeds received from any conveyance under this section shall be credited to the appropriation account bearing the costs of such land acquisition for the affected Wild and Scenic River, and shall be available for expenditure only to the extent, and in such amounts, as may be provided in advance in appropriation Acts. Any proceeds remaining in such accounts shall be covered into miscellaneous receipts of the Treasury upon completion of such land acquisition for the affected wild and scenic river.

SEC. 314. Section 16(c) is amended by adding a new sentence at the end thereof, "For any designated Wild and Scenic River the appropriate Secretary may deem the acquisition of fee title with the reservation of regular existing uses to the owner, as a scenic easement for purposes of this Act, and such an acquisition will not constitute fee title ownership for purposes of section 6(b)."

TITLE IV.—AMENDMENT PERTAINING TO STATE COMPONENTS OF THE NATIONAL WILD AND SCENIC RIVERS SYSTEM

SEC. 401. Section 2(a) of the Act is amended as follows:

(a) In the first sentence, clause (ii), add the phrase "authorized for inclusion in the national system and" before the word "designated".

(b) After the first sentence, insert the following new sentence: "Any river included within the National Wild and Scenic Rivers System under the provisions of clause (ii) shall be removed from the National System by the Secretary of the Interior if requested to do so by a resolution of the affected legislature or legislatures of the State or States through which the river flows, and if the Secretary of Agriculture concurs in such removal for those portions of rivers flowing through National Forest System lands."

SECTION-BY-SECTION ANALYSIS OF PROPOSED AMENDMENTS TO THE WILD AND SCENIC RIVERS ACT (82 STAT. 906; 16 U.S.C. 1271-1287)

TITLE I—COMPONENTS OF THE WILD AND SCENIC RIVERS SYSTEM

1. Section 101 amends Subsection 3(a)(16) of the Act pertaining to management of the free-flowing characteristics of the Pere Marquette River in Michigan. The amendment would allow the Secretary of Agriculture to permit the construction of facilities to control the spawning migration of the lamprey eel. The lamprey eel is a major parasitic threat to commercial and sport fisheries in the great Lakes. The prohibition under the Act of any form of impoundment precludes the utilization of structures which prevent passage to spawning lamprey. The amendment would conditionally allow for such control mechanisms.

2. Section 102 amends Subsection 3(a)(21) of the Act to place management responsibility for the entire segment of the American Wild and Scenic River with the Secretary of Agriculture and provide for the transfer of public lands within the area to the Tahoe National Forest.

3. Section 103 amends Section 3(a) by designating segments of the following rivers as units of the National Wild and Scenic Rivers System:

River and State: Clarks Fork (Wyoming); Elk (Colorado); Conejos (Colorado); Los Pinos (Colorado); Verde (Arizona); Au Sable (Michigan); Snake (Wyoming); and Piedra (Colorado). Administering Department: USDA.

TITLE II.—STUDY RIVERS

4. Section 201 amends Section 5(a) by eliminating the study of the Soldiers Creek River in Alabama. This very short segment has an inadequate resource base and clearly is an unsuitable candidate for inclusion in the system.

5. Section 202(a) extends the time for completion of six studies. Several studies for rivers previously designated as potential additions to the system have been delayed beyond the date originally provided. Delays for some of these studies are due to their interrelationship with other studies being conducted for land and water resources, and full evaluation would require completion of all studies underway for given river areas. The section would extend the study period until January 1, 1986.

6. Section 202(b) deletes specific funding authorization for certain studies which are largely completed and provides for general authorization of funding of studies.

7. Section 202(c) is a necessary stylistic change.

TITLE III.—GENERIC AMENDMENTS TO THE WILD AND SCENIC RIVERS ACT

8. Section 301 amends Section 3(b) by modifying the requirements for preparing a management plan within 1 year, and clarifies the area encompassed by the boundaries of a designated river to include the water area with islands in addition to a land area averaging 320 acres per mile measured from the ordinary high water mark on both sides of the river.

9. Section 302 eliminates the requirement that boundary descriptions be published in the Federal Register; rather, the administering agency must publish notice of the availability of the description. This change will not affect the public information objective, yet will result in the saving of considerable publication expenses for lengthy boundary descriptions.

10. Section 303 provides for a comprehensive management plan to be prepared within 3 fiscal years. This comprehensive plan replaces the 1 year requirement for development plans now in Section 3(b) of the Act. To promote efficient planning and avoid possible duplication, the comprehensive plan will be coordinated with ongoing resource management planning for adjacent Federal lands. Such plans will address alternative means of river protection, development of lands and facilities, appropriate user capacities and other management practices and techniques to achieve the purposes of the Act. Most significantly, the modified planning requirement will emphasize alternative techniques other than land acquisition for preserving the river values. For already designated rivers, existing boundaries, classifications and plans will remain valid, but will be reviewed within 8 years through regular agency planning processes.

11. Section 304 represents a major shift in approaches to river protection. No land acquisition funds would be appropriated until after completion of the comprehensive management plan. This will insure that alternatives to land purchases are fully examined and implemented. The provision does recognize that adverse development may occur on rivers while the comprehensive plan is being prepared; and, therefore, authorizes up to $500,000 per river for emergency land acquisitions to prevent such problems.

12. Section 305 provides a limitation on the authority of the Secretary of the Interior to designate State rivers. No State-designated river shall be administratively designated under the authority of Subsection 2(a)(ii) if the designation affects Federally owned lands and the administering Department or agency objects to such designation. This will prevent designations which could severely impact the fulfilling of management responsibilities by other agencies for lands under their jurisdiction.

13. Section 306 establishes the study area of study rivers as being one-quarter mile on both sides of the river. This clarifies the extent of the applicability of various protections contained in Section 7(b) of the Act and Subsection 522(e)(1) of the Surface Mining Control and Reclamation Act of 1977.

14. Section 307 provides for the eventual termination of study status for rivers after studies have been completed and sent to the Congress, and for which the Congress has not acted upon the recommendations within the 3-year period now provided by Section 7(b)(ii). The Act protects study rivers from water resource development (Sec. 7); entry and disposition under the public land laws (Sec. 8); and mineral entry (Sec. 9). However, these protections are only for a specific term and expire 3 years after submission of a study to Congress. The proposed amendment merely ends study status for a river at the same time the statutory protections of sections 7, 8, and 9 are ended.

15. Section 308(a) amends Section 6(a) to provide for whole tract acquisition when a land acquisition is deemed necessary to preserve river values. Whole tract acquisition involves the purchase of an entire property rather than just that portion lying within a river boundary line. This provision will eliminate the need to pay severance charges, will avoid uneconomic remnants which by existing law must be acquired anyway (P.L. 91-646), and gives the landowner the option of conveying all holdings. If a whole tract is acquired, the Secretary may dispose of surplus portions by sale, lease or exchange, and thereby minimize any Federal investment in unneeded interests in land.

16. Section 308(b) amends Section 6(b) of the Act to clarify the scope of potential Government ownership within the designated boundaries of wild and scenic rivers. Partial interests, such as easements, and submerged lands are not included in the 50 percent public ownership proportion. This amendment reaffirms longstanding administrative interpretations of the 50 percent proportion of land ownership.

17. Section 309(a) would amend Section 7(a) of the Act dealing with water resource projects on designated rivers. The amendment would change the baseline date for determining impacts on resource values by water projects above or below a designated portion of a river. A 1968 date has been applicable to all rivers designated to date. We believe, however, the 1968 date is not appropriate for rivers designated after that date. The appropriate date should be the date of designation.

18. Section 309(b) provides that the protections for study rivers including the deferment of water resources projects extend to the date that a study report is actually submitted to the Congress. The Act is currently ambiguous on the question of whether projects can be authorized on rivers when the submission of a study report is delayed beyond the time mandated for completion. This provision clarifies the time periods of the protections as being from the date of designation for study until 3 years after submission of the report to Congress. This provision insures that the options of Congress are not preempted by incompatible activities until there is adequate time for congressional consideration. This provision does not condone administrative delays in preparing studies by the appointed date, but does recognize that delays do sometimes occur. Note that a companion provision in Section 308 of the bill would terminate study status after 3 years from the date a report is submitted to the Congress if no legislative action is taken.

Section 309(b) also amends Section 7(b) and makes changes similar to those made to Section 7(a) dealing with the date of designation being the date from which diminishment of values is judged. In addition, the existing standard for evaluating effects on scenic, recreational, and fish and wildlife values for water projects on study rivers ("diminish"), is revised to be the same as the standard for evaluating effects on those values for water projects on designated rivers ("unreasonably diminish"). By this change, a study river would not be subject to more stringent protections than are pro-

vided for rivers already designated as components of the System.

19. Section 310 amends Section 8(a) to allow for exchange, lease or other disposition of lands as provided in Section 6(d) and Section 14A of the Act. The withdrawal of lands within the boundaries of a wild and scenic river from disposition under the public land laws is otherwise unchanged.

20. Section 311 amends Section 12(c) to reflect the responsibility of the Environmental Protection Agency for water pollution control.

21. Section 312 amends Section 14 to encourage the donation of lands and interests in lands within wild and scenic rivers. The amendment incorporates the provisions of the Tax Extension Act of 1980 (P.L. 96-541), which allows for donors to receive tax deductions for interests in lands, including conservation easements, given to charitable organizations such as the Nature Conservancy.

22. Section 313 amends Section 14A to expand the Secretaries' authority to sell, lease, or exchange lands within or adjacent to the boundaries of a river. However, such a sale, lease, or exchange shall be subject to such reservations or restrictive covenants as the Secretary determines to be necessary to achieve the purposes of the Act. This authority would permit a more efficient use of limited Federal funding and maximize the utilization of unneeded property rights toward the goal of preserving the river values. This section would also permit leasing for continued cultivation or pasturing operations on Federal land suited for such activities if they can be performed without harming the values of the river. The provision states that in the event of a sale, exchange or lease, the previous private owner has the right of first refusal. Any revenue derived from a sale, exchange, or lease-back shall be available for future land acquisition for that river. This will encourage Federal land managers to adopt innovative sale or lease-back programs so as to maximize the quantity and quality of compatible land use within the wild and scenic river boundary.

23. Section 314 clarifies the scope of scenic easements to encompass the reservation by a landowner of all regular existing uses of the land while allowing the conveyance of the remaining interests to the Secretary. This mechanism utilizes reserved interest deeds which are a more definitive and more easily administered form of conveyance of partial interests in lands. The amendment allows the administering Secretary an option as to whether to use reserved interest deeds on a given river; it may be desirable to continue to utilize the more established easement forms on existing rivers for reasons of continuity.

TITLE IV.—STATE RECOMMENDED RIVERS

24. Section 401(a) amends Section 2(a) of the Act to provide for the concurrent approval of the State legislature whenever a governor recommends to the Secretary of the Interior that a State wild and scenic river be included in the National Wild and Scenic Rivers System.

25. Section 401(b) amends Section 2(a) of the act to allow for the removal from the National System of State components designated under clause (ii). The question of including a State river in the National System is principally a matter of State law and policy which should be subject to the changing needs and conditions of the States. The controversy that has arisen from the Secretary of the Interior's 1981 designation of five rivers in northern Califorina has indicated, among other things, that the State legislature should exercise oversight over components of State river systems, and the legislatures should be consulted as to whether a State river should be added to the National System by administrative action. Since wild and scenic river designation affects long range planning for the National Forests, the amendments provide that the Secretary of Agriculture is required to approve any removals of State rivers which might affect National Forest lands. Although this amendment would make Section 2(a)(ii) designations more responsive to State legislatures, it would not affect the ability of the Congress to permanently designate such State rivers as components of the National System pursuant to an Act of Congress.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., February 25, 1983.

Hon. JAMES A. MCCLURE,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: On September 13, 1982, the President transmitted to Congress recommendations for wild and scenic rivers and wilderness areas. We feel these recommendations represent a balanced approach to these sensitive resource issues.

The Administration is supporting a draft bill to amend the Wild and Scenic Rivers Act; a copy is enclosed for your information. The bill adds certain outstanding rivers to the Wild and Scenic Rivers System. Of equal importance, Title III of the bill proposes generic amendments to the Wild and Scenic Rivers Act.

The generic amendments were drafted over a 2-year period by a joint working group between the Departments of Agriculture and the Interior. This group was comprised of agency personnel with considerable experience in dealing with the administration of the Wild and Scenic Rivers Act and the management of rivers. Thus, the bill addresses legal and management issues based on experience in managing the Wild and Scenic Rivers System. If enacted, the bill would enhance management efficiency and effectivensss.

We believe that the bill should receive bipartisan support, and on behalf of the Administration, we urge introduction of the bill.

We would be pleased to provide staff assistance in explaining the various provisions of the bill and/or assisting the committee staff in its work.

Sincerely,

JOHN R. BLOCK,
Secretary.●

● Mr. WALLOP. Mr. President, I would like to speak briefly about one of the two Wyoming rivers which the administration's wild and scenic river proposal recommends for designation, the Clarks Fork of the Yellowstone River. The Clarks Fork River originates in the Beartooth Mountains north of Cooke City, Mont., and is a major tributary of the Yellowstone River. It flows into Wyoming, carving the deep, narrow canyon which is the portion recommended for designation, and then flows back into Montana to join the Yellowstone River.

Public Law 93-621, enacted in 1975, directed that 23 miles of the Clarks Fork, from Crandall Creek Bridge downstream through Clarks Fork Canyon, be studied for possible inclusion in the national wild and scenic rivers system. Shoshone National Forest prepared an environmental impact statement which recommended classifying 21.5 miles of the study segment as a wild river, excluding one-half mile of private land on the upstream end of the study area and 1 mile on the downstream end. The administration has transmitted the same recommendation in the package that Senator MCCLURE is introducing by request today.

In the last few weeks, the Wyoming Water Development Commission has informed me that it wants to further study the water-development potential of various sites on the Clarks Fork, and has asked that no action be taken on wild and scenic river designation until the study is complete. For the information of those not familiar with it, the WWRC is a nine-member citizen commission appointed by the Governor of Wyoming with the approval of the State senate which is responsible for the coordination, development, and planning of Wyoming's water and related land resources. It was created in mid-1979, after the Forest Service produced its Clarks Fork final EIS in February 1979 and, therefore, never had an opportunity as a body to work with the Forest Service on its report. Mike Reese, administrator of the State of Wyoming's Water Development Commission, tells me that there are a number of filings for possible water projects on the river, and that the WWDC plans to conduct a study on possible water development on the river this summer, with a preliminary report probably by fall. In addition, the Montana Department of Natural Resources and Conservation has expressed concern over early action on a Clarks Fork designation since that State is interested in the possibility of a joint storage project with Wyoming. A bill—House bill 914—authorizing a joint Montana-Wyoming water project study in order to determine each State's allocable share of the Clarks Fork under the terms of the Yellowstone River compact has passed the Montana House of Representatives and is pending in the Senate.

At this point it is my understanding that the WWDC has not decided one way or the other if water development and/or hydroelectric development is feasible or desirable on the Clarks Fork. However, the WWDC does want to give the water resource development potential of the river one more honest look, and does not necessarily agree with the administration's conclusion that no feasible sites for water resource development exist on the Clarks Fork.

Mr. President, since Wyoming and possibly Montana want to review the

water-development potential of the Clarks Fork before Congress considers adding it to the wild and scenic river system, then I strongly believe we should honor that request. Since the Clarks Fork proposal is part of this administration package, it is pending before Congress. However, I intend to ask my colleagues on the Senate Energy and Natural Resources Committee to defer consideration of the Clarks Fork until the WWRC has conducted its review, even if the committee takes up the rest of the administration's rivers package. For my part, as chairman of the Public Lands and Reserved Water Subcommittee, I will not act on the Clarks Fork proposal until the WWRC has reported back.●

By Mr. SPECTER:

S. 1085. A bill to provide an additional 10 weeks of unemployment compensation for individuals participating in a job-training program for dislocated workers under title III of the Job Training Partnership Act; to the Committee on Finance.

UNEMPLOYMENT COMPENSATION FOR DISLOCATED WORKERS ACT

Mr. SPECTER. Mr. President, I rise today to introduce the Dislocated Workers Act.

We are all becoming too familiar with the term "structurally unemployed," a phrase that refers to the thousands of jobless workers whose skills are obsolete because their industries are being phased out or are changing to more technical production processes. This term also represents the many who are unemployed because of this Nation's ongoing transition from traditional and smokestack manufacturing industries to sophisticated, service-oriented businesses. Martin Feldstein, the President's chief economic adviser, recently estimated that these workers may account for up to 7 percent of our available work force or close to two-thirds of this Nation's unemployed labor.

Dislocated workers comprise the most challenging aspect of our current economic problems because their numbers continue to grow at alarming rates. Since the recession began more than a year and a half ago, the jobless rate for adult men rose from 5.8 to 9.6 percent. Many members of this group are skilled and dedicated workers, victims of an economy experiencing profound structural changes.

I have recently heard many heralding the evolving technological revolution as the answer to our economic prayers. They claim that we must reap the fruits of high technology to maintain our leading position in world economics. While I also believe in harnessing high tech, I am concerned that not enough is being done to prepare our work force to meet the challenges of advanced technology. The Department of Labor's Bureau of Labor Statistics estimates a shortage of 2.5 million skilled workers in all technical fields during the 1980's. This mismatch between jobs and available labor is alarming; a shortage of skilled personnel may well inhibit the future technological growth this Nation is counting on to remain the world's industrial leader.

Mr. President, it is my view that the tools to address the dual problems of dislocated workers and the acute shortage of technically skilled labor are available in the unemployment insurance benefits program and the Jobs Training Partnership Act. The unemployment benefits program provides essential relief to those who are unemployed. During this recessionary period, unemployment benefits pay the rent and put food on the table. But what happens when benefits run out and jobs are still unavailable? It is imperative that this situation, the scenario for too many families, be addressed with training for jobs that exist or are emerging.

The Jobs Training Partnership Act has the potential to be a valuable mechanism for providing training. Title III of the JTPA specifically authorizes assistance for persons forced out of work by the permanent closing or phasing out of a plant or facility. The recent emergency jobs appropriation of $125 million for the startup of title III will enable States to lay the groundwork for implementing this program's development activities, retraining, and relocation assistance that are sorely needed.

The promise of the JTPA underscores the role which the Dislocated Workers Act can play in retaining our work force. If implemented, this measure will provide a useful incentive for dislocated workers to participate in State-authorized training programs. For example, an unemployed electrician from Pennsylvania, recently laid off from an electrical contracting concern, will have an additional 10 weeks of unemployment benefits to obtain training for available computer technician jobs while receiving benefits. It is my view that most dislocated workers possess skills which can be applied to emerging technologies. The Dislocated Workers Act can help enhance these skills with training necessary for meeting the demand for skilled labor.

It is for all these reasons that I introduce the Unemployment Compensation for Dislocated Workers Act. It is my belief that the added 10-weeks assistance will provide encouragement and reward for those who are skilled but need enhanced abilities to obtain jobs in fields where employment is available. The recent funding of $85 million specifically for title III of JTPA for fiscal year 1983 sets the stage for the States to enact this program.

Mr. President, I understand that this legislation should be implemented carefully, allowing States and local governments sufficient time to prepare for its operation. Because this program will take time to develop, we should begin to set the wheels in motion as quickly as possible to promptly address the current critical unemployment problems.

By Mr. CRANSTON:

S. 1086. A bill to repeal section 212(a)(4) of the Immigration and Nationality Act, as amended, and for other purposes; to the Committee on the Judiciary.

AMENDMENT OF THE IMMIGRATION AND NATIONALITY ACT

Mr. CRANSTON. Mr. President, the legislation I am introducing today will strike from the Immigration and Nationality Act provisions that require the Immigration and Naturalization Service (INS) to deny admission into the United States to aliens suspected of being homosexuals.

Specifically, section 212(a)(4) of the Immigration and Nationality Act, presently provides for exclusion of "aliens afflicted with psychopathic personality, sexual deviation, or a mental defect."

Section 212(a)(4) is part of the 1952 McCarran-Walter Immigration Act. As originally enacted, the exclusion applied to "aliens afflicted with psychopathic personality, epilepsy, or a mental defect." A 1967 judicial decision interpreted that phrase, "psychopathic personality" as including homosexuality. Meanwhile, in 1965 the words, "sexual deviation" were substituted for "epilepsy."

The 1965 amendment was intended to treat homosexuality as a specific example of a "disease or mental defect" requiring an examination of the person by the Public Health Service and certification that the "disease or mental defect" was not present before an applicant could be admitted to the United States.

In 1973, however, the American Psychiatric Association formally declared that, in its view, homosexuality per se is not a mental disorder. And in 1979, the Surgeon General of the United States announced that the PHS would no longer consider homosexuality a "disease or mental defect" under the statute. The Surgeon General also advised INS officers that PHS would no longer make such a medical examination of aliens referred by INS because of suspected homosexuality. While this denied INS medical confirmation of its suspicions, it did not change the underlying law on which INS was to be acting.

The practical result is that inexpert immigration officers, acting alone, can now determine arbitrarily that an arriving alien is to be denied entry exclu-

sively on the grounds of suspicions of homosexaulity by the officer. Meanwhile, other immigration officers will admit "closet" homosexuals because they fail to suspect homosexuality. Such inconsistent enforcement discriminates against the openly homosexual person and those who "appear homosexual" even though they may not be. It punishes self-respect, honesty, and openness.

The root of the problem, however, goes beyond the arbitrary enforcement which results. It lies in the unwise and discriminatory underlying law, which attempts to use private sexual preference as a criterion for judging who does or does not qualify for admission to the United States, either as a visitor or as a resident alien.

In 1979, I sponsored private legislation to permit a visa to be issued to a Filipino woman who had been denied an opportunity to join her family here solely because she is a lesbian. The following year I sponsored a bill, similar to the legislation I am introducing today, to repeal section 212(a)(4).

My current bill will delete the objectionable language from section 212(a)(4) of the Immigration and Nationality Act and substitute new language excluding aliens afflicted with true mental disease or defect. This bill is intended to make clear that sexual preference alone cannot be the ground for denying entry to aliens wishing to visit or seeking to imigrate to the United States.

Adoption of this legislation will end a form of discrimination which has no rational basis and which violates traditional American respect for the privacy and dignity of an individual.

I ask unanimous consent that the text of my bill be printed at the conclusion of my remarks:

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

S. 1086

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

That paragraph (4) of section 212(a) of the Immigration and Nationality Act, as amended, is hereby repealed.

SEC. 2. Section 212(a) of the Immigration and Nationality Act is further amended by adding the following new paragragh (4):

"(4) aliens afflicted with mental disease or defect,"

Mr. HATCH:

S. 1087. A bill to authorize appropriations for the National Science Foundation for fiscal year 1984; to the Committee on Labor and Human Resources.

NATIONAL SCIENCE FOUNDATION AUTHORIZATION

● Mr. HATCH. Mr. President, I am today introducing the proposal of the Reagan administration for funding the National Science Foundation for fiscal year 1984. NSF is the principal agency of our Government to advance America's knowledge of basic science and increase the capacity of our educational institutions to conduct such important research work. I share the administration's commitment excellence in U.S. science and am pleased that the budget they have submitted for the Foundation indicates a willingness to devote scarce national resources to this governmental responsibility.

Basic science is a necessary prerequisite for applied research and technological development. Without it, we will not be able to regain unequivocal leadership in the world market, nor will we be able to protect peace. Our future quality of life depends in large part on our devotion to science today.

The bill recommended by the administration calls for a 17.8-percent increase for NSF in fiscal year 1984, bringing its budget to a total of $1.3 billion. The increase in funding will be used to expand certain central research facilities, upgrade instrumentation, speed up ongoing work in mathematics, plant biology, and some Earth sciences, and initiate two new programs in science and engineering education. Nearly every program within NSF has received some degree of increase.

I would like to inform the Senate, Mr. President, that the Labor and Human Resources Committee anticipates reporting a comprehensive science and math education initiative by the May 15 budget deadline. The full committee will be working closely with Senator ROBERT STAFFORD, clearly a leader in the field of education, to fashion a program with the appropriate and effective mix of NSF and Department of Education activity. The interest of many of our Senate colleagues in this national issue has not gone unnoticed and the many separate bills which have been offered will be taken into account during our discussions and hearings, as will the findings of the National Science Board's commission on precollege science and math education.

Hearings were held on the research portion of the NSF fiscal year 1984 authorization legislation on March 18; hearings on the science education program on April 18.

At this time, Mr. President, I ask unanimous consent that the text of the bill be printed in the CONGRESSIONAL RECORD.

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

S. 1087

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Science Foundation Authorization Act for Fiscal Year 1984".

SEC. 2. There is authorized to be appropriated to the National Science Foundation for the fiscal year 1984 the following amounts for the following categories:

(1) Mathematical and Physical Sciences, $364,300,000.

(2) Engineering, $123,000,000.

(3) Biological, Behavioral, and Social Sciences, $223,600,000.

(4) Astronomical, Atmospheric, Earth and Ocean Sciences, $334,900,000.

(5) Antarctic Research Program, $102,100,000.

(6) Scientific, Technological, and International Affairs, $36,800,000.

(7) Science and Engineering Education, $39,000,000.

(8) Program Development and Management, $66,000,000.

SEC. 3. Appropriations made pursuant to sections 2 and 5 shall remain available for obligation for expenditure, or for obligation and expenditure for periods specified in the Acts making the appropriations.

SEC. 4. From appropriations made under this Act, not more than $2,500 for fiscal year 1984 may be used for official consultation, representation, or other extraordinary expenses upon the determination of the Director of the National Science Foundation, and his determination shall be final and conclusive upon the accounting officers of the Government.

SEC. 5. In addition to the sums authorized by section 2, not more than $2,600,000 for fiscal year 1984 is authorized to be appropriated for expenses of the National Science Foundation incurred outside the United States, to be paid for in foreign currencies that the Treasury Department determines to be excess to the normal requirements of the United States.

SEC. 6. Funds may be transferred among the categories listed in section 2, but neither the total funds transferred from any category nor the total funds transferred to any category may exceed 10 per centum of the amounts authorized for that category in section 2, unless—

(1) thirty legislative days have passed after the Director of the National Science Foundation or his designee has transmitted to the President of the Senate and to the Speaker of the House of Representatives and to the Committee on Labor and Human Resources of the Senate and to the Committee on Science and Technology of the House of Representatives a written report containing a full and complete statement concerning the nature of the transfer and the reason therefor, or

(2) each such committee before the expiration of such period has transmitted to the Director written notice to the effect that such committee has no objection to the proposed action.

SEC. 7. Notwithstanding any other provision of this or any other Act, the Director of the National Science Foundation shall keep the Committee on Labor and Human Resources of the Senate and the Committee on Science and Technology of the House of Representatives fully and currently informed with respect to all of the activities of the National Science Foundation.

By Mr. WALLOP (for himself, Mr. BAKER, Mr. BIDEN, Mr. BUMPERS, Mr. CHAFEE, Mr. COHEN, Mr. CRANSTON, Mr. DANFORTH, Mr. DOLE, Mr. DOMENICI, Mr. DURENBERGER, Mr. GORTON, Mr. HATFIELD, Mr. HEINZ, Mr. JACKSON, Mr. JOHNSTON, Mr. LAXALT, Mr. LUGAR,

Mr. McCLURE, Mr. MELCHER, Mr. QUAYLE, Mr. ROTH, Mr. SPECTER, Mr. STAFFORD, Mr. STEVENS, Mr. SYMMS, Mr. THURMOND, and Mr. WARNER):

S. 1090. A bill to establish a National Outdoor Recreation Resources Review Commission to study and recommend appropriate policies and activities for government agencies at the Federal, State, and local levels and for the private sector, to assure the continued availability of quality outdoor recreation experiences in America to the year 2000, and for other purposes; to the Committee on Governmental Affairs.

NATIONAL OUTDOOR RECREATION RESOURCES REVIEW ACT OF 1983

● Mr. WALLOP. Mr. President, today, along with a number of my colleagues, I am introducing a bill to authorize the establishment of a commission to examine the status and future of outdoor recreation in America. The introduction of this legislation pays tribute to the outstanding success of the first such review, completed in 1962, but it also recognizes the tremendous changes that have taken place in our Nation since that time.

The Outdoor Recreation Resources Review Commission (ORRRC) was established in 1958 under President Eisenhower, conducted an extensive review and evaluation of outdoor recreation resources and demands, and submitted its visionary findings and recommendations to President Kennedy. The recommendations of the Commission were largely adopted by the Congress over the following several years, and have come to form much of the Federal framework for outdoor recreation policies and programs. Among the enacted recommendations are the Land and Water Conservation Fund, the Wild and Scenic Rivers System, the National Trails System, the Wilderness Preservation System and the former Bureau of Outdoor Recreation. Technical assistance programs and recreation research also flourished as a result of the initiatives of the Outdoor Recreation Resources Review Commission.

The Commission was chaired by Mr. Laurance S. Rockefeller, a distinguished citizen who, time and again, has devoted himself to efforts to insure the protection and enhancement of our land and water resources.

Senator HENRY JACKSON is the only member of the bipartisan, eight member congressional component of the Commission who is still serving in the Congress. Senator JACKSON, whose efforts in behalf of recreation and the environment are well known, is joining me in introducing this bill today, along with many other distinguished colleagues.

Since at least 1980, there have been suggestions that the manifold changes in American society and government were great enough to warrant a fresh, broad scale examination or recreation policy. Indeed, the range of recreation opportunities has grown enough to require a new consideration of the role and responsibilities of all levels of government and the private sector in insuring the appropriate quality and quantity of recreation experiences. Technology, and a search for adventure, have combined to make traditional outdoor recreation activities more accessible to the public, and to create new forms of recreation such as scuba diving, sailboarding, snowmobiling, and hang gliding.

The extensive travel and tourism complex in America is, at heart, associated with recreational pursuits, some of which are served by public park or recreation areas, others by privately developed facilities. We are only now coming to appreciate the linkages between recreation and tourism and the negative effects that uncoordinated Federal programs and policies have on both.

We are facing the problem of how to reassure the American people that our country will continue to have quality recreational opportunities at the same time that we need to exercise fiscal and budgetary constraints. If we add to this dilemma the fact that recreation itself, as noted above, is in a state of flux, the need for a broad review by keen minds becomes clear.

Recreation is an issue deserving national attention, but it must be paid by more than the Congress, or even by the Federal Government. There is need to incorporate the thinking of the for-profit and not-for-profit elements of the private sector, of other units of government and of individual citizens.

In short, a bipartisan national commission on recreation, consisting of Members of Congress and knowledgeable private citizens offers an excellent means of identifying emerging trends and problems. From such an effort could also come the same kind of farsighted suggestions that consitute the legacy of ORRRC.

I personally believe that outdoor recreation has a national character that distinguishes it from the essentially local character of indoor recreation. Hence our system of national parks, forests, recreation areas, and so forth, developed with a strong Federal commitment.

Those of us who are introducing this proposal are putting in legislative form a concept that has been developed by a number of individuals and organizations including the Congressional Research Service; the 1980 National Conference on Renewable Natural Resources, sponsored by the American Forestry Association and 23 other conservation and resource users groups; the National Recreation and Park Association; and the American Recreation Coalition. A number of these organizations joined forces a year ago to develop a prospectus for a national reassessment of the broad field of recreation as it has come to be redefined by changes in technology, society, and personal preferences.

Most recently, Laurance S. Rockefeller established an Outdoor Recreation Policy Review Group that performed a most helpful reconnaissance of recreation issues and problems. After several months of work, their principal recommendation was to urge that "a new Outdoor Recreation Resources Review Commission be created by act of Congress as was the original ORRRC."

The Policy Review Group was chaired by Mr. Henry Diamond, a Washington attorney and editor of the original ORRRC reports. Serving on the panel with Diamond were Dr. Emery Castle, president of Resources for the Future, Mr. Sheldon Coleman, chairman of the Coleman Co., Mr. William Penn Mott, president of the California State Parks Foundation, Mr. Patrick Noonan, president of Conservation Resources, Inc., and Mr. William Reilly, president of the Conservation Foundation.

Three of the panel members, Dr. Castle, Mr. Noonan, and Mr. Reilly, served as moderators for the two public land workshops on alternatives to fee acquisition of lands held by my Subcommittee on Public Lands and Reserved Water in 1981 and 1982. In that capacity they displayed the vision now called for in examining the realm of outdoor recreation policy. Those two workshops served as a catalyst in the exciting chemistry of people, ideas and action that sometimes characterizes this town, and they contributed significantly to the formation and work of the Outdoor Recreation Policy Review Group. Now once again we must creatively look at the problems to be solved and alternatives to mere barrels full of Federal money as our symbols of commitment.

"Outdoor Recreation for America—1983" notes some of the problems that now exist. These include a decline in support of recreation programs by all levels of government since the late 1970's, and incomplete, inconsistent information upon which to base decisions. The report states, "The date base for outdoor recreation remains, at best, primitive."

There are positive reasons for a national recreation reassessment as well. The trends research firm of Yankelovich, Skelly & White reported to the Policy Review Group on the growing importance of the "leisure ethic" to Americans. While some of the antisocial and destructive elements of the "Me" generation of the 1970's are fading, the leisure ethic remains, in large part because of personal dissatisfaction in the workplace.

The report also points out why, apart from insuring personal satisfaction and physical well-being, there is compelling reason for national interest in recreation in this, a period of economic constraints. Recreation and leisure pursuits constitute an important segment of the American economy, representing an estimated $244 billion in annual expenditures and generating 1 out of every 15 jobs in America.

The economic considerations associated with a new recreation study are not purely defensive. We are presented not only with the need to safeguard existing jobs, but with the opportunity to create new private sector employment in the recreation and leisure fields.

The report of the Outdoor Recreation Policy Review Group identified a number of policy issues that are deserving of intensive study by a new outdoor recreation commission. Five of these issues briefly addressed by the Policy Review Group are as follows:

Government responsibilities for outdoor recreation; the role of the private sector in recreation; Federal funding for outdoor recreation; nonfunding Federal assistance; and Federal lands and national management systems.

Two other important issues that the group did not have time to consider in depth but which they felt deserved "further, intensive examination" by a national commission were cited. They are the matter of increased cooperation between public recreation agencies and the tourism industry, and improved training of public recreation personnel in visitor service and information skills.

A new national commission on recreation will certainly develop its own work plan, but the suggestions of the Rockefeller group provide useful guidance in setting the agenda for study.

Mr. President, so as to further share with my colleagues the work of the Outdoor Recreation Policy Review Group, I ask unanimous consent that a copy of the findings section of their report, as well as a copy of the bill, be printed in the CONGRESSIONAL RECORD.

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

S. 1090

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Outdoor Recreation Resources Review Act of 1983".

SEC. 2. The Congress finds that—

(a) the findings and recommendations of the Outdoor Recreation Resources Review Commission (1958-1962) did contribute significantly to the protection of our land and water resources and the expansion of recreation opportunities;

(b) public and private recreation resources and programs contribute to our nation's economic vitality, environmental quality and physical and mental health;

(c) changes in national and regional demographics, economic conditions, lifestyles and technology have resulted in both dramatic growth and change in recreation demand beyond the 1962 projections of the Outdoor Recreation Resources Review Commission;

(d) the American public seeks an increasing array of recreation experiences, yet public and private efforts to satisfy this demand are limited by inadequate coordination, increasing fiscal constraints, growing demands on land, water and recreation resources and lack of basic information; and

(e) consequently there is a need to review and anticipate public recreation interests and demand and to recommend appropriate policies and actions to ensure the availability of quality recreation resources and facilities for this and future generations.

SEC. 3. For the purposes of this Act—

(1) "Commission" shall mean the National Outdoor Recreation Resources Review Commission;

(2) "Outdoor Recreation Resources" shall mean the land and water areas and associated facilities in the United States and its territories and possessions which provide, or which may have the capacity to provide, opportunities for outdoor recreation, irrespective of ownership or location;

(3) "Recreation opportunities" shall mean opportunities for present and future generations to engage in outdoor recreation pursuits, active or passive, which are supportive of individual enjoyment, health and welfare and mindful of the need for the continued use of the areas and facilities where such pursuits are conducted.

SEC. 4. (a) In order to protect, preserve, develop and assure accessibility by all American people of present and future generations such continued quality and quantity of recreation resources and opportunities as will be necessary and desirable for individual enjoyment, health, and welfare, and to make specific recommendations and proposals to the President of the United States, the Congress, the individual States and Territories and the officials thereof and to the private sector, there is authorized and created a bipartisan National Outdoor Recreation Resources Review Commission.

(b) The Commission shall consist of fifteen members appointed as follows:

(1) Two majority and two minority members of the United States Senate, to be appointed by the President of the Senate;

(2) Two majority and two minority members of the United States House of Representatives to be appointed by the Speaker of the House;

(3) Seven citizens known to be informed about, concerned with, or involved in the management of public or private outdoor recreation resources and related opportunities, policies and programs, to be appointed by the President upon his consideration of recommendations made to him by the public or persons or organizations concerned with and knowledgeable of outdoor recreation resources and opportunities. The President shall designate a Chairman from among its citizen members. For purposes of carrying out this Act, and subject to its terms, the Chairman shall be considered a Federal employee. A Vice-Chairman shall be elected by and from those Members of Congress serving on the Commission.

(c) Vacancies occurring on the Commission shall not affect the authority of the remaining members of the Commission to carry out the functions of the Commission. Any vacancy shall be promptly filled in the same manner as the original appointment.

(d) Members of the Commission shall serve without any additional compensation for their work on the Commission. Members appointed from among private citizens of the United States may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in the government service (5 U.S.C. 5701-5707), to the extent funds are available therefor.

(e) The Commission shall be appointed within 30 days of the effective date of this Act and shall convene as soon as practicable following appointment of its members to implement the provisions of this Act.

SEC. 5. (a) The Commission is authorized, without regard to the civil service laws and regulations, to appoint and fix the compensation of an executive director and such additional professional personnel as may be necessary to enable it to carry out its functions, or that may be detailed or assigned to it, provided that any Federal employees subject to the civil service laws and regulations who may be assigned or detailed to the Commission shall retain civil service status, without interruption or loss of status or privilege.

(b) The Commission shall establish headquarters in the national capital region and shall make such other arrangements as may be necessary to carry out the provisions of this Act.

(c) The Commission shall request the Secretary of each Federal department or head of any independent agency (which includes an agency or agencies with a direct interest and responsibility in any phase of outdoor recreation) to appoint, and there shall be appointed for each such department or agency, a liaison officer who shall work closely with the commission and its staff.

(d) The Commission may solicit and accept contributions of money and service from non-Federal public and private entities to assist its work.

SEC. 6. (a) There is hereby established an advisory council to the Commission which shall consist of members appointed by the Chairman upon the recommendation and concurrence of the Commission. Such members shall have a direct concern for and knowledge of outdoor recreation issues, policies and programs and shall be broadly representative of various major geographical areas and citizen interest groups, including, but not limited to, the following—

(1) state and local agencies dealing with outdoor recreation, natural resources and the environment;

(2) municipal and county governments;

(3) organizations concerned with public health and welfare;

(4) private organizations with conservation and outdoor recreation expertise, commercial recreation and tourism interests; and

(5) natural resource based industries and commercial interests with expertise in leisure and related goods and services.

(b) The Chairman with the concurrence of the Commission shall organize the advisory council into such committees or subgroups as shall be deemed necessary to develop information, review materials and otherwise advise the Commission in carrying out the provisions of the Act.

(c) Members of the advisory council shall serve without compensation except that, to the extent funds are available therefor, each shall be entitled to reimbursement for actual travel and subsistence expenses incurred in attending meetings of the advisory council called by the Chairman of the Commission or incurred in carrying out duties

assigned by the Chairman of the Commission.

SEC. 7. (a) The Commission shall promptly proceed to undertake an examination and evaluation of existing and potential public outdoor recreation land and resource area policies, programs and opportunities, including those that are or could be under the direct responsibility of the Federal government as well as those that are or could be under the direct responsibilities of the States, local governments, and private organizations and entities. The Commission shall utilize to the fullest extent possible such studies, data, and reports previously prepared or in process by Federal agencies, States, private organizations or entities, and others to determine the amount, kind, quality, and location of outdoor recreation resources, programs, and opportunities as will be required and desirable by the year 2000 and beyond. The Commission shall recommend those policies, programs and actions which, in the opinion of the Commission, should be instituted at each level of government and by the private sector to protect existing areas and meet future requirements.

(b) In pursuit of its objectives the Commission shall—

(1) examine existing outdoor recreation lands and resources and identify and evaluate the land and resource base necessary for future outdoor recreation, regardless of present use, ownership or location;

(2) examine Federal, State, County, and Municipal government roles and responsibilities for providing outdoor recreation opportunities, protecting outdoor recreation resources, and for meeting anticipated outdoor recreation conditions;

(3) examine the increased capacity of the private sector, both profit-making enterprises and not-for-profit organizations, to meet present and future outdoor recreation needs, and assess the potential for new partnerships between the private sector and all levels of government, giving full consideration to the appropriate role for each partner, to provide outdoor recreation opportunities and to protect and enhance outdoor recreation resources;

(4) examine the present and future relationships between outdoor recreation and personal and public health, a productive economy, and the environment;

(5) examine the future needs of outdoor recreation management systems, including qualified personnel, technical information and anticipated financial needs, and the various sources and means necessary to obtain such resources, both public and private;

(6) consider the relationship of outdoor recreation to the broader range of recreation pursuits and determine the implications therein for the supply of and demand for outdoor recreation resources and opportunities; and

(7) identify, examine and assess the implications of current, emerging and anticipated future forces, trends and technologies which could influence outdoor recreation.

(c) The Commission is authorized and directed to conduct public hearings and to otherwise secure data and expressions of public opinion on recreation issues, policies and programs, and anticipated national, regional, state and local needs and concerns.

(d) The Commission shall transmit to the President and to the Congress not later than eighteen months after the appointment of the Commission members a detailed and comprehensive report on its findings, including a compilation of relevant data, and its recommendations. Such report shall be presented in such form as to make it of maximum value to the President, the Congress, and the States. The Commission shall cease to exist not later than six months after submission of said report.

SEC. 8. (a) The Commission shall be governed by the responsibilities and duties provided herein. The Commission shall have the power to enter into contracts, to execute instruments, and generally to do any and all lawful acts necessary or appropriate to carry out the provisions of this Act.

(b) The Commission may utilize the personnel, equipment and facilities of the Federal Executive and to the extent practicable such personnel, equipment and facilities shall be made available on request and without reimbursement.

(c) The Commission shall provide such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement and accounting for all funds provided to it. The Comptroller General of the United States shall have access for the purpose of audit and examination to any books, documents, papers, and records of the Commission which are pertinent to such funds.

SEC. 9. (a) There are hereby authorized to be appropriated not to exceed $1,500,000 to carry out the purposes of this Act. Such moneys as may be appropriated shall be available to the Commission until expended.

(b) Notwithstanding any other provision of this Act, authority to enter into contracts, to incur obligations, or to make payments under this Act shall be effective only to the extent, and in such amounts, as are provided in advance in appropriation acts.

OUTDOOR RECREATION FOR AMERICA—1983

(An assessment of twenty years after the report of the Outdoor Recreation Resources Review Commission)

V. FINDINGS OF THE OUTDOOR RECREATION POLICY REVIEW GROUP

After a review of material prepared by consultants and other experts, and extensive discussion among the members, the Policy Review Group arrived at some basic findings about the current status of outdoor recreation. In arriving at these findings, the members relied in large measure upon their knowledge and opinions, rather than formal research.

1. The two decades since ORRRC have been a period of great social and economic change. There are 42 million more Americans today than there were in 1960. The population is rapidly growing older on the average. Family size has declined, divorce has increased. We have large and growing numbers of citizens of Latin American and Southeast Asia origin. The roles of women and minorities have changed dramatically. Population migration from the Northeast and Midwest to the Sunbelt states and from urban centers to the suburbs and rural cities has altered political powerbases as well as life-styles.

Major gains in gross national product, family and per capita income, have leveled off, but we are far richer in material goods than we were in 1960. Still, we are in a period of economic uncertainty. Obviously, governments cannot respond to every need; priorities must be established, tradeoffs understood.

Although the future direction of social and economic change is unclear, we can be certain that there will be even more dramatic change in the future and that it will change our needs for outdoor recreation.

2. Changes in how and where we live, work, and play have had a profound effect on outdoor recreation. The population shifts away from the Northeast and Midwest to the South and West and from metropolitan areas to small cities and towns have changed outdoor recreation patterns. Recreation also has been affected by a burgeoning interest in physical fitness, flexible work hours, and energy and travel costs. The changing role of women in society, an increase in single-parent households, likewise have altered recreation needs.

Within urban areas, demographic changes, plus an increasing interest in personal physical fitness through outdoor leisure time activity, have created a host of new recreation demands and outdoor recreation resource management problems.

Changes in recreation interest, technology, and equipment since ORRRC have created new kinds of recreational activites. Adventure and risk sports, off-road vehicle use, and snow camping have vastly complicated recreational planning and provision of recreation opportunity.

3. Despite the changes over the past 20 years, or perhaps because of them, outdoor recreation is more important in American life than it was in 1962. Demographic and economic changes, such as population growth and greater individual discretionary income, have tended to increase demand for outdoor recreation as ORRRC predicted that they would. However, the dramatic social changes which ORRRC did not foresee, such as the emphasis on physical fitness, the changing role of women, the trend toward fewer children, and the acceptance of leisure as a goal in itself, have significantly increased the importance of outdoor recreation in American life.

With the society in the midst of dramatic change, recreation has assumed a more central role in our physical, mental, and spirtual health, contributing to individual identity and well-being and family and community cohesion.

Although more important than ever in American life, it is ironic that outdoor recreation as an identifiable, discrete issue is less prominent than it was at the time of the commission. In substantial measure, this stems from the fact that outdoor recreation has been subsumed in the very popular environmental and leisure fitness-wellness movements. Many of the concerns of the environmental movement, in fact, involve the protection of resources essential for high-quality outdoor recreation. For example, one of the largest public works programs in the country, the water pollution control program, is designed to provide fishable, swimmable waters for the nation. Much of the increased participation in fitness activities involves outdoor recreation resources.

4. Governments in general are doing less for outdoor recreation than is required to meet the need. Despite the documented increased demand for outdoor recreation, governments at all levels now are doing less than they were just a few years ago in providing outdoor recreation opportunities. Although major changes in organization and reductions in funding were made in 1981, this trend does not stem from the arrival of the present Administration; in fact a downward trend began in the late 1970s.

This lower level of effort is reflected in budgets at all levels of governments and also in the number of opportunities available.

There continues to be a shortage of "effective acres," that is, land close to concentrations of users.

In the fact of increased demand investment by the federal, state, and local governments is declining. Development of recreation sites has slowed and some federal campgrounds are being closed; some state parks are being opened later in the season, or are not opened at all.

There is evidence, from recent federal and state reports that the quality of the public recreation estate—both resources and facilities—is deteriorating.

There is a growing gap—now estimated at more than $3 billion—between the cost of lands Congress has authorized for purchase and funds available for their acquisition.

A significant portion of the public recreation estate is underused and could accommodate increased use with better planning and some increased investments.

New kinds of recreation activities and increased use have resulted in conflicts between recreation users; these conflicts could be mitigated or eliminated with improved planning and management.

Basic information on the nation's outdoor recreation resources is inadequate.

Thus, while participation in outdoor recreation has increased and will continue to increase, and while the benefits of such activity to society are now recognized as being much broader than they were in 1960, government is less willing or less able to respond. A careful and detailed review of this situation is needed to determine how supply can be increased in a cost-effective manner.

5. The role of the federal government needs to be reassessed, redefined, and revived. Adequate provision for the nation's recreation needs urgently requires a rethinking of the responsibilities of all levels of government, particularly that of the federal government, in providing leadership in policy and programs. Federal leadership will be necessary to:

Create a framework for national recreation policies

Foster innovation and experimentation in more effective ways to broaden recreation opportunities for all Americans.

Complete critical land purchases without which important National Parks and other elements of the national recreation estate will be threatened or lost

Ensure adequate protection of the natural resources and environment necessary to a quality recreation experience.

Federal funding mechanisms for buying and protecting national recreation lands and fulfilling federal responsibilities in areas inadequately served by recreation lands such as the eastern United States will need to be revived or replaced. There is substantial sentiment for continuing the Land and Water Conservation Fund or some similar mechanism through which revenues from our diminishing nonrenewable resources can be reinvested in permanent, renewable resources. Specifically, some means for providing federal recreation assistance to state governments will be required to respond adequately to soaring public visitation of state parks. Further, policies and procedures for transferring federal surplus real property to states and local governments need to be reexamined.

Technical assistance to states and localities and research on their management problems, as well as funding aid for land acquisition, will be needed in the future as they have been in the past, although past programs and mechanisms for providing such help may need to be rethought.

6. The private sector is providing more outdoor recreation than it did 20 years ago; it could do even more with government cooperation. The contribution of the private sector as a provider of recreation opportunities has grown significantly over the past two decades.

Designation recreation areas, downhill ski facilities, campgrounds, and marinas have been developed.

The private sector has developed new equipment that facilitates public outdoor recreation activity.

A number of public agencies have direct service contracts with private companies.

The private sector is adept at coping with change—it must or it will not survive. The private sector could help governments anticipate change.

Outdoor recreation is big business. Through direct expenditures for outdoor recreation activity and equipment (an estimated $244 billion is spent each year by the consuming public for leisure time activity) and through tourism, outdoor recreation contributes in a major way to the nation's economy. Further, in these times of high unemployment, the private recreation sector could play a strong role in providing additional jobs, if government actions were evaluated to determine their full impact on the recreation industry.

Not-for-profit organizations are playing an increasingly important role in outdoor recreation. Such organizations encourage and facilitate donations of land and capital to public agencies; manage lands and facilities for public use; maintain trails and camping facilities which they own and make available for public use; maintain trails and hostels on public lands; provide volunteer support for public recreation programs at the local, state, and federal levels. Nonprofit foundations provide funds for research and education.

7. There are ways in which outdoor recreation could be provided to meet increased demands which would not require huge public expense. Some improvements in outdoor recreation delivery do not necessarily require large amounts of money. A continuing, long-term effort to ensure that public funds invested in outdoor recreation are spent efficiently could stimulate innovative approaches to providing opportunities. These could be more satisfying to users while minimizing gaps and overlaps in opportunities provided by the federal, state, and local governments and the private sector.

For example, with good land management, planning, and coordination among governments and at modest cost, the public's recreation land could be used more intensively without lowering the quality of the resources or the experience. Land acquisition could be combined with approaches to land protection that do not require full-fee acquisition so as to minimize the cost of providing outdoor recreation opportunities and protecting scenic and cultural resources. This will require better training for land managers.

The effective supply of recreation opportunities could be increased by providing potential consumers with better information. For example, greater use of computers to respond to inquiries about recreational opportunities at state and national parks within an area and to make advance reservations at campgrounds would, in practical terms, increase supply by redistributing use to take advantage of opportunities already available but underutilized.

Improved incentives for the private sector could also result in greater outputs of goods and services. The private sector could supply needed capital to develop facilities and provide visitor services on public lands, if the potential for profit exists. The long-term public interest should be ensured, though, through comprehensive management plans developed with public input, and other administrative actions.

8. There is a need for improved information as the basis for outdoor recreation planning and management. The ORRRC called for a significant increase in research on outdoor recreation in three research categories: data collection, inventory, and fact-finding; the application of management information; and basic research. Two decades later, the data base for outdoor recreation remains, at best, primitive. There are few consistent data on participation trends over time. We are not sure what people would really like to do during their free time. We do not have accurate estimates of the amounts of money spent for various outdoor recreation activities, or how spending for outdoor recreation compares with other uses of an individual's income. Further, we have little solid, coherent information on recreation supply—the types of recreational oportunities available, their distribution by region, or their accessibility to population concentrations. This is particularly true at the state and local levels.

The absence of detailed, reliable data severely handicaps those in both the public and private sectors who plan investments to meet present and potential demand. Policy Review Group members suggested that the federal government play a key facilitating role in the compilation and annual updating of basic statistics on outdoor recreation.●

● Mr. JOHNSTON. Mr. President, I am pleased to join with a number of my distinguished colleagues today in cosponsoring legislation to examine recreation opportunities in America on the occasion of the 20th anniversary of the final report of the Outdoor Recreation Resources Review Commission (ORRRC). The landmark work done by ORRRC in the early 1960's has shaped outdoor recreation policy in this country for two decades. It has served and continues to serve us well.

The legislation we are introducing today creates a new Commission, patterned after the original ORRRC, to reassess and reevaluate recreation policy and programs in America. Like its predecessor, the Commission will be bipartisan and comprised of citizens as well as Members of the Congress. The Commission is charged with preparing and submitting to the President and the Congress within 18 months a comprehensive review of outdoor recreation in America.

Mr. President, the 20 years that have intervened since the original ORRRC report was issued have been of tremendous social and economic change in this country. It makes sense to me to revisit the findings and conclusions of the ORRRC in light of these changes. I hasten to add, Mr. President, that I make this suggestion not because I view the original ORRRC recommendations and the

programs that emanated from them as no longer relevant or useful. Instead, I see this as a useful tool to increase and update our information base and to provide the Congress with the input it needs to make rational recreation-related decisions for the 1980's and beyond.●

● Mr. JACKSON. Mr. President, I am pleased to join with a number of my colleagues today in introducing the Outdoor Recreation Resources Review Commission Act of 1983.

In 1958, the Congress enacted legislation establishing an Outdoor Recreation Resources Review Commission (ORRRC). The ORRRC was charged with reviewing the Nation's outdoor recreation resources, both existing and potential, and directed to make recommendations to the President and the Congress about the nature of these resources and about what outdoor recreation-related policies should be adopted.

To say that the ORRRC report presented to the Congress in 1962 had a significant impact on the Nation's outdoor recreation policy would be a considerable understatement. Such landmark pieces of legislation as the Land and Water Conservation Fund, the Historic Preservation Fund, the Wilderness Act, the National Trails System Act, and the Wild and Scenic Rivers Act were strongly influenced by or were a direct result of the ORRRC report.

In August 1982, under the leadership of Laurance Rockefeller, the Outdoor Recreation Policy Review Group was formed to assess the present and future status of outdoor recreation in America 20 years after ORRRC. Among other things, the review group found that there has been a period of great social and economic change in the two decades since ORRRC. Yet, in spite of these changes, or perhaps because of them, outdoor recreation is more important in American life now than it was in 1962. In response to these and other findings, the review group has recommended that a new ORRRC be created by an act of Congress to reconsider outdoor recreation policy and programs in America. The legislation we are introducing today implements this recommendation.

The Commission is to consist of eight Members of Congress—two members from each party from both the House and the Senate—and seven citizens appointed by the President of the United States. The Commission is to prepare a comprehensive review of outdoor recreation resources in the United States and submit it along with policy recommendations to the President and the Congress within 18 months. The legislation would also create an advisory council to assist the Commission and to encourage as much public involvement in this process as possible. Hopefully these new findings and recommendations will be as informative and useful to present policymakers as they were to the Congress and the American public 20 years ago.

Mr. President, I want to emphasize that my support for this legislation to reassess the Nation's outdoor recreation resources in no way should be viewed a sign of dissatisfaction with the programs and policies emanating from the original ORRRC. We can reassess and reevaluate existing programs and policies in light of new circumstances without starting over. This new effort should update and build on these earlier findings, not seek to repudiate them.

As the only member of the original ORRRC still in the Congress, I am proud to be associated with this proposal. My friend Laurance Rockefeller, Chairman of the original Commission, is to be commended for initiating this effort through the formation of the policy review group. Likewise, Senator WALLOP, chairman of the Public Lands and Reserved Water Subcommittee to be congratulated for taking the lead in bringing this legislation before the Congress in an expeditious manner.

Mr. President, I ask unanimous consent that the summary of the Outdoor Recreation and Policy Review Group's report appear in the RECORD at this point.

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

SUMMARY [1]

In 1962 the Outdoor Recreation Resources Review Commission (ORRRC) submitted a report to the President and Congress which has been instrumental in guiding national outdoor recreation policy for the past two decades. Since that time, the nation has undergone major social and economic changes. While there have been significant increases in the supply of outdoor recreation opportunities, there have also been tremendous increases in outdoor recreation participation and major changes in the kinds of outdoor recreation desired.

The nation is confronting serious economic problems which must be solved. Even in these difficult times, outdoor recreation is important, in our view more than ever, for three reasons:

1. As an integral part of American life, it is a continuing source of national vitality, an important factor at a time when individuals and society must adjust to rapid change.

2. As a major component of the national economy, outdoor recreation can provide jobs and contribute to the nation's economic recovery.

3. Providing outdoor recreation resources contributes to solving environmental quality problems—such as protecting wilderness and controlling air and water pollution.

However, for the past three or four years, government programs at all levels have been reduced. In 1981, the federal agency recommended by ORRRC to provide national leadership in outdoor recreation was dismantled and funding for recreation land acquisition deferred. Programs deemed no longer appropriate have not been yet replaced with initiatives to meet continuing needs. Changes in society and the continuing importance of outdoor recreation make it important to consider ways of developing responses to present problems and to new and unexpected developments.

While the report that follows is not an in-depth study of the status of outdoor recreation today, it is an assessment of the present situation and potential need based on the collective judgment of seven individual volunteers who have experience in outdoor recreation policy, resources management, and business.

In the course of its deliberations, this Outdoor Recreation Policy Review Group arrived at the following eight findings.

1. The two decades since ORRRC submitted its report have been a period of great social and economic change.

2. Changes in how and where we live, work, and play have had a profound effect on outdoor recreation.

3. Despite the changes over the past 20 years, or perhaps because of them, outdoor recreation is more important in American life than it was in 1962.

4. Governments in general are doing less for outdoor recreation than is required to meet the need.

5. The role of the federal government needs to be reassessed, redefined, and revived.

6. The private sector is providing more outdoor recreation than it did 20 years ago; it could do even more with government cooperation.

7. There are ways in which outdoor recreation could be provided to meet increased demands that would not require huge public expense.

8. There is a need for improved information as the basis for outdoor recreation planning and management.

The Policy Review Group urges that a new Outdoor Recreation Resources Review Commission be established by act of Congress as the original ORRRC was. The commission should embody the characteristics of ORRRC: bipartisan membership, strong congressional participation, a full range of interests represented, and an independent staff.

The mandate of the new commission should be broader than the original ORRRC. It cannot ignore the interrelationships and overlaps of outdoor recreation with many indoor activities associated with physical fitness. A new study also must recognize that outdoor recreation is related to other leisure time activities. Further, outdoor recreation is linked, in ways that have not been adequately researched, to such factors as job satisfaction and productivity, and family and social cohesion. Urban recreation also requires further attention. The link between outdoor recreation, environmental quality, and resources management also should be considered. However, the focus of the new ORRRC's work should be on the interaction of people and outdoor resources.

In recommending the establishment of a new commission to consider outdoor recreation policy and programs, we are not necessarily seeking to resuscitate old programs, but rather to develop initiatives to meet outdoor recreation needs now and in the future.

While not developing the agenda for the new commission, the Policy Review Group

[1] Outdoor Recreation for America—1983: An assessment twenty years after the report of the Outdoor Recreation Resources Review Comission.

did identify five policy issues which it believes require further study. They are: government responsibilities for outdoor recreation; the role of the private sector; federal funding for outdoor recreation; non-funding federal assistance; federal lands and national mangement systems.●

● Mr. McCLURE. Mr. President, we Americans love the outdoors. We are spending more time outdoors having fun than ever before. As a result, participation in outdoor recreation has outpaced all previous governmental projection. By 1977, actual participation in white water canoeing and rafting was already 200 percent above projections made in 1965 for the 1980. Hiking was approximately 100 percent over a comparable projection, fishing, camping, hunting, and skiing all experienced large gaps between projections and acutal participation rates. Snowmobiling, motorcycling, and boating continue to grow in popularity.

We are told that we can continue to expect dramatic growth in outdoor recreation. The U.S. Forest Service has projected outdoor recreation participation rates through the year 2030 and in virtually every case, the growth and participation will exceed the growth of the U.S. population. We need to prepare for this growth and to assure that not only the rich or the lucky have opportunities to participate in their choice of recreational activities. I am therefore pleased to join in sponsoring legislation to create the National Outdoor Recreation Resources Review Commission. I fully expect that this Commission will assist those of us in the Congress to take the actions necessary to see that recreational opportunities are available now and in the future for all our citizens. I am especially interested in having this Commission focus on further needs. I look to it for help in assessing the social, technological, economic, and demographic changes which will shape both the quantity and the type of participation in recreation. We need to insure prompt action on this legislation, so that the Commission can begin in its work and submit its report for consideration and action by the 99th Congress.●

● Mr. HATFIELD. Mr. President, I enthusiastically support the creation of a National Outdoor Recreation Resources Review Commission and am pleased that so many of my colleagues have offered cosponsorship of this important legislation. Recreation is a most important ingredient in the lives of Oregonians. The outstanding natural beauty of my State is a powerful magnet, drawing people out-of-doors in all seasons of the year to enjoy a myriad of different recreational activities.

Recreation in America does not face a crisis exactly parallel to the crisis that recently visited the social security trust fund. Yet without attention to changed needs and changed financial capabilities of the Federal Government, we will be hard-pressed to avoid a downturn in the quantity and quality of recreation available in our cities and backcountry. Partisan debate within the Congress, focusing often as it does on symbolism more than realism, is not likely to offer the same kind of far-ranging analysis of alternatives for resource protection and recreation management as will be available to the focused and bipartisan recreation commission proposed by the bill we introduced today.

Last week, the Washington Post offered an editorial which accorded merit to some of the goals of Interior Secretary James Watt, even as it criticized his penchant for confrontation and controversy. I certainly do not believe that the Secretary of the Interior is alone in bearing the responsibility for rhetoric which has hampered efforts to resolve pending natural resource issues, but the Post is correct in its assessment that there are important substantive decisions to be reached regarding our parks and recreation resources which are not being addressed.

Mr. President, many times I have stated my belief that a strong economy and recreation benefits are mutually respective; in fact, in Oregon's case, having recreation opportunities available provides a great deal in the way of economic returns. The Commission we are proposing to establish today will assist greatly in further development of those important opportunities.

I urge my colleagues to give this measure active support and to follow the progress of the Commission which will result.●

● Mr. DOMENICI. Mr. President, I am proud to cosponsor the National Outdoor Recreation Resources Review Commission legislation today. I feel that America must meet the challenge of assessing our future recreational needs.

Recreation is important to the body, mind, and spirit of our citizens. Recreation takes many forms from individual to group, from unorganized to organized, from involving very little physical activity to strenuous activity. But the key remains that in order for us to improve the quality of life for our citizens we must offer recreational opportunities. I have talked over the course of many years to companies and corporations regarding movement of their facilities into New Mexico. One of the first questions they always ask is what are the recreational opportunities for our employees if we locate in your State? And why do they ask that question? Because they know that a happy and satisified employee away from work is a more productive employee at work.

I would argue over the years America's commitment to recreation at the local, State, and Federal level has been second to none and it continues to be very high. However, if we are honest, we know that there is no single comprehensive coordination effort by the Federal Government. In fact the last one effort was some 20 years ago and there is no need to go into the litany of socioeconomic and demographic changes that have taken place during the past 20 years.

I think recreation without a doubt is a universally equal agreed upon issue as should be this legislation to establish a Recreation Commission.

I would hope that the Congress will give this legislation speedy approval. The work this Commission can perform over the course of the next few years could save us all money and time in the future and insure continued quality recreational resources and opportunities for generations to come.●

Mr. BAKER. Mr. President, I am pleased to join Senator WALLOP, Senator McCLURE and a number of other distinguished colleagues in sponsoring a bill to establish a national Commission to examine this Nation's long-term recreation and park needs.

Now is the time to assess policies and practices which will determine the quality and availability of recreation experiences in the future. These issues are not solely determined by the Federal or State governments. A number of different Federal, State and local government policies as well as private sector activities affect the Nation's recreational resources. The creation of the National Outdoor Recreation Resources Review Commission, as outlined in this bill, provides an appropriate forum for all of these sectors to focus on the overall issue and to recommend solutions.

Among the issues which I believe this Commission should examine are:

The appropriate role of these various sectors in meeting anticipated recreational demands;

The anticipated fiscal needs and the identification of new funding sources;

The interrelation of recreation and park issues with other public policy and planning decisions, and methods for maximizing public recreation benefits from other investments; and

The current land and resource base for recreation, its adequacy and how it might be enhanced.

Recreation facilities are vitally important to the quality of life for our people. Recreation promotes health, enhances social interaction, contributes to community cohesion and stimulates jobs.

I am proud of the record which Tennessee has in providing for the recreational needs of her citizens and visitors. Tourism, which is only one aspect of recreation, is Tennessee's third larg-

est industry. The Tennessee State Park System alone generates $8 million per year in revenues for the State. Its annual budget is some $17 million annually for operations and maintenance and recreation services. The system was visited by 17 million people during the last fiscal year.

The Tennessee Valley Authority also provides numerous recreational facilities across the State. Notable among these is the Land Between the Lakes facility which encompasses 170,000 acres on the Tennessee-Kentucky border. It provides outdoor recreation facilities as well as conservation learning laboratories to numerous visitors each year.

Local governments in Tennessee employ 800 people in 65 full-time park and recreation departments serving 2.5 million residents and spending $40 million annually in payroll, operation, and maintenance. It is estimated that across the State, 1,500 people are employed in the delivery of park and recreation services including such aspects of recreation as senior citizens centers, church recreation and recreation in therapeutic settings.

Mr. President, these examples of the recreation activities in the State of Tennessee point out the necessity for all levels of government, as well as interested private organizations, to be aware of each others roles and responsibilities. In terms of future planning for recreational needs, such dialog is essential. I am hopeful that the proposed Commission will greatly facilitiate cooperation between all parties and lead to sound recommendations.

I commend Senator WALLOP for his interest in this Commission and I hope the Senate will give it early consideration.

● Mr. HEINZ. Mr. President, today, I am cosponsoring and joining in support of Senator WALLOP's bill to fund a national public recreation land study. My distinguished colleague from Wyoming has taken an important legislative initiative. In an effort to insure the availability of quality recreation experiences for all Americans in the future, he has suggested that we create a bipartisan Commission to investigate the current situation and recommend future recreational policy.

Mr. President, recreation is an important aspect of the quality of life, not only for the citizens in my home State of Pennsylvania, but all across our country as well. According to the 1977 Nationwide Outdoor Recreation Survey, "86 percent of Americans surveyed indicated that recreation remains one of their most important interests." Other surveys show that some 90 million adult American's regularly engage in recreation. The latest statistics also indicate that recreation is of tremendous importance to the national economy. In 1981, recreation expenditures accounted for nearly $200 billion, with nearly $1 out of $8 spent by consumers going for recreation. In addition to its burgeoning economic effects at both the regional and national levels, recreation contributes significantly to maintaining the physical and mental health of Americans.

Of particular interest is the role that recreation can play in attracting new industry. Studies show that one of several key factors in attracting and keeping industry is the general attractiveness of communities as places for company employees and their families to live. Good recreation facilities and programs are an important part of community life and the desirability of an area as a place to live.

Given the importance of recreation to American life, it is imperative that this country develop a recreation policy to guide and direct those governmental agencies having either a direct or support function for meeting the recreation needs of the citizens of this Nation. The creation of a bipartisan National Recreation Policy Review Commission would establish both a process and a structure to develop an array of public policy options that are forward looking and geared toward developing recreational programs and facilities that will best serve our country and of which all Americans will be proud. The findings of the last such Commission, established by President Dwight Eisenhower in 1958, played a major role in the evolution of National, State, and local recreation policy during the past 25 years. I firmly believe that this new panel will serve the same important function in helping to develop U.S. recreational policy for the next quarter century.

Mr. President, I applaud Senator WALLOP for his efforts in the area of recreation and I urge all of my colleagues to join him in helping to insure the passage of this important piece of legislation. The outdoors lies deep in the American tradition. It is now the job of the Congress to insure that all Americans have access to this great heritage for many years to come.●

Mr. STEVENS. Mr. President, I am pleased today to join the senior Senator from Wyoming in supporting creation of a National Outdoor Recreation Resources Review Commission. Historically there has been a broad bipartisan foundation of support for recreation and conservation of our Nation's outdoor resources. This base provided in part the impetus for the Alaska National Interest Land Conservation Act which set aside literally millions of acres in the form of national parks and preserves, national wildlife refuges, national wild and scenic rivers, and national forests. It is now incumbent upon us to insure that these lands we set aside can be used by the American people. We should establish land management policies which encourage recreational opportunities for the American public including hiking, camping, canoeing, fishing, and hunting. I hope that the new Commission would assist us in developing those policies.

The newly created Commission should strive to emulate the successes of the Outdoor Recreation Resources Review Commission created by Congress 25 years ago. That Commission charted a blueprint for recreation in America.

In light of the New Federalism I hope the new Commission would look closely at defining the appropriate roles for Federal, State, and local government as well as the private sector in providing and financing recreational opportunities. Finally, I hope that it would consider ways by which modern information systems could be employed to provide a more efficient match between recreation demand and recreation supply. In my home State of Alaska, for example, we harbor 50 percent of the country's national parks, yet we represent less than 1 percent of the total population. On the other end of the spectrum, in industrialized areas of the country, too many people seek to use the same portion of our recreation supply at the same time producing overcrowding, lower quality experiences, and even environmental threats. Such distortions must be avoided in the future.

I urge my colleagues to give this proposal their active consideration. I hope that Members on both sides of the aisle would support the creation of the National Outdoor Recreation Resources Review Commission.

● Mr. GORTON. Mr. President, I am pleased to join as a cosponsor of legislation being introduced today entitled, the National Outdoor Recreation Resources Review Act of 1983.

Twenty-five years ago, the Congress of the United States made an important commitment to the recreational needs of Americans when it created the first Outdoor Recreation Resources Review Commission. We are fortunate that the Congress took that action, for it has enriched the lives of a substantial number of Americans and it has helped to fuel growth for the recreation industry, an industry that provides over 9 million jobs in this country.

The legislation we are introducing today offers the promise of similar long-term benefits for our Nation through the creation of a second Outdoor Recreation Resources Review Commission. The creation of such a commission has been recommended by a wide range of recreation and conservation leaders who have noted quite accurately that major economic, social, technological, and demographic changes have occurred since the first Recreation Commission. I share their

hope that the new Recreation Commission can develop creative new approaches for protecting and better utilizing our recreation resources.

Americans will benefit from the creative thinking of a select group of national leaders who will focus on our country's recreation needs through the year 2000 and who can help us improve the management of public and private lands for maximum recreational benefits.

I urge my colleagues to join me in supporting the prompt enactment of this legislation.●

By Mr. HATCH:

S. 1091. A bill entitled the "Mathematics and Science Education Act of 1983"; to the Committee on Labor and Human Resources.

MATHEMATICS AND SCIENCE EDUCATION ACT OF 1983

● Mr. HATCH. Mr. President, today I am introducing the Mathematics and Science Education Act of 1983, a bill designed to increase the quality of instruction of math and science courses in both elementary and secondary schools all over our Nation. Increasing the competence of American students in these academic areas and providing the stimulus for young adults to consider math or science teaching as a career is a goal most of us believe to be essential to our national interests.

The need for this legislation is growing more and more acute. Neglecting such a need would be tantamount to ignoring a progressive cancer. The crisis in precollege math and science eduction is real, and the evidence documenting it is accumulating. For example, the scholastic aptitude test score have been plunging downward for the past 18 years. Such scores are a reflection of many problems, including shortages of necessary and state-of-the-art equipment, and shortages of qualified math and science teachers. Also, requirements for students to take math and science courses in secondary schools have been weakened and interest in these disciplines has waned. The result is that secondary school students are taking fewer courses in math and science than in years past and fewer courses are being offered. In fact, according to research done by the National Science Teachers Association, there has been a 77-percent decline in the number of math teachers and a 65-percent decline in the number of science teachers who are prepared to teach these subjects. Furthermore, among newly employed science and math teachers 50.2 percent were unqualified to teach science and math, and were employed on an emergency basis since no other qualified teachers could be found. The NSF has reported equally disturbing news; one-half of all high school students take no math after the 10th grade, whereas in the Soviet Union all students are required to complete 2 years of calculus, 5 years of physics, 4 years of biology, and 5 years of algebra. This dichotomy is even more striking when you consider that in U.S. 4-year colleges there has been a 72-percent increase in remedial mathematics enrollment between 1975-80; this number is plausible when one considers that, in fact, 25 percent of the mathematics courses offered in public 4-year colleges are remedial.

Moreover, according to an analysis of the American and Soviet educational system completed by the strategic studies center of SRI International, the Soviet Union has graduated six times as many specialists at the undergraduate level in the engineering fields than we have. In addition, approximately 70 percent of the Soviet graduate enrollment is in the science and engineering areas while the U.S. percentage has been declining steadily and was down to 20 percent as of 1976; in 1974, the U.S.S.R. had over twice as many scientists and engineers as the United States. In order to maintain national security and future economic growth and vitality, the United States must sustain a national commitment insuring a high level of skill in science, mathematics, and engineering.

Secondary school science education is not able to meet adequately the growing needs for scientific and technical skills in the Nation's work force. The Mathematics and Science Education Act that I am introducing today will reverse this dangerous trend and assist our educational community to neet these new international and economic challenges. My proposal gives both the National Science Foundation and the Department of Education specific responsibilities for programs to help turn our current situation around.

Title I of the bill authorizes funds to the National Science Foundation for programs in addition to the Reagan administration's request contained in the NSF budget. The latter programs include graduate fellowships, Presidential excellence in teaching awards, and a program for young investigators in higher education institutions. My proposal would also establish within the NSF a program to fund the development and operation of summer teachers institutes. These institutes would represent cooperative efforts among local school districts and both education and academic departments of colleges and universities. The summer teachers institutes would be designed to enhance the subject competence and teaching skills of elementary and secondary teachers of mathematics and science. A program similar to this was operated by the Foundation in the past. NSF-sponsored teachers institutes proved to be one of the most successful Federal initiatives to follow in the wake of Sputnik.

Additionally, because materials both for the training of teachers and student are critically outdated, my bill provides for NSF grants for program and materials development. Today, if we were to take a trip to our children's public schools, we might find their teacher using 20-year-old science textbooks, supplementary materials, and equipment. All Members of the Senate know that too much has happened in these last few decades to argue that new books and materials are not needed and that teachers do not require updated resources to do an effective job. My bill would have the NSF award grants for the development of such new materials for students and for elementary teachers in general science and mathematics, and for secondary teachers in the physical and life sciences. Each project to update program and instructional materials must be done by a consortium consisting of the local education agency, an academic science department of a college or university, and a college or university education department. This arrangement will insure that professionals in all aspects of the science education enterprise work together to synthesize their various perspectives and that the needs of local classrooms will be met.

Title II of this bill appropriates funds for the Department of Education to carry out three basic parts; part A authorized block grants to the States, to be automatically allocated to local education agencies for programs to enhance teachers' understanding of new scientific developments and their use of new materials. This program would permit LEA's to send teachers to colleges and universities for courses, or to hold workshops or inservice classes. The funds appropriated under part B and allocated to each State shall be expended for the tuition and expenses of precollege mathematics and science teachers currently employed in that State to enroll in courses given at accredited institutions of higher education for academic credit in science or math.

Part C of title II authorizes funds for a cooperative program in technology and science designed to link education to the private sector. Proposals would be submitted jointly to the Secretary of Education by business and an educational institution to enhance the understanding of mathematics, science, or technology in any number of ways. Projects may include, for example, post secondary technician and paraprofessional training, equipment purchases, personnel for teaching, in-school scientific experiments, field trips, and other extracurricular projects.

I urge my colleagues to support this legislation. America's productivity, economic welfare, and national defense are all threatened by the grow-

ing crisis in our educational system. Achievement in science and technology is a prerequisite for attainment or sufficient economic and military strengths, and for too long we have ignored this fact. If we fail to improve math and science education, we will find ourselves technologically inferior to our economic and political rivals. The United States cannot afford to deny its aspiring young students the opportunity to pursue science and mathematics and it also cannot afford to deny assistance to our teachers.

Mr. President, I ask unanimous consent that the text of the bill be printed in the CONGRESSIONAL RECORD.

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

S. 1091

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 "Mathematics and Science Education Act of 1983".

STATEMENT OF PURPOSE

SEC. 2. It is the purpose of this Act to improve the quality of mathematics and science instruction in the United States by—

(1) establishing a program of summer teacher institutes to enhance the subject skills of teachers who teach mathematics and physical and life sciences at the elementary and secondary school levels;

(2) providing short courses of study for elementary and secondary school teachers of mathematics and science;

(3) providing block grants for in-service training and retraining of elementary and secondary school teachers of mathematics and science and for furnishing assistance to elementary and secondary school teachers of mathematics and science to enroll in courses of study at institutions of higher education to improve their skills in the fields of mathematics and science;

(4) providing a cooperative program between business concerns and educational institutions for the improvement of mathematics and science education; and

(5) providing for Presidential awards for teaching excellence in mathematics and science.

DEFINITIONS

SEC. 3. For the purpose of this Act—

(1) the term "Director" means the Director of the National Science Foundation;

(2) the term "elementary school" has the same meaning given that term under section 595(a)(7) of the Education Consolidation and Improvement Act of 1981;

(3) the term "Foundation" means the National Science Foundation;

(4) the term "institution of higher education" has the same meaning given such term by section 1201(a) of the Higher Education Act of 1965;

(5) the term "local educational agency" has the same meaning given that term under section 595(a)(4) of the Education Consolidation and Improvement Act of 1981;

(6) the term "secondary school" has the same meaning given that term under section 595(a)(7) of the Education Consolidation and Improvement Act of 1981;

(7) the term "Secretary" means the Secretary of Education;

(8) the term "State" means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico; and

(9) the term "State education agency" has the meaning given that term under section 1001(k) of the Elementary and Secondary Education Act of 1965.

TITLE I—NATIONAL SCIENCE FOUNDATION MATHEMATICS AND SCIENCE PROGRAMS

PART A—SUMMER TEACHER INSTITUTES

GRANTS FOR SUMMER TEACHER INSTITUTES AUTHORIZED

SEC. 101. The Foundation is authorized, in accordance with the provisions of this part, to make grants to local educational agencies and institutions of higher education applying jointly, for the establishment and operation of summer teacher institutes for the enhancement of the subject matter skills of elementary and secondary school teachers of mathematics and physical and life sciences.

APPLICATIONS

SEC. 102. (a) Each local educational agency and institution of higher education desiring to receive a grant under this part shall submit a joint application at such time, in such manner, and containing or accompanied by such information as the Director may require. One or more local educational agencies may apply jointly with one or more institutions of higher education under the provisions of this section.

(b) Each such application shall—

(1) describe the establishment and operation of a summer teacher institute for elementary and secondary school teachers of mathematics and physical and life sciences, including—

(A) a description of the courses of study to be offered at the summer institute;

(B) the number of teachers to attend the summer institute;

(C) the nature and location of existing facilities to be used in the operation of the summer institute;

(D) the teaching and administrative staff for the summer institute;

(E) the academic credits, if any, to be awarded for the completion of the courses of study to be offered at the summer institute; and

(F) a schedule of stipends to be paid teacher participants in the summer institute, including (i) allowances for subsistence and other expenses for teachers attending the institute and their dependents and (ii) provisions assuring that there will be no duplication of Federal benefits paid to participants;

(2) provide assurances that the design and operation of the institute will involve the participation of both the subject matter departments or divisions of each institution of higher education making application as well as the teacher education department or division, if any, of each such institution; and

(3) provide such additional assurances as the Director deems essential to assure compliance with the requirements of this part.

(c) In approving applications under this section, the Director shall assure that there is an equitable distribution of institutes established and operated under approved applications among the States.

PART B—MATHEMATICS AND SCIENCE EDUCATION DEVELOPMENT PROGRAMS

SEC. 121. The Foundation is authorized in accordance with the provisions of this part, to enter into cooperative agreements with institutions of higher education and local educational agencies for—

(1) refresher courses for elementary and secondary school teachers in the fields of mathematics and science, including physical and life sciences; and

(2) the development of curriculum for courses of study in elementary and secondary schools in the fields of mathematics and science, including physical and life sciences.

APPLICATIONS

SEC. 122. No grant may be made under this part unless an application is made by an institution of higher education or by a local educational agency, or both, at such time, in such manner, and containing or accompanied by such information as the Director may reasonably require. Each application shall contain assurances—

(1) that the applicant will enter into a cooperative agreement for the purpose of furnishing the activities authorized by this part; and

(2) that the planning and implementation of the cooperative agreement will involve the participation of both the subject matter departments or divisions of each institution of higher education making application as well as the teacher education department or division, if any, of each such institution.

PROHIBITION AGAINST FEDERAL CONTROL OF EDUCATION

SEC. 123. The provisions of section 432 of the General Education Provisions Act, relating to prohibition against Federal control of education, shall apply to the program authorized by this part as if such program were an applicable program under such section 432.

PART C—SCIENCE AND MATHEMATICS EXCELLENCE IN TEACHING AWARDS

EXCELLENCE IN TEACHING MATHEMATICS AND SCIENCE AWARDS

SEC. 131. (a) The Foundation is authorized, in accordance with the provisions of this part, to make excellence in teaching mathematics and science awards.

(b)(1) Excellence in teaching awards shall be made under this part to teachers in elementary or secondary schools who have taught mathematics or science and who have demonstrated outstanding qualifications as teachers of mathematics or science.

(2) Each excellence in teaching award made under this part shall be $5,000.

(c) The Foundation shall adopt selection procedures for making awards under this part. The selection procedures shall be designed to assure that the awards will be equitably distributed among the States.

APPLICATIONS

SEC. 132. No excellence in teaching award may be made under this part unless an application is submitted to the Foundation at such time, in such manner or containing or accompanied by such information as the Director may reasonably require.

PART D—GENERAL PROVISIONS

ADMINISTRATIVE PROVISIONS

SEC. 141. (a) In order to carry out the provisions of this title, the Foundation is authorized to—

(1) appoint and fix the compensation of such personnel as may be necessary to carry out the provisions of this title, except that in no case shall employees be compensated at a rate to exceed the rate provided for employees in grade GS-18 of the General Schedule set forth in section 5332 of title 5, United States Code;

(2) procure temporary and intermittent services of experts and consultants as are necessary to the extent authorized by sec-

tion 3109 of title 5, United States Code, but at rates not to exceed the rate specified at the time of such service for grade GS-18 of section 5332 of such title;

(3) prescribe such regulations as it deems necessary governing the manner in which its functions shall be carried out;

(4) receive money and other property donated, bequeathed, or devised, without conditions or restriction other than it be used for the purposes of this Act; and to use, sell, or otherwise dispose of such property for the purpose of carrying out the functions of the Foundation under this Act;

(5) accept and utilize the services of voluntary and noncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code;

(6) enter into contracts, grants, or other arrangements, or modifications thereof, to carry out the provisions of this title, and such contracts or modifications thereof may, with the concurrence of two-thirds of the members of the National Science Board, be entered into without performance or other bonds, and without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5);

(7) make advances, progress, and other payments which the board deems necessary under this title without regard to the provisions of section 3324 of title 31, United States Code; and

(8) make other necessary expenditures.

(b) The Foundation shall submit to the President and to the Congress an annual report of its operations under this title.

AUTHORIZATION OF APPROPRIATIONS

SEC. 142. There is authorized to be appropriated $60,000,000 for the fiscal year 1984 and for each of the succeeding fiscal years ending prior to October 1, 1988, to carry out the provisions of this title, of which $30,000,000 shall be available in each fiscal year to carry out part A of this title.

TITLE II—STATE PROGRAMS

PART A—CLOCK GRANT FOR THE IMPROVEMENT OF EDUCATION IN MATHEMATICS AND SCIENCE

AMENDMENTS TO EDUCATION CONSOLIDATION IMPROVEMENT ACT OF 1981

SEC. 201. (a) The Education Consolidation and Improvement Act of 1981 is amended by redesignating chapter 3, relating to general provisions, and all references thereto, as chapter 4; and by inserting immediately after chapter 2 the following new chapter:

"CHAPTER 3—BLOCK GRANT FOR THE IMPROVEMENT OF EDUCATION IN MATHEMATICS AND SCIENCE

"STATEMENT OF PURPOSE

"SEC. 590. It is the purpose of this chapter to provide assistance to States to permit State and local educational agencies to supplement State and local resources for—

"(1) the in-service training and retraining of elementary and secondary school teachers of mathematics and science;

"(2) the acquisition of instructional materials for use in secondary schools in the fields of mathematics and science if there is no demonstrated need for the purpose described in clause (1); and

"(3) the payment of stipends for elementary and secondary school teachers of mathematics and science to take courses of study in mathematics and science for the improvement of their skills.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 590A. There are authorized to be appropriated $200,000,000 for the fiscal year 1984 and for each of the fiscal years ending prior to October 1, 1988.

"ALLOTMENT TO STATES

"SEC. 590B. (a)(1) From the sums appropriated to carry out this chapter in any fiscal year the Secretary shall reserve not to exceed 1 per centum for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands to be allotted in accordance with their respective needs.

"(2) From the remainder of such sums in each fiscal year the Secretary shall allot to each State an amount which bears the same ratio to the amount of such remainder as the school-age population of the State bears to the school-age population of all States, except that no State shall receive less than an amount equal to 0.5 per centum of such remainder.

"(b) For the purpose of this section:

"(1) The term 'school-age population' means the population aged five through seventeen.

"(2) The term 'States' includes the fifty States, the District of Columbia, and the Commonwealth of Puerto Rico.

"IN-STATE ALLOCATIONS

"SEC. 590C. (a) Not to exceed 40 per centum of each State's allotment shall be available to the State educational agency for mathematics and science teacher improvement programs described in section 590D(b).

"(b) The State educational agency shall distribute the remainder of each State's allotment to local educational agencies within the State according to the relative enrollments in public and nonpublic schools within the school districts of such agencies.

"(c)(1) From the allotment of the State under section 590B during each fiscal year, the State educational agency shall distribute to each local educational agency which has submitted an application as required in section 590E the amount of its allocation as determined under subsection (b).

"(2)(A) From the amount reserved under subsection (a) from the allotment of the State for each fiscal year, the State educational agency shall make payments to local educational agencies and to institutions of higher education as necessary to carry out the provisions of section 590D(b).

"(B) Each State educational agency shall assure that payments under subparagraph (A) are distributed among local educational agencies within the State in an equitable manner. In making such payments the State educational agency shall consider—

"(i) the need for additional training of the teachers of mathematics and science in the schools of each local educational agency within the State, and

"(ii) the availability of local resources for the purposes described in section 590D(b).

"AUTHORIZED ACTIVITIES

"SEC. 590D. (a)(1) Each State and local educational agency shall use funds under this chapter—

"(A) for the expansion and improvement of in-service training and retraining of elementary and secondary school teachers who teach mathematics and science, including workshops and summer institutes conducted pursuant to part A of title I of the Mathematics and Science Education Act of 1983; or

"(B) if the local educational agency determines that the agency has met its need for such training and retraining and subject to the provisions of paragraph (2), for instructional materials to be used for mathematics and science instruction.

"(2) If a local educational agency determines, pursuant to paragraph (1), that the agency has met its teacher inservice training and retraining needs in mathematics and science and desires to expend its funds on other activities prescribed in paragraph (1)(B), the local educational agency may request the State educational agency to waive such teacher training requirements. If the State educational agency determines that the local educational agency has met such teacher training needs, the State educational agency shall grant the waiver.

"(b) Each State and local educational agency, in cooperation with institutions of higher education in the State, may use funds under this chapter to provide elementary and secondary school teachers in the schools of such agencies courses of study for academic credit in the fields of mathematics and science and in the fields of mathematics and science education at institutions of higher education designed to improve the skills of such teachers.

"STATE AND LOCAL APPLICATIONS

"Sec. 590E. (a) Any State which desires to receive grants under this chapter shall file a supplement to the application filed under section 564 of this Act. Each such supplement shall—

"(1) designate the State educational agency as the State agency responsible for the administration and supervision of programs assisted under this chapter;

"(2) describe the activities for which assistance under this chapter is sought;

"(3) provide assurances that not more than 5 per centum of the allotment of the State in any fiscal year may be expended on administrative costs at the State level and at the local level; and

"(4) provide such additional assurances as the Secretary deems essential to assure compliance with the requirements of this chapter.

"(b) A local educational agency may receive its allocation of funds under this chapter for any year in which it has on file with the State educational agency and a supplement to the application submitted under section 566 which—

"(1) describes the activities for which the local educational agency seeks assistance under this chapter; and

"(2) contains such other assurances and agreements as the State educational agency deems essential to assure compliance with the provisions of this chapter.

"(c) The provisions of subsection (b) of section 564 and of subsections (b) and (c) of section 566 of this Act shall apply to the supplements required by this section.".

(b) Section 595(a) of the Education and Consolidation Act of 1981 is amended by striking out "and" at the end of clause (9), by striking out the period at the end of clause (10) and inserting in lieu thereof a semicolon and the word "and", and by adding at the end thereof the following:

"(11) the term 'institution of higher education' has the same meaning given that term by section 1201(a) of the Higher Education Act of 1965; and

"(12) the term 'State agency for higher education' means the State board of higher education or other agency or officer primarily responsible for the State supervison of higher education, of if there is no such officer or agency, an officer or agency designated by the Governor or by State law.".

PART B—SCIENCE AND TECHNOLOGY COOPERATIVE EDUCATION PROGRAM

AUTHORIZATION OF APPROPRIATIONS

SEC. 211. There is authorized to be appropriated $10,000,000 for the fiscal year 1984 and for each of the succeeding fiscal years ending prior to October 1, 1988, to carry out the provisions of this part.

COOPERATIVE EDUCATION PROGRAM AUTHORIZED

SEC. 212. (a) The Secretary is authorized, in accordance with the provisions of this part, to make grants to business concerns and educational institutions applying jointly to pay the Federal share of the costs of cooperative programs in the fields of technology and science.

(b) For the purpose of this part, the term "educational institution" includes a local educational agency, a State educational agency, institutions of higher education, including community colleges, and vocational schools whether or not they are under the supervision of a State or local educational agency.

USES OF FUNDS

SEC. 213. Grants under this part may be used for—

(1) paraprofessional and technical training at the postsecondary education level;

(2) the acquisition of equipment in the field of technology and science;

(3) the assignment of scientific and technical personnel from business concerns to serve as elementary and secondary school teachers in the fields of technology and science, with emphasis on the use either part time or full time for a period not to exceed one academic year of personnel;

(4) the conduct of secondary school scientific experiments; and

(5) field trips and exemplary projects in the field of technology and science.

APPLICATION

SEC. 214. No grant may be made under this part unless the educational institution and business concern apply jointly to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require. Each such application shall—

(1) describe the cooperative education program for which assistance is sought under this part;

(2) provide assurances that the applicant will pay from non-Federal sources the non-Federal share of the cost of the application and that—

(A) 25 percent of the funds needed for each project will be furnished by the business concern making application; and

(B) 25 percent of the funds needed for the project will be furnished by the educational institution making application or from other non-Federal sources; and

(3) provide such additional assurances as the Secretary determines essential to carry out the provisions of this part.

PAYMENTS

SEC. 215. (a) From the amount appropriated pursuant to section 211, the Secretary shall, in accordance with the provisions of this part, pay the Federal share of the costs of the application approved under section 214.

(b) The Federal share for each fiscal year shall be 50 percent.

ADMINISTRATIVE PROVISIONS

SEC. 216. To the extent not inconsistent with the provisions of this part the provisions of subchapter E of chapter 2 and chapter 3 of the Education Consolidation and Improvement Act of 1981 shall apply to the provisions of this part.

TITLE III—PRESIDENTIAL AWARDS FOR TEACHING EXCELLENCE IN MATHEMATICS AND SCIENCE

PRESIDENTIAL AWARDS

SEC. 301. (a) The President is authorized to make Presidential Awards for Teaching Excellence in Mathematics and Science to secondary school teachers of mathematics or science who have demonstrated outstanding teaching qualifications in the field of teaching mathematics or science.

(b) Each year the President is authorized to make 100 awards under subsection (a) of this section. In selecting secondary school teachers for the award authorized by this section, the President shall select at least one secondary school teacher from each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

ADMINISTRATIVE PROVISIONS

SEC. 302. The President shall carry out the provisions of this title, including the establishment of the selection procedures, after consultation with the Director of the Office of Science and Technology Policy, the Secretary of Education, and the Director of the National Science Foundation.●

By Mr. STEVENS:

S. 1092. A bill for the relief of Doctor Waldemar Nedo Giancaspero and Rosa A. Giancaspero, husband and wife; to the Committee on the Judiciary.

RELIEF OF WALDEMAR AND ROSA GIANCASPERO

Mr. STEVENS. Mr. President, I am today introducing a private bill for the relief of Dr. Waldemar Nedo Giancaspero and Rosa A. Giancaspero. These two individuals are presently in the United States but are not eligible for citizenship under law. The Giancasperos have been living in Alaska almost 5 years and are parents of two children who are natural U.S. citizens. They are very repected individuals in the community and have proven to be people of good moral character. If they are required to sell their home and return to Ecuador, it would create a financial hardship for them.

I think their situation is sufficiently unique that they should be granted permanent residence.

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

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

S. 1092

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding paragraphs (14) and (32) of section 212(a) of the Immigration and Nationality Act, for purposes of such Act, Doctor Waldemar Nedo Giancaspero and Rosa A. Giancaspero, husband and wife, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fees. Upon the granting of permanent residence to these aliens as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by the proper number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas which are made available to natives of the country of the aliens' birth under section 203(a) of the Immigration and Nationality Act or, if applicable, the total number of immigrant visas which are made available to natives of the country of the aliens' birth under section 202(e) of such Act.

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

S. 1093. A bill to provide for research on and evaluation and assessment of education in mathematics and science; to the Committee on Labor and Human Resources.

MATHEMATICS AND SCIENCE RESEARCH EVALUATION AND ASSESSMENT ACT

● Mr. DODD. Mr. President, this is the third time in approximately four decades that the United States has been jolted by the realization that its educational systems have not kept pace with national scientific and technological needs.

It took Pearl Harbor to create an awareness that America's defense weaponry was technologically obsolete. In no small measure the ability of our educational, research, and scientific communities to develop new technologies forced an abrupt end to world conflict and reopened the doors for peaceful ventures among countries.

Less than 20 years later, the United States was faced with another technological challenge. Sputnik brought the Government again to the doors of the educational and scientific communities for assistance in the race for leadership in space.

Today, just a quarter century after Sputnik, the United States has been confronted with a new technological challenge. Industrialized competitors are successfully engaged in a high technology revolution. While they are seemingly well prepared for international high technology competition, the United States may well lack the trained workers to produce, utilize, and service these new technologies.

What precipitates this sporadic decline in education to keep abreast of current scientific and technological needs? Why, in lieu of the Nation's past failures and successes, does this syndrome continue? What is the proper role of the Federal Government in providing educational guidelines and support? Do National, State, and local educational leaders know the right answers to ask before alternatives are proposed? Those are critical questions, Mr. President, but questions I fear we are ill equipped to answer.

Mr. President, the legislation I am introducing today, along with my colleagues, Senators PELL and CHILES, is an attempt to identify the source of these educational deficiencies and to develop strategies to prevent future escalations of these problems. This cannot be accomplished overnight.

However, this legislation will provide vehicles upon which adequate future legislative proposals can be based. Mr. President, the vehicles of which I speak are educational research and evaluation.

This legislation appropriates $5 million annually for 5 years for the National Institute of Education to conduct research on such issues as how classroom environment and school facilities affect teacher and student performance; proper use and incorporation of new technologies in the education system; and student motivation and participation in science and mathematics.

In addition, this legislation also appropriates $5 million annually for 5 years to the National Science Foundation for research on such issues as the most effective design of summer institutes for elementary and secondary school science and mathematics teachers; developing the skills of these teachers to utilize new instructional technologies; the usefulness of teacher access to scientists, researchers, and research institutions; comprehension and learning skills of students; and the special needs of female and minority students to insure access to scientific and technical careers. It may be interesting to note that the National Academy of Sciences, the Congressional Research Service and Office of Technology Assessment all advocate a strong program of instructional research to accompany new legislation in the areas of science, mathematics, and technology education.

The second portion of this legislation directs the National Institute of Education, General Accounting Office, and the National Science Foundation, in consultation with the Secretary of Education, to conduct an independent long-range national policy study on the status and problems relating to science, mathematics, and technological education and an evaluation study of past and current programs and their effectiveness.

The national policy study shall include a national profile of present science and mathematics programs, an assessment of the need to upgrade science and mathematics education, alternative methods for meeting these special education needs, and an evaluation of Federal legislation implemented and proposed to address these problems.

Evaluation of program performance would be enhanced by each State's indentifying and evaluating exemplary science and mathematics programs which could be used as models. This information could enable State and local educational administrators to design similarly effective programs tailored to meet specific needs and goals.

These reports will provide Congress with substantive information and necessary feedback from established and proposed education programs upon which to base future legislation and support for quality science and mathematics education.

Mr. President, the Nation will rely upon the education and scientific communities to provide the knowledge, skills, and technologies essential for future economic stability, social well being and national defense. Unless the Congress is provided with adequate information upon which to base effective legislative proposals and support there can be no assurance that Federal dollars and guidelines will meet these critical needs.

I ask unanimous consent that the full text of the bill be printed in the RECORD following my remarks.

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

S. 1093

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 "Mathematics and Science Research Evaluation and Assessment Act".

RESEARCH ACTIVITIES

SEC. 2. (a) In order to test the need for improving mathematics and science education programs including—

(1) the quality of instruction in the fields of mathematics and science, and

(2) the skills of students in the fields of mathematics and science needed in the economy and for the national security,

the Secretary, through the National Institute of Education, shall conduct research activities on—

(A) retraining programs for teachers to enable the teachers to qualify to instruct elementary and secondary school students in the fields of mathematics and science;

(B) programs for the recruitment and training of teachers in the fields of mathematics and science;

(C) projects designed to improve reading comprehension and interpretation, problem solving, creative and analytic thinking, and written composition, as applied to the learning process of students in the fields of mathematics and science; and

(D) the development of skills of teachers in the field of mathematics and sicence to use new instructional technology.

The research activities required by this section shall examine the academic skills, including teaching and learning, in the fields of mathematics and science.

(b) The Secretary, through the National Institute of Education, shall as part of the research activities authorized by this section examine—

(1) the extent to which problems in the fields of mathematics and science education are acute or chronic and the implications of the findings for the duration and type of Federal assistance required for the solution to such problems, together with the consistency and effectiveness of the Federal approach to science and mathematics education;

(2) the declining interest and skills of secondary school students in science and mathematics and the implications that the findings have for promoting graduated motivation, participation, and development in the fields of mathematics and science;

(3) the incentives for elementary and secondary school teachers of mathematics and science to remain in the teaching profession and the motivations for professional development; and

(4) the means for attracting secondary school students, with special emphasis on women and minorities, to teaching in the fields of mathematics or science or both.

(c) The National Science Foundation shall conduct research activities designed to improve the quality of the teachers of mathematics and science, and the comprehension and learning skills of students in the fields of mathematics and science, including—

(1) summer institutes for current mathematics and science teachers;

(2) projects for encouraging women and minorities to enter careers of teaching mathematics and science and increasing their access to such career;

(3) projects designed to encourage improved access by teachers to science and research institutions;

(4) projects for innovative curriculum development in the field of mathematics and science; and

(5) projects for the development of innovative instructional materials.

(d)(1) There are authorized to be appropriated $5,000,000 for the fiscal year 1984 and for each of the succeeding fiscal years ending prior to October 1, 1989, to carry out the provisions of subsections (a) and (b) of this section.

(2) There are authorized to be appropriated $5,000,000 for the fiscal year 1984 and for each of the succeeding fiscal years ending prior to October 1, 1989, to carry out the provisons of subsection (c) of this section.

EVALUATION AND ASSESSMENT

SEC. 3. (a)(1) Each State educational agency and each State agency for higher education shall, with respect to programs assisted under sections 7 and 8 of the Education for Economic Security Act, respectively, identify and evaluate the effectiveness of exemplary and promising programs assisted under that Act. Each State shall submit to the Secretary a report on the identification and evaluation required by this subsection at the end of each fiscal year beginning after September 30, 1984.

(2) The Secretary is authorized to furnish technical assistance to any State educational agency and any State agency for higher education requesting such assistance.

(3) The Secretary shall, through the National Diffusion Network, disseminate information obtained from the identification and evaluation required by this subsection.

(b)(1) Each State shall prepare and submit to the Secretary a report on the progress made in that State toward the achievement of quality education in the fields of mathematics and science and computer education, together with an assessment of the needs of the State to achieve quality education in the fields of mathematics, science, and computer education based upon—

(A) an examination of the qualification of the teachers in fields;

(B) the courses of study in the fields of mathematics, science, and computer education generally available in the secondary schools and institutions of higher education in the State;

(C) student enrollment in such courses and the number of such students completing each such course;

(D) instructional time of secondary school students allotted to mathematics, science, and computer education;

(E) the quality and availability of instructional material in mathematics and science courses; and

(F) the achievement of secondary school students in mathematics, science, and computer education.

Each report required by paragraph (1) of this subsection shall describe State and local resources committed to improving mathematics, science, and computer education within the State in the previous fiscal year together with a discussion of the role of the use of Federal funds in supplementing State and local funds for such purposes. The report shall incorporate assessments conducted by local educational agencies within the State.

(2) The Secretary shall furnish such technical assistance as may be necessary to each State requesting such assistance including criteria for the comparability of—

(A) the cost of programs and services, and

(B) information relating to measuring results,

for the assessment required by this subsection.

(3) Each State shall submit a report of the assessment required by this subsection at such time as the Secretary shall prescribe. The Secretary shall prepare a summary of the State reports submitted under this subsection and submit a summary of the reports of the States in the annual report of the Department of Education for each applicable fiscal year.

(c)(1) The Secretary shall provide an annual analysis report of the quality of instruction and learning in the fields of mathematics, science, and computer education in the United States, including—

(A) a description of the progress and failures to achieve stated goals in such fields;

(B) an analysis of the reasons for the failures; and

(C) an evaluation of the implementation of the Education for Economic Security Act.

The report shall include annual findings with respect to the assessment required by this section.

(2) An initial plan for the analysis required by this subsection shall be designed after consultation with the Comptroller General and shall be submitted to Congress not later than three months after the date of enactment of this Act.

(d)(1) The Director of the National Institute of Education, the Director of the National Science Foundation, and the Comptroller General of the United States are each authorized to prepare and submit to the Congress not later than 20 months after the date of enactment of this Act a policy analysis report examining the need to improve education in the fields of mathematics, science, and computer education, including—

(A) the nature of the problem of quality instruction and acquired skills in such fields,

(B) alternate objectives in meeting the need, together with an analysis of the magnitude of expenditure for each of the alternative objectives,

(C) the extent to which the problem is and is not being met through current Federal, State, and local resources, and

(D) the feasibility, costs, effectiveness, and limitations of alternate legislative proposals addressing the problems described in clause (A).

(2) An initial plan for the conduct of the policy analysis report required by this subsection shall be designed by the Director of the National Institute of Education, the Director of the National Science Foundation, and the Comptroller General and shall be submitted to Congress not later than 3 months after the date of enactment of this Act.

(e)(1)(A) There are authorized to be appropriated $2,500,000 for the fiscal year 1985 and for each of the succeeding fiscal years ending prior to October 1, 1989, to carry out the provisions of subsections (a) and (b) of this section.

(B) From 80 per centum of the amount appropriated under paragraph (1) for each fiscal year, the Secretary shall allot to each State an amount which bears the same ratio to such amount as the number of children aged 5 through 17, inclusive in each State bears to the number of children in all States. Each State shall use its allotment to carry out subsections (a) and (b) of this section.

(2) There are authorized to be appropriated $1,500,000 for the fiscal year 1985 and for each of the succeeding fiscal years ending prior to October 1, 1989, to carry out the provisions of subsection (c) of this section.

(3) There are authorized to be appropriated $900,000 for the fiscal year 1985 and for each of the succeeding fiscal years ending prior to October 1, 1989, to be divided equally between the National Institute of Education, the National Science Foundation, and the General Accounting Office to carry out the provisions of subsection (d) of this section.

DEFINITIONS

SEC. 4. As used in this Act—

(1) The term "elementary school" has the same meaning given that term as section 198(a)(7) of the Elementary and Secondary Education Act of 1965.

(2) The term "secondary school" has the same meaning given that term as section 198(a)(7) of the Elementary and Secondary Education Act of 1965.

(3) The term "Secretary" means the Secretary of Education.

(4) The term "State agency for higher education" means the State board of higher education or other agency or officer primarily responsible for the State supervision of higher education, or, if there is no such officer or agency, an officer or agency designated for the purpose of this Act by the Governor or by State law.

(5) The term "State educational agency" has the same meaning given that term by section 198(a)(17) of the Elementary and Secondary Education Act of 1965.●

By Mr. DODD:

S. 1094. A bill to amend the Vocational Education Act of 1963 to make grants to the States for high-technology vocational education programs; to the Committee on Labor and Human Resources.

HIGH-TECHNOLOGY TRAINING ACT

● Mr. DODD. Mr. President, I am introducing today legislation to establish a high-technology component in the Federal commitment to vocational education. "The High-Technology Training Act of 1983" would create a $50 million program of Federal grants to be matched by State and private sources for the purpose of developing high-technology vocational education programs.

The need for such an approach, in my judgment, seems more evident with each morning's headlines. It is fast becoming the conventional wisdom that the high-technology revolution characterizing today's marketplace will rival in scope and significance the industrial revolution of earlier centuries.

But where that earlier transformation occurred over the course of many decades, the high-technology revolution is likely to be compressed sharply in time. And where the industrial revolution tended to spread gradually from one nation to another, today's changes are taking place simultaneously in countries on many continents. If the United States is to hold the preeminence in high technology that it won earlier this century in industry, it will have to compete successfully with capable, energetic modern nations aggressively pursuing the same goal.

American industrial supremacy was achieved on the basis of many factors. But none was more critical than the skills, motivation, and education of our national work force. It is a sad irony that many critics are predicting that the chances of the United States to win today's technological race will be hampered by a shortage of qualified workers.

Emerging technologies, ranging from telecommunications to robotics, from lasers to biotechnology cannot be staffed adequately with workers trained in the subjects and skills of yesterday.

It is essential, therefore, that the Federal Government take an active role in revitalizing the Nation's education systems to keep pace with industrial demands. Revitalization of the Nation's education systems will insure U.S. high technology competitiveness, future economic growth, and a stable national economy.

The planning and development of new educational programs and curriculum must also take into consideration the many problems facing jobseekers.

For example, the youth unemployment rate is generally double that of the national unemployment rate; the occupational knowledge and skills of these young adults are often below that required for industrial employment; in addition, young jobseekers find themselves competing for industrial positions with experienced displaced workers.

Special populations—women, minorities, the handicapped and the economically disadvantaged—have even more complex problems. According to the Bureau of Labor Statistics, in 1981 there were 169,000 trained male technicians in high growth occupations compared to 48,000 female technicians—less than 5 percent were minori-

ty women. Unskilled urban blacks are usually forced to accept menial job positions. In addition, the rate of unemployment for black youths generally exceeds the overall youth unemployment rate. Native Americans living on reservations often lack basic marketable employment skills. Unemployment levels range as high as 65 percent to 95 percent there. This high rate of unemployment greatly increases their levels of poverty.

Mr. President, vocational education, whether in elementary, secondary, or post-secondary, is often the best practical mechanism available to these young adults—as well as other adults in need of industrial training—for the development of those entry level skills required by high-technology industries.

I say this, Mr. President, for many reasons. The first is that vocational education departments have already been established in a majority of the Nation's school systems. Second, by initiating high-technology training as a new component in this system, a continuum of specifically designed services can be offered to students which will give them access to a comprehensive high-tech training system. And third, vocational education is very cost effective. Many students have been denied the opportunity to pursue certain academic careers due to severe budget cuts in educational funding. Vocational education can, however, provide students with the technical knowledge and skills necessary for meaningful employment.

Mr. President, on February 2, 1983, I introduced a bill, S. 401, to address the problem of the critical shortage of qualified science and mathematics teachers in secondary schools. In my opinion, qualified teachers are the essential component in providing students with the science and mathematical background mandated by high-tech industries.

The legislation I am introducing today—Congressman GEORGE MILLER in the House of Representatives has introduced similar legislation—will provide an additional mechanism for the development of the Nation's human resources crucial to U.S. high-technology success.

Vocational educational high-technology training can help create an adequate supply of technicians needed by industry to produce, operate and service state-of-the-art high-tech equipment, services, and processes.

This legislation promotes linkages between the educational community and private industry. Joint cooperation between these two constituencies is necessary to insure adequate support and proper development of curriculum for high-tech vocational education.

In addition, provisions are included in this legislation to insure all segments of the population equal access to training for careers as high-technology technicians.

Mr. President, in my judgment, this legislation provides an appropriate mechanism to modernize the Nation's industrial complex and to promote the national economy. The Congress cannot allow the Nation's most valuable capital, its human resources, to remain without those skills needed in this technological society. I urge the support of my colleagues for this important legislation.

I ask unanimous consent that the full text of the bill be included in the RECORD following my remarks.

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

S. 1094

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 "High Technology Training Act".

STATEMENT OF FINDINGS

SEC. 2. (a) The Congress finds that—

(1) there is a severe shortage of technicians to produce, operate, and service high-technology equipment, systems, and processes;

(2) the Nation's vocational education system can make a major contribution to meeting the Nation's needs for well-trained high-technology technicians;

(3) national policies should promote a strong partnership between vocational education programs and private industry to produce the trained technicians needed for expanding job opportunities in high-technology development and applications.

(b) It is the purpose of this Act to—

(1) develop a highly skilled work force capable of producing, operating, and servicing the advanced technology needed to modernize the Nation's industrial complex and to revitalize the Nation's economy;

(2) provide incentives to States to encourage the development of vocational education programs to train individuals for jobs developing and using high technology;

(3) assure the job relatedness of high-technology technician training programs by involving industry in curriculum development and program financing; and

(4) ensure that all segments of the population, including women, minorities, the handicapped, and the economically disadvantaged have access to training for careers as high-technology technicians.

SEC. 3. Part A of title I of the Vocational Education Act of 1963 (20 U.S.C. 2301 et seq.) is amended by adding at the end thereof the following new subpart:

"Subpart 6—High Technology

"TRAINING GRANTS

SEC. 155. (a) From the sums made available for grants under this subpart pursuant to sections 102 and 103 the Secretary of Education is authorized to make grants to States to stimulate vocational education programs to train individuals as high-technology technicians in accordance with this subpart.

"(b) Grants to States under this subpart shall be used, in accordance with five-year State plans and annual program plans approved pursuant to section 109, solely for vocational education programs for the training of individuals as high-technology technicians. No part of any such grant may be used for job placement, training or employment stipends, or purchase or lease of equipment.

"(c) In each year of participation in the grant program under this subpart, a State shall commit the following percentage of its basic grant (under subpart 2 of this part) to programs under this subpart:

"(1) at least 5 percent in the first year;

"(2) at least 10 percent in the second year; and

"(3) at least 15 percent in the third year and each subsequent year.

"(d) In evaluating training program proposals of eligible recipients each State shall consider—

"(1) demand for personnel with the skill level and type of training proposed;

"(2) level and degree of industry participation;

"(3) probability of trainees' successful completion of proposed program based on program design and eligible recipient's previous experience in providing technician training in high-technology occupations requiring scientific or applied scientific knowledge; and

"(4) commitment to serving all segments of the population, including women, minorities, the handicapped, and economically disadvantaged individuals.

"(e) Funds under this subpart may be made available to an eligible recipient only if such recipient provides adequate assurances—

"(1) that such funds will be used solely for job-related training which involves a comprehensive course of instruction designed to prepare individuals for employment as skilled technicians in high-technology occupations requiring scientific or applied scientific knowledge;

"(2) that such funds will be so used as to supplement and, to the extent practicable, to increase the amount of State and local funds that would in the absence of such funds be made available for the uses specified in this subpart, and in no case to supplant such State or local funds; and

"(3) that such funds will be matched by an equivalent value of non-Federal funds or contributions of equipment, facilities, personnel, and services and that no less than 50 percent of such non-Federal funds or contributions will be received from industries or organizations related to the development or use of high technology.

If a local educational agency demonstrates to the satisfaction of the State that the agency is incapable of providing all, or a portion, of the non-Federal funds or contributions as required under clause (3), or that insufficient funds are available from institutions or organizations to meet the requirement of clause (3), the State may provide funds designated under subsection (c) of this subsection in lieu of funds required under clause (3).

"(f) For the purposes of this subpart the term 'high technology' means state-of-the-art computer, microelectronic, hydraulic, pneumatic, laser, nuclear, chemical, telecommunication, and other technologies being used to enhance productivity in manufacturing, communication, transportation, agriculture, commercial, and similar economic activity, and to improve the provision of health care.".

SEC. 4. (a) Section 102 of the Vocational Education Act of 1963 is amended by adding

at the end thereof the following new subsection:

"(e) There are also authorized to be appropriated $50,000,000 for fiscal year 1984 and such sums as may be necessary for each succeeding fiscal year for the purpose of carrying out subpart 6 of this part.".

(b) (1) Section 103(a)(2) of the Vocational Education Act of 1963 is amended in the first sentence by striking out "and (d)" and inserting in lieu thereof "(d), and (e)".

(2) Section 103(b)(2) of such Act is amended in the first sentence by inserting "and section 102 (e)" after "section 102 (b)" and by inserting "and section 155, respectively" after "section 140".●

By Mr. McCLURE (for himself, Mr. SYMMS, Mr. MELCHER, Mr. BRADLEY, and Mr. LAXALT):

S. 1095. A bill to amend the Strategic and Critical Materials Stock Piling Revision Act of 1979 in order to prescribe the method for determining the quantity of any material to be stockpiled under such act, and for other purposes; to the Committee on Armed Services.

STRATEGIC AND CRITICAL MATERIALS STOCK PILING REVISION ACT OF 1983

● Mr. McCLURE. Mr. President, today I am reintroducing legislation to prescribe a new method for determining the quantity of any material to be stockpiled under the Strategic and Critical Materials Stock Piling Act. It is vital to our national security that a stockpile realistically and adequately provide us with the proper amount of resources needed in times of national emergency.

Since the inception of the Strategic and Critical Materials Stock Piling Act, the quantity of resources, known as stockpile goals, needed in times of emergencies has fluctuated. Previous administrations have established zero stockpile goals for numerous commodities, only later to reappraise defense requirements and set new goals for these same commodities. These frequent and violent shifts in stockpile goals are costly to the American taxpayer and extremely disruptive to industry where planning for expansion has frequently been deferred due to stockpile sales.

Over the years, the fluctuations have been inexcusable. Neither our country's need nor our foreign dependence for these commodities has been truly considered. Notable critical commodities which have been put on this roller coaster are aluminum, copper, lead, nickel, and zinc. All holdings of aluminum, copper, and nickel, most of the zinc, and about half of the lead held by the Government were sold during the period 1963–75.

Documenting the up-and-down goals of these commodities exhibits the dramatic trends of the roller coaster the Strategic and Critical Materials Stock Piling Act is on. To dramatize this trend I am providing two tables presenting the stockpile goals from 1944 to 1976 for nickel and copper. Both of these tables represent frequent and violent shifts in stockpile goals, and I would like to point out that these are representations of only two commodities out of 93 covered by the Critical and Strategic Materials Stock Piling Act.

TABLE 1.—*Stockpile goals for nickel from 1944 to 1976*

[In thousands of short tons]

1944	118.0
1950	290.0
1954	450.0
1955	337.5
1958	161.5
1963	50.0
1967	20.0
1969	55.0
1971	0
1976	204.0

TABLE 2.—*Stockpile goals for copper from 1944 to 1976*

[In thousands of short tons]

1944	1,250
1950	2,100
1952	1,100
1954	3,500
1958	1,900
1959	1,000
1963	775
1973	0
1976	1,299

Many of my colleagues will recall these trends and also congressional efforts in the late 1970's to put an end to them. After years of debate and the introduction of numerous bills, Congress amended the Strategic and Critical Materials Stock Piling Act in 1979. I participated in this endeavor and the legislation I am introducing today is a modified version of legislation I introduced in 1977. Portions of the 1977 legislation were incorporated in the final 1979 amendments, but it is still necessary for additional congressional action on this issue. We have not solved the problem of violent fluctuations and this is evident in the 1976 stockpile goals and 1981 disposal legislation introduced. I refer specifically to the zero stockpile goal for silver identified in the 1980 stockpile report to the Congress by the Federal Emergency Management Agency. This report also shows huge deficiencies in the inventories of aluminum, copper, nickel, zinc, and lead, the commodities which I noted have been a part of the violent fluctuation trends in the past. Before Congress accepts a zero stockpile goal for silver, it must carefully consider whether the experience in other commodities may not be repeated with silver.

The national stockpile was originally established by the Strategic and Critical Materials Stock Piling Act of June 7, 1939, as subsequently amended by the act of July 23, 1946 (50 U.S.C. 98–98h). Following World War II, the stockpile policy was to provide sufficient strategic and critical materials to sustain the Nation through a 5-year emergency. This requirement was reduced to a 3-year emergency during the 1960's. In 1973 the administration reduced the stockpile requirement to a 1-year emergency basis and sought legislation to dispose of large quantities of excess materials to balance the budget. However, much of this legislation was not passed by Congress. In 1976 the stockpile planning basis was returned to the first 3 years of an emergency of indefinite duration. A minimum base of a 3-year emergency has now been established legislatively in the Strategic and Critical Materials Stock Piling Revision Act of 1979.

Other important provisions of the Strategic and Critical Materials Stock Piling Revision Act of 1979 include:

First. Clarification that the purpose of the stockpile is to provide for national defense and not for economic or budgetary purposes;

Second. Authorizing the President to determine stockpile requirements and providing for the first time congressional guidance as to how these determinations are to be made;

Third. Creation of a national defense stockpile transaction fund as a separate entity within the Treasury to handle all funds generated by the disposal of stockpiled materials, and from which funding of purchases for the stockpile can be obtained.

These amendments are not enough. The congressional guidance has not affected the continuing and somewhat questionable nature of developing stockpile goals. Presently, the Federal Emergency Management Agency periodically reviews the goals and takes into consideration the recommendations of the Departments of Defense, Commerce, Interior, State, Treasury, and the Central Intelligence Agency. There is no simple formula used to set criteria and no consistency. It is still possible to use the national stockpile for economic or budgetary purposes with this type of subjective development. The proposed silver stockpile goal of zero leads me to conclude that the national defense stockpile is still being used for the purpose of generating revenue. It should not be used to provide each administration with a slush fund of valuable minerals and materials. It must be used for its true purpose: To provide this country with the strategic materials needed in a national emergency.

Mr. President, my bill today will take us one step closer in achieving this purpose. It will bring a more direct involvement of Congress in the setting of stockpile goals and to more closely tie these goals to our import dependence. The bill provides that the executive branch should continue to designate the materials that are needed for the stockpile. But, the bill recognizes that an order of priority exists with respect to the quantity of each material stockpiled and that fundamental to that priority is the dependency and potential vulnerability

this Nation has on imports to meet raw material needs.

The United States is obviously most vulnerable to supply difficulties with respect to commodities which it does not produce in any significant quantities. In the bill these materials are designated as class A. Those commodities which represent materials of which the United States has some production but is unlikely to achieve self-sufficiency even with severe rationing or substitution are classified as class B. Finally, those commodities which the United States produces in substantial quantities but for which it has some import dependence are designated as class C. The importance of these designations is that the goals would rely on our foreign dependency. For commodities in class A, the goal would be equal to a 3-year supply of a 5-year average of net imports. For class B, the goal would be a 2-year supply and for class C, the goal would be a 1-year supply.

The executive branch is authorized to designate the classification of the individual commodities under the terms of the bill and in so doing will be expected to calculate average annual U.S. net imports of each. These calculations will be based on the 5 calendar years immediately preceding and the calculations will be made at least once in each presidential term.

When stockpile acquisitions are taking place, imports will tend to rise and subsequently, when stockpile liquidations are taking place, imports will tend to fall. Therefore, in calculating net imports, the bill requires that stockpile acquisitions be deducted and that stockpile liquidations be added to arrive at figures not influenced by stockpile activities.

The bill further recognizes that in some special cases the formula outlined may not yield a result in line with the 1979 amendment requiring the stockpiling of sufficient quantities to sustain the United States for a period of not less than 3 years in the event of a national emergency. It is not the intention of this bill to change the not-less-than-3-year requirement in event of a national emergency. There is a provision in the bill which allows the executive branch to propose a different goal. However, the administration must come to the Congress and explain the proposed departure. Congress would have 90 days to consider the administration's reasons and would, therefore, become more directly involved in the the setting of the stockpile goals. Due to the subjective nature of determining the material needs in a national emergency, congressional oversight will help to eliminate the use of the national stockpile for budgetary purposes.

The following tabulation compares the quantities for certain key materials which are involved in the stockpile program under two alternatives. The first alternative is the program announced in 1980 by the Federal Emergency Management Agency (FEMA) and the second alternative is embodied in the legislative proposal I am introducing today. To explain the executive branch alternative previously mentioned, I would like to concentrate for a moment on the commodity cobalt. Under the 1980 FEMA alternative, the stockpile goal for cobalt is 85,400,000 pounds. Under my alternative, the goal is 54,000,000 pounds. If the executive branch determines that the 54,000,000 pounds is not a sufficient quantity for the United States in a national emergency, it must justify its reasons to Congress. It would be the responsibility of the administration to present its reasons for why the goal derived from the import formula does not yield a proper result. It will then be the responsibility of the Congress to review the goal and the administration's reasons for proposing a change.

In 1977, when I first introduced the concept of relating stockpile goals to import dependence, I believed this simple procedure would provide stability to the stockpile goals and provide the Nation with the means to realistically and adequately meet the demands required in the times of emergencies. This is essential.

In time of war we must be able to meet our economic, civilian, and defense needs. We are a nation dangerously and costly dependent on foreign nations for raw materials. Presently, of the 32 minerals and materials identified as strategic and critical to the United States in terms of national security, we are dependent on foreign sources in excess of 50 percent for 25 of these minerals. We simply cannot afford to overlook this and expect the current stockpile to realistically meet our needs. What will we do? Will we turn to our allies who have no stockpiles to speak of? Will we depend on continued imports across the sealanes which would be subject to unsafe passage? Will we depend on imports from countries close by whose own demands may infringe upon the quantity of exports it will allow? Excessive dependence is dangerous.

In 1973, during the Arab oil embargo, the Canadian National Energy Board declared that Canadian oil supplies would not be adequate to serve traditional Canadian markets. The Canadian Government therefore imposed export restrictions with the goal of reducing exports to zero by 1983. In addition, an export tax was levied on oil shipments to the United States. The U.S. Senate passed Senate Resolution 249 on January 24, 1974, condemning Canada, along with Venezuela and the Arab oil producing countries, for actions which raised the price of oil.

In subsequent months, however, most American observers came to accept the fact that Canada's energy supplies were not limitless, and that Canada was within its rights to exercise reasonable prudence in their exploitation. Mineral supplies are also not limitless and we must look at the possibility of such an activity occurring again in the area of mineral import-exports with Canada as well as with other friendly countries. These are issues and questions we must address now, not in a time of national emergency.

In a time of war, our own national economy and foreign relations are a very different proposition than in a peacetime. In war, all countries turn their efforts to military needs and what once might have been exported will remain within existing borders. A country cuts back sharply on the production of automobiles, household goods, residential construction, and may even prohibit entirely the output of certain items. All of this for the sake of meeting one's demands.

Mr. President, I believe this bill will assist the Nation in being able to meet its own demands in time of a national emergency. I ask each of my colleagues to join me making sure that this will occur.

I ask unanimous consent that a table relating to my bill and the text of my bill be printed in the RECORD.

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

STRATEGIC STOCKPILE—PRESENT STOCKPILE GOALS, HOLDINGS, AND McCLURE ACT OBJECTIVES

[Figures in thousands]

Commodity	Class	FEMA 1982 goal	March 1983 holdings	McClure Act 1982 goal	McClure Act deficiency or surplus
Aluminum, short tons	C	700	3	25	−22
Antimony, short tons	B	36	41	35	+6
Cobalt, pounds	A	85,400	46,000	45,000	+1,000
Copper, metric tons	C	1,000	29	222	−193
Lead, metric tons	C	1,100	601	21	+580
Nickel, short tons	B	200	32	332	−300
Silver, troy ounces	B	0	137,500	109,000	+28,000
Tin, metric tons	A	42	190	119	+71
Zinc, short tons	B	1,425	378	1,184	−806

S. 1095

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 "Strategic and Critical Materials Stock Piling Revision Act of 1983".

SEC. 2. (a) Section 2(a) of the Strategic and Critical Materials Stock Piling Revision Act of 1979 (50 U.S.C. 98a(a)) is amended by adding at the end thereof the following: "To effectuate this policy determinations shall be made from time to time, as provided in this section, regarding which materials are strategic and critical to the United States and the quantities of such materials that should be stockpiled under this Act.".

(b) Section 2 of such Act is further amended by redesignating subsection (b) as subsection (c) and adding after subsection (a), as amended by subsection (a) of this section, a new subsection (b) to read as follows:

"(b)(1) The President shall appoint an interagency advisory committee composed of representatives from appropriate departments and agencies of the Government to determine which materials are to be acquired under this Act and what classification such materials shall be assigned under paragraph (2).

"(2) Materials selected to be stockpiled under this Act shall be classified by the interagency advisory committee provided for in paragraph (1) as being one of the three classes prescribed below, as appropriate:

"(A) Class A materials are those materials not produced in the United States or produced in the United States in limited quantities, that are necessary for the security of the United States, are essential to the economy of the United States, and are primarily obtained from foreign sources.

"(B) Class B materials are those materials produced in the United States but are not available in sufficient quantities in the United States to offer the potential for meeting total domestic needs, are necessary to the security of the United States, are essential to the economy of the United States, and are obtained to a substantial extent from foreign sources.

"(C) Class C materials are those materials produced in substantial quantities in the United States, are available in sufficient quantities to meet total domestic requirements, are necessary to the security of the United States, are essential to the economy of the United States, and are obtained to a lesser extent from foreign sources.

"(3) The quantity of any material to be acquired under this Act (stockpile goal) shall be determined as follows:

"(A) the stockpile goal for any material designated as a class A material shall be a quantity equal to three years' domestic net imports of such material.

"(B) the stockpile goal for any material designated as a class B material shall be a quantity equal to two years' domestic net imports of such material.

"(C) the stockpile goal for any material designated as a class C material shall be a quantity equal to one year's net imports of such material.

"(4) Subject to appropriate adjustments under paragraph (5), a year's domestic net imports of any material for purposes of clause (A), (B), or (C) of paragraph (3) shall be a quantity of the material equal to the average annual imports of such material during the five calendar years immediately preceding the calendar year in which the determination for the stockpile goal is being made (base period), plus the average annual sales or minus the average annual purchases of such material made from the stockpile during such five-year base period, reduced by the average annual exports of such material during such five-year base period.

"(5) In determining the quantity under paragraph (4) of any material to be acquired for the stockpile appropriate adjustment shall be made in the computations made under such paragraph in the case of any material which is acquired in both its crude form and in its refined or processed form so as to avoid duplicate calculations with respect to the same material.

"(6) The stockpile goal for any material acquired for the stockpile under this Act shall be reviewed once every four years by the interagency advisory committee referred to in paragraph (1). A revised objective for such material shall be established only if the average annual quantity of imports of such material during the five calendar years immediately preceding the current calendar year increased or decreased by more than 10 per centum of the average annual quantity of such material at the time of the preceding mandatory review under this paragraph.

"(7) Nothing in pararaph (6) shall be construed to prohibit the head of the agency and the interagency advisory committee referred to in paragraph (2) from conducting a review of the stockpile goal for any material at any time other than that prescribed by paragraph (6); but in any case in which such committee determines that the stockpile goal for any material should be computed in a manner other than that prescribed in paragraph (3), the head of the agency shall notify the Congress in writing of that determination and set forth the proposed new formula for computing the stockpile goal for such material. The new formula shall become effective with respect to such material unless within a period of ninety days after the day on which the Congress was notified by the head of the agency, either House of the Congress agrees to a resolution disapproving such formula.".●

By Mr. GORTON (for himself, Mr. PACKWOOD, and Mr. DANFORTH):

S. 1096. A bill 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; to the Committee on Commerce, Science, and Transportation.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AUTHORIZATION ACT, 1984

● Mr. GORTON. Mr. President, I am introducing today, along with my colleagues Senator PACKWOOD and Senator DANFORTH, a bill to authorize appropriations for fiscal year 1984 to the National Aeronautics and Space Administration (NASA) for research and development, construction of facilities, and research and program management, and for other purposes.

We have just witnessed the sixth successful manned orbital launch and landing of NASA's Space Shuttle. This event confirms that the shuttle is indeed a unique, workable spacecraft with capabilities that we have only begun to exploit. A new era in space has begun.

The space shuttle is only the latest in a long list of contributions which NASA has made to this Nation's scientific and technological leadership. Perhaps as important has been the stimulus which NASA's achievements have given our national pride and aspirations.

This legislation proposes funding for space science and applications, including planetary exploration. Our first new planetary start in 5 years, the Venus radar mapping mission will give an important boost to the planetary science community, especially in the universities.

For the longer term, the increases proposed for the Explorer program will provide affordable opportunities for smaller experiments on free-flying spacecraft, which comprise the majority of those conducted by our universities and national laboratories.

The budget for aeronautics research and technology includes an exciting new initiative, the Numerical Aerodynamic Simulator, which will provide this Nation with an unequaled aid for advanced aircraft design.

This legislation also provides funding for structural and component spares for the space shuttle fleet and preserves the option for procurement of a fifth orbiter.

At a time when our Nation's leadership in space and aeronautics is being seriously challenged, our commitment to the NASA mission is more important than ever. This legislation asserts that commitment in maintaining the preeminence which NASA has held in the past and in achieving the goals and objectives of our Nation's space and aeronautics program.

Mr. President, I ask unanimous consent that a summary of the bill be printed in the RECORD.

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

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION FISCAL YEAR 1984 AUTHORIZATION

The Committee held hearings on March 8, 9, and 15 in which testimony was received from the NASA Administrator and Deputy Administrator and from representatives from the Department of Defense, the aerospace industry, the space science community, and other outside witnesses.

BACKGROUND

This bill authorizes funds for FY 1984 as follows:

Total NASA Authorization: $7,278.1 million.

Research and development

Space transportation systems	$3,558.0
Space science	833.0
Space applications	321.0
Technology utilization	10.0
Aeronautical research and technology	328.3
Space research and technology	138.0
Tracking and data acquisition	700.2
Total research and development	5,888.5

Construction of Facilities: $142.1.

Research and Program Management: $1,247.5.

A section-by-section analysis of the bill is attached.

This bill generally follows the Administration request, with the exception of the following changes:

1. Space Shuttle Engines and 5th Orbiter

The latest Space Shuttle launch delays pointed up the potential requirement for critical modification of the main engines. In addition, the Committee has previously supported the procurement of a 5th Space Shuttle orbiter.

This legislation provides $2,022.4 million for the engine modifications and procurement of long lead items necessary to assure the option of procurement of a 5th orbiter.

The Administration requested $100 million for structural and component spare parts only for a 4-orbiter fleet.

2. Space Telescope

NASA has recently become aware of major technical and managerial problems in the Space Telescope project that point to currently estimated budget overruns of $200 million.

This bill provides an addition of $50 million to meet that portion of the overrun anticipated for FY 1984. Part of this addition is offset by the deletion of $16 million for the Solar Optical Telescope (SOT).

3. Remote Sensing Satellites

On March 7, the President announced his decision to transfer the weather and land satellite systems to the private sector. This decision was reached without consultation with this Committee or the Congress. Senators Packwood, Gorton, Hollings and Heflin have requested of Secretary Baldrige that no steps toward such transfer be initiated without consultation with this Committee.

4. Research and Analysis

The Physics and Astronomy, Planetary Exploration, Environmental Observation and Solid Earth Observation programs each contain funding for analysis of data collected. Much of this analysis is performed in universities and makes use of data collected at great cost in NASA missions.

An additional $26 million is provided for Research and Analysis in line with recommendations by the Space Science Working Group, a consortium of the nation's space-oriented university programs.

5. Aeronautical Research and Technology

The NASA aeronautics research and technology is a unique effort between the Government and industry going back over 50 years. Last November, the Office of Science and Technology Policy (OSTP) issued a position paper reaffirming this relationship.

The Administration's proposed budget did not, however, reflect the program priorities which the Committee and the Congress have supported previously on the OSTP position. Consequently, Systems Technology programs are increased by $43 million by adding $28 million and by reprogramming $15 million from Research and Technology Base programs.

SECTION-BY-SECTION ANALYSIS

"To authorize appropriations for FY 1984 to the National Aeronautics and Space Administration (NASA) for research and development, construction of facilities, and research and program management".

Title I

Section 101. An authorization of $7,278.1 million is provided as follows:

(a) $5,888.5 million for "Research and Development";

(b) $142.1 million for "Construction of Facilities"; and

(c) $1,247.5 million for "Research and Program Management".

Section 102. Authorization is provided for an increase in the "Construction of Facilities" funds of up to 10 percent, at the discretion of the NASA Administrator, and 25 percent, following a report to the Senate and House authorization Committees justifying the increase.

Section 103. Up to one-half of one percent of the funds appropriated for "Research and Development" may be transferred to "Construction of Facilities". This amount then may be added to $10 million of the "Construction of Facilities" appropriations for additional construction of facilities and land acquisition, if the NASA Administrator justifies the expenditure.

Section 104. No appropriations may be used for any program deleted by Congress and no appropriations may exceed the amount authorized for that particular program in "Research and Development" and "Research and Program Management". For NASA to obtain funding for programs not presented to the Senate and House in the routine manner, NASA must first prepare a report justifying the proposal. Then, 30 days must elapse after receipt by the Senate and the House of this report or, the Senate and House Authorization committees must approve in writing the proposal within 30 days of receipt of the report.

Section 105. Consideration shall be given to geographical distribution of Federal research funds whenever feasible.

Section 106. Funding is provided for the structural and component spares and the critical engine spares for the current 4-orbiter Space Shuttle fleet and for the initiation of procurement of a fifth orbiter.

Section 107. The Senate and House authorization committees must approve any decision and proposed policy of the Administration to commercialize the expendable launch vehicles.

Section 108. Title III of the National Aeronautics and Space Act of 1958 is amended to protect NASA's name and initials against false advertising and related misuse.

Title II

Section 201. $29.336 million is provided in FY 1984 to operate the land remote sensing satellite system and to store a backup satellite.

Section 202. The Senate and House authorization committees must review and approve any attempt to transfer the ownership or management of the civil remote sensing satellite system.●

By Mr. PACKWOOD:

S. 1097. A bill to consolidate and authorize certain atmospheric and satellite programs and functions of the National Oceanic and Atmospheric Administration under the Department of Commerce; to the Committee on Commerce, Science, and Transportation.

S. 1098. A bill to consolidate and authorize certain ocean and coastal programs and functions of the National Oceanic and Atmospheric Administration under the Department of Commerce; to the Committee on Commerce, Science, and Transportation.

S. 1099. A bill to consolidate and authorize certain marine fishery programs and functions of the National Oceanic and Atmospheric Administration under the Department of Commerce; to the Committee on Commerce, Science, and Transportation.

S. 1100. A bill to consolidate and authorize program support and certain ocean and coastal programs and functions of the National Oceanic and Atmospheric Administration under the Department of Commerce; to the Committee on Commerce, Science, and Transportation.

S. 1101. A bill to authorize appropriations for certain fishery programs; to the Committee on Commerce, Science, and Transportation.

S. 1102. A bill to provide authorization of appropriations for title III of the Marine Protection, Research, and Sanctuaries Act of 1972; to the Committee on Commerce, Science, and Transportation.

COMPREHENSIVE AUTHORIZATION FOR THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

● Mr. PACKWOOD. Mr. President, I am pleased to introduce a series of bills to provide for comprehensive authorization of the National Oceanic and Atmospheric Administration (NOAA) by the Commerce Committee.

NOAA was created by Executive order in 1970 with the primary responsibility for most of the Federal Government's civilian research, service and regulatory programs affecting the Nation's oceans and atmosphere. The functions of NOAA are critical for efficient weather forecasting and the sound and productive management of the Nation's ocean and coastal resources.

Last year the committee introduced a single NOAA omnibus authorization bill. While that bill also achieved our goal of a comprehensive authorization program for NOAA, it failed due to a number of jurisdictional problems. Those problems have now been resolved and it is my hope that the new approach we are using this year will enable the package to pass both the Senate and the House. As with last year, this approach also achieves the major goal of the committee regarding NOAA: to bring all of NOAA under active authorization for the first time.

Four new NOAA authorization bills are included in the package. They cover the 85 percent of the agency which currently falls under standing budget authority. The other 15 percent of the agency will remain under separate expiring authorizations.

The four new authorization bills cover programs within all four of the NOAA budget areas:

First, atmosphere and satellite programs;

Second, ocean and coastal programs;

Third, marine fishery programs; and

Fourth, NOAA program support.

In addition to these four new bills there are two others which complete the package for fiscal year 1984. These two reauthorize the following:

First, the marine sanctuaries program; and

Second, three miscellaneous fishery acts.

These bills, combined with the other NOAA authorizations already on the books, brings 100 percent of the NOAA budget within the annual reauthorization and oversight process.

Also included in this package of NOAA authorization bills is a reauthorizaiton for three expiring fishery acts. These acts are the National Aquaculture Act, the Atlantic Tunas

Convention Act, and section 4 of the Fish and Wildlife Act of 1956.

The Aquaculture Act is being reauthorized for an additional 3 years at the following funding levels: for the Department of Commerce, $2,000,000 per year; for the Department of Agriculture, $2,000,000 for each year, and for the Department of the Interior, $1,000,000 per year.

It is the hope of the Commerce Committee that the long-awaited National Aquaculture Plan will soon be submitted for our review.

The Atlantic Tunas Convention Act does not have a specific authorization figure. It provides "such sums as may be necessary" to fund U.S. participation in the International Commission for the Conservation of Atlantic Tunas (ICCAT). This is the organization which is responsible for managing and conserving stocks of tuna in the Atlantic Ocean.

The last of the three acts being reauthorized is section 4 of the Fish and Wildlife Act of 1956. This program is known as the Fisheries Loan Fund (FLF). The FLF is a revolving fund which is financed through fees paid by foreign nations which conduct fishing operation in U.S. waters. While very few loans have been made under the Fund's authority over the past few years, the committee is concerned that the FLF remain intact so that it might be used for other fishery purposes at a later date.

The last bill comprising the NOAA authorization package involves title II of the Marine Protection, Research and Sanctuaries Act. This is the marine sanctuaries program.

Title III established a marine sanctuary program for the protection and management of unique marine areas. The program, analogous to the national park system, is housed within the National Oceanic and Atmospheric Administration and is due for reauthorization this year.

There have been concerns expressed recently regarding implementation of this program from certain commercial fishing interests in Maine and Alaska. The committee intends to work with all concerned parties to formulate amendments to this reauthorization, to be offered at a later date.●

ADDITIONAL COSPONSORS

S. 27

At the request of Mr. MOYNIHAN, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 27, a bill to provide for the conservation, rehabilitation, and improvement of natural and cultural resources located on public or Indian lands, and for other purposes.

S. 117

At the request of Mr. CHILES, the name of the Senator from Arkansas (Mr. PRYOR) was added as a cosponsor of S. 117, a bill to improve the effectiveness and efficiency of Federal law enforcement efforts.

S. 163

At the request of Mr. INOUYE, the name of the Senator from Montana (Mr. MELCHER) was added as a cosponsor of S. 163, a bill to amend title XII of the Public Health Service Act to provide for demonstration programs relating to emergency health care for children.

S. 174

At the request of Mr. INOUYE, the name of the Senator from Montana (Mr. MELCHER) was added as a cosponsor of S. 174, a bill to amend titles XVIII and XIX of the Social Security Act to provide that pediatric nurse practitioner services shall be covered under part B of medicare and shall be a required service under medicaid.

S. 177

At the request of Mr. INOUYE, the name of the Senator from Montana (Mr. MELCHER) was added as a cosponsor of S. 177, a bill to amend title XVIII of the Social Security Act to provide for coverage under medicare of services performed by a nurse-midwife.

S. 178

At the request of Mr. INOUYE, the name of the Senator from Montana (Mr. MELCHER) was added as a cosponsor of S. 178, a bill to amend title 5 of the United States Code to provide payments under Government health plans for services of nurse-midwives not performed in connection with a physician.

S. 193

At the request of Mr. INOUYE, the name of the Senator from Montana (Mr. MELCHER) was added as a consponsor of S. 193, a bill to recognize the organization known as the National Academies of Practice.

S. 286

At the request of Mr. EXON, the name of the Senator from Ohio (Mr. GLENN) was added as a cosponsor of S. 286, a bill to promote interstate commerce by regulating the contractual arrangements between suppliers and retailers in the office machine and equipment industry, and for other purposes.

S. 289

At the request of Mr. GLENN, the names of the Senator from West Virginia (Mr. RANDOLPH), and the Senator from Hawaii (Mr. INOUYE) were added as cosponsors of S. 289, a bill to authorize an educational assistance program which will provide low-cost loans to college students who pursue mathematics and science baccalaureate degrees and enter the precollege mathematics and science teaching profession, and for other purposes.

S. 290

At the request of Mr. GLENN, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 290, a bill to amend the Internal Revenue Code of 1954 to allow a credit to certain employers for compensation paid to employees with precollege mathematics or science teaching certificates who are employed for the summer months by such employers or who are employees who teach a limited number of hours.

S. 372

At the request of Mr. HATFIELD, the names of the Senator from Minnesota (Mr. DURENBURGER), the Senator from Alaska (Mr. STEVENS), the Senator from Maine (Mr. COHEN), the Senator from West Virginia (Mr. RANDOLPH), the Senator from North Dakota (Mr. BURDICK), the Senator from Ohio (Mr. METZENBAUM), the Senator from Hawaii (Mr. INOUYE), the Senator from Washington (Mr. GORTON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from California (Mr. CRANSTON), the Senator from Ohio (Mr. GLENN), the Senator from Michigan (Mr. RIEGLE), and the Senator from Colorado (Mr. HART) were added as cosponsors of S. 372, a bill to promote interstate commerce by prohibiting discrimination in the writing and selling of insurance contracts, and for other purposes.

S. 450

At the request of Mr. PRYOR, the names of the Senator from Florida (Mrs. HAWKINS), and the Senator from Maryland (Mr. SARBANES) were added as cosponsors of S. 450, a bill to amend title 39, United States Code, to strengthen the investigatory and enforcement powers of the Postal Service be authorizing certain inspection authority and by providing for civil penalties for violations of orders under section 3005 of such title (pertaining to schemes for obtaining money by false representation or lotteries), and for other purposes.

S. 453

At the request of Mr. RIEGLE, his name was added as a cosponosr of S. 453, a bill to amend the Tariff Schedules of the United States to impose a one-tenth of 1 percent duty on apple and pear juice.

S. 474

At the request of Mr. COCHRAN, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 474, a bill to amend title 18, United States Code, to provide for the protection of Government witness in criminal proceedings.

S. 508

At the request of Mr. LAXALT, the names of the Senator from Wyoming (Mr. SIMPSON), and the Senator from Florida (Mr. CHILES) were added as cosponsors of S. 508, a bill to exempt entities receiving financial assistance from the Rural Electrification Administration from fees under the Federal

Land Policy and Management Act of 1976.

S. 534

At the request of Mr. PRYOR, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 534, a bill to establish in the Department of State the position of Under Secretary of State for Agricultural Affairs.

S. 553

At the request of Mr. HART, the name of the Senator from New York (Mr. MOYNIHAN) was added as a cosponsor of S. 553, a bill to authorize a national program of improving the quality of education.

S. 591

At the request of Mr. INOUYE, the names of the Senator from New York (Mr. MOYNIHAN), the Senator from Vermont (Mr. STAFFORD), the Senator from Wyoming (Mr. WALLOP), the Senator from Ohio (Mr. GLENN), and the Senator from North Dakota (Mr. ANDREWS) were added as cosponsors of S. 591, a bill to amend the Internal Revenue Code of 1954 to provide a mechanism for taxpayers to designate $1 of any overpayment of income tax, and to contribute other amounts, for use by the U.S. Olympic Committee.

S. 596

At the request of Mr. PRYOR, the name of the Senator from Oklahoma (Mr. BOREN) was added as a cosponsor of S. 596, a bill to provide surplus commodities to farmers who lost grain stored in certain insolvent warehouses.

S. 605

At the request of Mr. DANFORTH, the name of the Senator from New York (Mr. MOYNIHAN) was added as a cosponsor of S. 605, a bill to amend title 11, United States Code.

S. 657

At the request of Mr. DOLE, the name of the Senator from Washington (Mr. GORTON) was added as a cosponsor of S. 657, a bill to amend the Animal Welfare Act to insure the proper treatment of laboratory animals.

S. 735

At the request of Mr. LONG, the name of the Senator from Texas (Mr. BENTSEN) was added as a cosponsor of S. 735, a bill to provide a special antirecession increase in fiscal year 1983 allotments under the State and Local Fiscal Assistance Act to aid local units of government in providing for increased employment opportunities.

S. 771

At the request of Mr. HATCH, the names of the Senator from North Dakota (Mr. BURDICK), and the Senator from Vermont (Mr. STAFFORD) were added as cosponsors of S. 771, a bill to revise and extend provisions of the Public Health Service Act relating to health promotion and disease prevention, to provide for the establishment of centers for research and demonstrations concerning health promotion and disease prevention, and for other purposes.

S. 843

At the request of Mr. COCHRAN, the name of the Senator from Georgia (Mr. NUNN) was added as a cosponsor of S. 843, a bill to amend the Agricultural Act of 1949 to authorize the Secretary of Agriculture to make payments to reimburse producers for the cost of applying approved conservation practices to acreage diverted under an acreage limitation program for the 1982 through 1985 crops of wheat, feed grains, upland cotton, rice, and soybeans.

S. 873

At the request of Mr. LUGAR, the names of the Senator from Pennsylvania (Mr. SPECTER), and the Senator from New York (Mr. MOYNIHAN) were added as cosponsors of S. 873, a bill to help insure the Nation's independent factural knowledge of the Soviet Union and Eastern European countries, to help maintain the national capability for advanced research and training on which that knowledge depends, and to provide partial financial support for national programs to serve both purposes.

S. 880

At the request of Mr. PRESSLER, the name of the Senator from Montana (Mr. MELCHER) was added as a cosponsor of S. 880, a bill to amend the Communications Act of 1934 to provide equity to daytime radio broadcasters.

S. 964

At the request of Mr. HATCH, the names of the Senator from New York (Mr. MOYNIHAN), the Senator from Alaska (Mr. STEVENS), and the Senator from South Carolina (Mr. HOLLINGS) were added as cosponsors of S. 964, a bill to require the Secretary of Health and Human Services to arrange for the conduct of a study with respect to the use of live animals in biomedical and behavioral research.

S. 995

At the request of Mr. EXON, the names of the Senator from Maryland (Mr. SARBANES), and the Senator from Iowa (Mr. GRASSLEY) were added as cosponsors of S. 995, a bill to amend title 38, United States Code, to modify the rule for the commencement of the period of payment of certain adjustments in compensation in the case of hospitalized veterans.

S. 1074

At the request of Mr. STAFFORD, the name of the Senator from Arkansas (Mr. PRYOR) was added as a cosponsor of S. 1074, a bill to amend the Railroad Retirement Act of 1974 and the Railroad Retirement Tax Act to assure sufficient resources to pay current and future benefits under the Railroad Retirement Act of 1974, to make technical changes, and for other purposes.

SENATE JOINT RESOLUTION 34

At the request of Mr. RIEGLE, the names of the Senator from Mississippi (Mr. STENNIS), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Hawaii (Mr. INOUYE), the Senator from Pennsylvania (Mr. HEINZ), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Florida (Mrs. HAWKINS), the Senator from Iowa (Mr. GRASSLEY), the Senator from Iowa (Mr. JEPSEN), the Senator from Illinois (Mr. DIXON), and the Senator from Alabama (Mr. DENTON) were added as cosponsors of Senate Joint Resolution 34, a joint resolution designating "National Reye's Syndrome Week."

SENATE JOINT RESOLUTION 45

At the request of Mr. THURMOND, his name was added as a cosponsor of Senate Joint Resolution 45, a joint resolution designating November 20 through 26, 1983, as "National Family Week."

SENATE JOINT RESOLUTION 66

At the request of Mr. INOUYE, the names of the Senator from Arizona (Mr. DECONCINI) the Senator from Minnesota (Mr. DURENBERGER), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Georgia (Mr. MATTINGLY), the Senator from Georgia (Mr. NUNN), the Senator from Vermont (Mr. STAFFORD), the Senator from Nebraska (Mr. ZORINSKY), and the Senator from Florida (Mr. CHILES) were added as cosponsors of Senate Joint Resolution 66 a joint resolution to authorize and request the President to designate May 6, 1983, as "National Nurse Recognition Day."

SENATE JOINT RESOLUTION 74

At the request of Mr. GARN, the name of the Senator from Nevada (Mr. LAXALT) was added as a cosponsor of Senate Joint Resolution 74, a joint resolution to express the sense of the Congress that the United States should promote the goal of strategic stability and reduce the risk of nuclear war through a balanced program of force modernization together with negotiations to achieve substantial, verifiable, and militarily significant reductions to equal levels in the nuclear arsenals of both superpowers.

SENATE JOINT RESOLUTION 78

At the request of Mr. THURMOND, his name was added as a cosponsor of Senate Joint Resolution 78, a joint resolution to authorize and request the President to issue a proclamation designating April 24 through April 30, 1983, as "National Organ Donation Awareness Week."

At the request of Mr. GORTON, the names of the Senator from Arizona (Mr. GOLDWATER), the Senator from Colorado (Mr. ARMSTRONG), and the Senator from Vermont (Mr. STAFFORD)

were added as cosponsors of Senate Joint Resolution 78, supra.

SENATE JOINT RESOLUTION 81

At the request of Mr. THURMOND, his name was added as a cosponsor of Senate Joint Resolution 81, a joint resolution to authorize and request the President to designate October 16, 1983, as "World Food Day."

SENATE JOINT RESOLUTION 82

At the request of Mr. THURMOND, his name was added as a cosponsor of Senate Joint Resolution 81, a joint resolution designating November 1983 as "National Alzheimer's Disease Month."

SENATE JOINT RESOLUTION 85

At the request of Mr. THURMOND, the names of the Senator from South Carolina (Mr. HOLLINGS), and the Senator from Louisiana (Mr. JOHNSTON) were added as cosponsors of Senate Joint Resolution 85, a joint resolution to designate September 21 1983, as "National Historically Black Colleges Day."

SENATE CONCURRENT RESOLUTION 14

At the request of Mr. LUGAR, the names of the Senator from Louisiana (Mr. JOHNSTON), the Senator from Nebraska (Mr. ZORINSKY), the Senator from New Jersey (Mr. BRADLEY), the Senator from Florida (Mrs. HAWKINS), the Senator from Ohio (Mr. GLENN), the Senator from New Mexico (Mr. BINGAMAN), the Senator from Arizona (Mr. DECONCINI), the Senator from Michigan (Mr. LEVIN), the Senator from Oregon (Mr. HATFIELD), the Senator from New Mexico (Mr. DOMENICI), the Senator from California (Mr. CRANSTON), the Senator from Mississippi (Mr. STENNIS), and the Senator from California (Mr. WILSON) were added as cosponsors of Senate Concurrent Resolution 14, a concurrent resolution in commemoration of the bicentennial of the birth of Simon Bolivar, hero of the the independence of the Americas.

SENATE RESOLUTION 104

At the request of Mr. LUGAR, the names of the Senator from North Carolina (Mr. HELMS), the Senator from Georgia (Mr. MATTINGLY), the Senator from South Dakota (Mr. ABDNOR), the Senator from North Carolina (Mr. EAST), and the Senator from Alabama (Mr. DENTON) were added as cosponsors of Senate Resolution 104, a resolution to disapprove of the regulations proposed by the Federal Election Commission relating to contributions and activities by corporations and labor organizations.

SENATE RESOLUTION 106

At the request of Mr. THURMOND, the names of the Senator from South Carolina (Mr. HOLLINGS), the Senator from California (Mr. WILSON), and the Senator from Minnesota (Mr. DURENBERGER) were added as cosponsors of Senate Resolution 106, a resolution to commemorate the 10th anniversary of the U.S. Product Safety Commission by designating the week of May 8, 1983, through May 14, 1983, as "National Product Safety Week."

SENATE RESOLUTION 107

At the request of Mr. SPECTER, the name of the Senator from Illinois (Mr. PERCY) was added as a cosponsor of Senate Resolution 107, a resolution relating to nuclear arms reduction negotiations.

SENATE RESOLUTION 112

At the request of Mr. LUGAR, the names of the Senator from New York (Mr. MOYNIHAN), the Senator from Ohio (Mr. GLENN), the Senator from Rhode Island (Mr. PELL), the Senator from Indiana (Mr. QUAYLE), the Senator from North Carolina (Mr. HELMS), the Senator from Tennessee (Mr. SASSER), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Georgia (Mr. MATTINGLY), the Senator from Kansas (Mr. DOLE), the Senator from Illinois (Mr. DIXON), the Senator from Illinois (Mr. PERCY), the Senator from Oklahoma (Mr. NICKLES), the Senator from Minnesota (Mr. BOSCHWITZ), the Senator from Maine (Mr. COHEN), and the Senator from Arizona (Mr. GOLDWATER) were added as cosponsors of Senate Resolution 112, a resolution expressing the sense of the Senate with respect to the protection of refugees and civilians caught in the armed conflict on the border between Thailand and Kampuchea.

AMENDMENTS SUBMITTED FOR PRINTING

RECIPROCAL TRADE AGREEMENTS

AMENDMENTS NOS. 1072 THROUGH 1074

(Ordered to be printed and to lie on the table.)

Mr. DOLE submitted three amendments intended to be proposed by him to the amendment (No. 522) proposed by Mr. KASTEN to the bill (S. 144) to insure the continued expansion of reciprocal market opportunities in trade, trade in services, and investment for the United States, and for other purposes.

AMENDMENTS NOS. 1075 THROUGH 1082

(Ordered to be printed and to lie on the table.)

Mr. KASTEN submitted eight amendments intended to be proposed by him to the amendment (No. 522) proposed by him to the bill S. 144, supra.

AMENDMENT NO. 1083

(Ordered to be printed and to lie on the table.)

Mr. COHEN submitted an amendment intended to be proposed by him to the amendment (No. 522) proposed by Mr. KASTEN to the bill S. 144, supra.

AMENDMENT NO. 1084

(Ordered to be printed and to lie on the table.)

Mr. CHAFEE submitted an amendment intended to be proposed by him to the amendment (No. 522) proposed by Mr. KASTEN to the bill S. 144, supra.

AMENDMENTS NOS. 1085 THROUGH 1178

(Ordered to be printed and to lie on the table.)

Mr. DOLE submitted 94 amendments intended to be proposed by him to amendment (No. 522) proposed by Mr. KASTEN to the bill S. 144, supra.

NOTICES OF HEARINGS

SUBCOMMITTEE ON WATER RESOURCES

Mr. ABDNOR. Mr. President, at this time I would like to announce that the dates on which the Subcommittee on Water Resources will hold hearings on cost sharing and user-fee policy will be May 17 and 18. I have previously announced that these hearings would tentatively be on May 18 and 19.

I want to remind my colleagues, Mr. President, of the importance of these hearings. As chairman of the Subcommittee on Water Resources I am committed to moving expeditiously to resolve these water-resource issues. As we move toward resolution of these questions, and the development of an omnibus authorization measure, I want to assure my colleagues that any comments they would like to make for the committee's record would be gratefully appreciated.

COMMITTEE ON THE BUDGET

Mr. DOMENICI. Mr. President, the Senate Committee on the Budget will resume its deliberations on the markup of the first concurrent budget resolution for fiscal year 1984 on Wednesday, April 20, at 10:30 a.m., in room 608 of the Dirksen Senate Office Building.

For further information, contact Nancy Moore of the Budget Committee staff at 224-4129.

AUTHORITY FOR COMMITTEES TO MEET

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. BAKER. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs be authorized to meet during the session of the Senate on Tuesday, April 19, at 2:30 p.m., to hold a hearing on S. 856, Indian Housing Act 1983.

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

COMMITTEE ON THE JUDICIARY

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, April 19, 1983, in order to consider and act on pending nominations, commemorative resolutions, and the following legislation:

11-059 O-87-25 (Pt. 7)

S. 445, Omnibus Bankruptcy Improvements Act of 1983;

S. 333, Consumer Bankruptcy Improvements Act of 1983;

S. 549, Shopping Center Tenant Bankruptcy Protections Improvements Act of 1983;

S. 492, to amend the Bankruptcy Act regarding executory contracts, and for other purposes;

S. 529, the Immigration Reform and Control Act of 1983;

S. 215, the Bail Reform Act of 1983; and

Senate Joint Resolution 3, to amend the Constitution to establish legislative authority in Congress and the States with respect to abortion.

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

ADDITIONAL STATEMENTS

WILLIAM E. COLBY ON THE NUCLEAR WEAPONS FREEZE

● Mr. KENNEDY. Mr. President, tomorrow the House of Representatives resumes its debate on the joint resolution for a nuclear weapons freeze and reductions which Senator HATFIELD and I have introduced in this body. I wish to draw the attention of all my colleagues in Congress to an extraordinarily eloquent and compelling article in today's Washington Post by William E. Colby, former Director of the Central Intelligence Agency, in support of the comprehensive nuclear weapons freeze.

In his article, Mr. Colby makes a convincing call for the freeze as a "bold move to halt the arms race, as a clear indication of resolution to reduce the risk of nuclear terror to which all our populations are subjected."

William Colby points out that a freeze would prevent Soviet nuclear developments which could threaten our security, including new generations of ballistic missiles, an armada of cruise missiles and the blackjack bomber. He demonstrates both that "the Soviets are certainly not 'superior' to the United States in any meaningful way today" and that a freeze treaty would make it more, not less easy to verify nuclear arms control.

Mr. President, I completely agree with Mr. Colby that:

> We can protect the United States better by convincing the Soviet Union not to develop new weapons systems than by developing the defensive systems to shoot them down if they are used against us.

I ask that the full text of Mr. Colby's important article appear at this point in the RECORD.

The article follows:

REAGAN SHOULD TURN FROM "APPEASEMENT" TO A FREEZE

(By William E. Colby)

To use language meaningful to those of President Reagan's generation (and my own), appeasement doesn't work. I am sure the president would agree with that statement, but in fact, he is engaged in a program of appeasement. NATO's first resolute decision to deploy 108 Pershing II missiles and 464 cruise missiles to meet the Soviet SS20 buildup has been followed by the president's proposal of a zero option on both sides, rejected by the Soviets, and then a suggestion for an interim solution, also rejected by the Soviets.

The president's proposal to supplant the SALT II treaty by the START proposal to reduce strategic launchers to 850 on each side and warheads to 5,000, no more than half of which would be land-based, has been rejected by the Soviets. The U.S.S.R. made a minimal move in our direction by suggesting an 1,800-launcher limit. The administration now considers means by which it could move off its original proposal toward the Soviet position.

Another appeasement being attempted is of the anti-nuclear and nuclear freeze movements in the West. The political force of these movements led the administration to soften its previous positions, in hopes of diluting the impatience of millions of Europeans and Americans over their governments' inability to reduce the nuclear terror to which they are exposed. Minor variations of the degree of terror certainly are not going to appease these movements, particularly when these gestures are matched by plans to bring in new weapons systems like the MX, the D5, the B1, and a whole new dimension of space warfare.

The real requirement is for a bold move to halt the arms race, as a clear indication of resolution to reduce the nuclear terror to which all our populations are subjected. This is the basis for the call for a mutual and verifiable freeze on the testing, production and deployment of nuclear wepons and their delivery systems. A recitation of what this freeze will produce in benefits to the safety of the United States is a compelling argument for Reagan to leapfrog the obstructionists who urge him to oppose it and instead take leadership of it.

A simple projection of current weapons plans that would be obviated by a freeze demonstrates its value to the safety of our country:

(1) A freeze on new types of land-based missiles permitted under SALT II would halt the present Soviet testing of two new types. It would also halt the MX. The prime characteristic of these new weapons is an increase in accuracy and consequent targeting of the land-based missile systems of the other side. While the so-called "first-strike" scenario is discussed as a theoretical possibility today, the advent of these new weapons systems will bring it remarkably closer. Both sides will be convinced that the other will soon have the potential for a single devastating blow, requiring that it keep itself on hair-trigger alert for an equally devastating response. The decision time in such circumstances will be reduced so that automatic, not human, decisions will have to be programmed, offering the sickening prospect of mutual destruction through machine error.

(2) A freeze would bar the development of cruise missile armadas on both sides. While the United States is technologically ahead with this new device to date, it is predictable that the Soviets will develop their own capability within the next decade. They did just that with respect to the MIRV, after it was left out of SALT I in 1972 because the United States had no incentive to bar itself from something the Soviets did not then have. At the end of this decade, we can confidently expect a national debate over the need for a comprehensive air defense system to protect the United States from a Soviet cruise missile armada. This whole development would be eliminated by a freeze today.

(3) A freeze would bar the further development and deployment of the Blackjack bomber on the Soviet side and of the B1 on the American side. This would have to be clarified in the discussions leading to the freeze agreement, but it seems clear that the strategic arms negotiating history considers intercontinental aircraft to be launchers rather than platforms. Again, this would prevent the buildup of a large Soviet intercontinental nuclear air force requiring the kind of air defense system the Soviets are now hoping can hold off at least some of our B52s.

(4) The freeze would bar the development of the D5 missile by the United States, with its improvements in accuracy leading to the danger of first strike from the sea. Similarly, it would bar a more accurate Soviet submarine-launched missile. It would not bar the replacement of Polaris submarines by Tridents because the negotiating history has considered submarines as platforms rather than as launchers. The Soviets are currently considerably behind the United States in submarine technology, but again it can be confidently expected that they will improve over the next decades through a combination of espionage, allocation of resources and talent, and plain competitive determination. A freeze on launchers would limit the application of those improvements in the nuclear dimension.

Each of the arguments against the freeze collapses under careful examination:

(1) The Soviets are certainly not "superior" to the United States in any meaningful way today. If they were, we would see them using that superiority, rather than indicating concern over the technological superiority of the United States and its ability to leap ahead in technology in the coming years at a pace beyond that possible for the Soviet Union. The present American retaliation potential is absolute, and with a modicum of maintenance, its components will not vanish from old age.

The Soviets restrict their adventurism these days to the safer techniques of proxy war, subversion and attempts to encourage weakness of American will and separation from European opinion. This is not the bluster of someone convinced that he has the power to dominate. It is the wiliness of someone operating from a position of weakness, tying to slow the opponent down without direct confrontation.

(2) Could we verify whether the Soviets would abide by such an agreement? The administration's own reports show that we are doing exactly that in our attention to potential violations of SALT II and the steady buildup of Soviet power. The fact is that our intelligence system will cover the Soviet Union's nuclear weaponry whether there is a freeze between us or not; a freeze treaty would merely make it easier to do so because of the numerous elements included in recent treaties to facilitate the process. Even in areas of ambiguity, of which there will certainly be some, such as the current indications of Soviet violation of the chemical and biological treaty, it is plain that our intelligence systems have picked up these activities. They have not occurred without being exposed to outside scrutiny.

The fact that the Soviets might violate a treaty is not the determinant. No one should "trust" them not to do so. The real point is whether we would catch them at it and be able to act upon that information. The evidence today indicates that this is clearly the case. Any violation that would be extensive enough to have an impact on the strategic balance would certainly be noticed by us.

The real question is what we propose to do about a violation rather than whether we would know of it. In this respect, there are improvements that can be made in procedures, such as third-party investigations and decisions, interim sanctions and greater visibility upon challenge. The Soviets have shown themselves in recent treaties to be willing to yield some of their long-held phobias against exposure of their affairs, provided that the result is specifically in their interest.

(3) A freeze would certainly be of advantage to the Soviet Union, halting the major American nuclear buildup now planned. As with any successful treaty, however, the question is whether it would be in the equal interest of the United States, halting a certain further Soviet buildup of nuclear weaponry, which, of course, it would. We can protect the United States better by convincing the Soviet Union not to develop new weapons systems than by developing the defensive systems to shoot them down if they are used against us.

Thus appeasement is not the answer. It does not satisfy the nuclear priesthood, which thinks only of building new and more complex weapons systems. It does not satisfy the Soviets, as every indication of yielding is taken as a weakening of will to achieve a mutual solution to the arms race. It does not satisfy the opponents of nuclear warfare among the broad populations of Europe and the United States, who believe their leadership has failed to protect them against potential annihilation as a result of the inexorable march of technology.

Only a bold, firm call for a mutual stop in the arms race could cut through the present tangled political and diplomatic negotiations and produce a result worthy of an American president.●

NEBRASKA'S GYMNASTICS DYNASTY

● Mr. ZORINSKY. Mr. President, mention University of Nebraska sports to most sports fans and one thing comes to mind—Cornhusker football. And there is no question that the University of Nebraska has one of the most outstanding college football programs in the country. In fact, some prognosticators are already picking Coach Tom Osborne's team as one of the leading contenders for next year's mythical national football championship.

But I wonder how many of my colleagues are aware of another Nebraska athletic dynasty? I am referring to the Husker men's gymnastics team, which just a few days ago captured an unprecedented fifth consecutive NCAA title at the championships held at Penn State University. Mr. President, it is difficult to find words to describe the awesome character of the Huskers' performance. Coach Francis Allen's team scored a phenomenal 287.80 points out of a possible 300, breaking their own NCAA team scoring record of 285.45, set in last year's finals in Lincoln. This feat is even more impressive considering that they did this without all-Americans Jim Hartung and Steve Elliot, Husker stars who completed their eligibility last year.

Mr. President, I cannot overstate Nebraska's dominance in men's gymnastics in recent years. Winning a fifth national championship is only the beginning of the story. Three of the six positions on the 1980 U.S. Olympic gym team were filled by Cornhuskers, and Nebraska's Francis Allen was the coach. Four past or present Nebraska stars—Jim Hartung, Phil Cahoy, Scott Johnson, and Chris Riegel—have very good chances of making the 1984 Olympic team. In this respect, Nebraska is a team of national importance.

But the story continues. Last December, the Huskers hosted two of the best groups of gymnasts in the world, a team of all-stars from the Soviet Union and a similar team from Japan. These two countries, perennial powers in international gymnastics, came to a medium-sized college campus on the American Plains to take on one State college team, Nebraska, in a triangular meet. How did the Huskers respond? Coach Allen's charges promptly demolished both the Soviet and Japanese teams. Mr. President, a 2-point victory in championship gymnastics is considered a blowout. Nebraska outscored the Soviets by nearly 3 points and the Japanese team by 6½ points. Hartung, Johnson, Cahoy, and Riegle captured the top four all-round positions, with Hartung scoring 59.05 out of a possible 60 points, matching the highest score ever achieved by an American, Obviously, this performance established Nebraska as a team of international importance. They may be the best collegiate team on the planet.

Mr. President, I do not mean to overlook other fine performances at the recent NCAA championships. I want to congratulate the UCLA and Penn State teams, finishing second and third, respectively, and especially UCLA's Peter Vidmar for winning the individual all-round championship. In my mind, everyone who is talented enough to compete in a championship event is a winner. But in light of the outcome of this meet and the great Cornhusker tradition, I do not think the other competitors would disagree that the Nebraska team merits a little special attention on the occasion of winning their fifth straight NCAA title. This victory was just another example of the Huskers setting a new standard of excellence every time they step into the gym.

Mr. President, this Senator is pleased to momentarily dispense with discussion of budget deficits, missiles, taxes, and other unpleasant topics just long enough to congratulate Coach Francis Allen and his 1983 team—Johnson, Cahoy, Riegel, Jim Mikus, Wes Suter, Brandon Hull, Ricardo Appel, and Mike Bowers—for their great athletic achievements. Even as we speak here today, I would guess that most of these fine young men are training in a gym in Lincoln, preparing to represent America in the 1984 Olympics. The Cornhusker success story will continue, for when it comes to gymnastics, as the Husker fight song says, "there is no place like Nebraska."●

EQUAL ACCESS TO JUSTICE ACT NEEDS REVISION

● Mr. SASSER. Mr. President, on April 14 the Subcommittee on Administrative Practice and Procedures of the Judiciary Committee held hearings on an important topic to the small business community, the Equal Access to Justice Act, EAJA. My distinguished colleague from Iowa, Mr. GRASSLEY chaired these hearings and heard from a wide range of witnesses on various ways to enhance the provisions of the EAJA.

One recurring theme heard throughout the afternoon was the hope that the EAJA would be amended this year to allow coverage under the act for proceedings before agency boards of contract appeals. This has been an issue of much uncertainty since enactment of the EAJA, and recent law suits have resulted in unsettling interpretations of the act.

Current policy, as set forth in the case of Fidelity Construction Co. against the United States, maintains that proceedings before agency boards of contract appeals are not covered by the provisions of the EAJA. Yet, witness after witness at the April 14 hearings stated there was simply no sound basis for this policy.

Loren Smith, Chairman of the Administrative Conference of the United States, stated that he knew of no good policy reason to exclude boards of contract appeals from coverage under the act. For my colleagues who may be unfamiliar with the Administrative Conference, this agency's mission is to perform studies and to recommend improvements in the administrative procedures used by all Federal departments and agencies.

William Allen, the chairman of the American Bar Association's section of administrative law, reiterated this theme in his testimony. Mr. Allen also could not see any reason or any solid policy grounds for excluding contract appeals boards from coverage under the act. The ABA continues to support efforts to extend coverage under the

EAJA to proceedings before agency boards of contract appeals.

Witnesses from the business community also raised this issue. Several of these witnesses cited the lack of coverage for contract appeals boards as one of the major flaws in the act. Providing such coverage would make the EAJA much more equitable and usable in the eyes of these business men and women.

On April 12, I introduced legislation which would do precisely what these witnesses argue needs to be done. S. 1029 provides the explicit language necessary to allow coverage of agency boards of contract appeals under the EAJA.

I offered testimony before Senator GRASSLEY's subcommittee on this important topic during his hearings on the 14th. I pointed out that, to the best of my knowledge, there is no one who supports the present policy of preventing coverage under the EAJA for appeals to contract appeals boards. I stated my hope that his subcommittee would favorably consider the language of S. 1029 as a means of rectifying this situation.

Mr. President, the EAJA represents a sound congressional response to the realization that individuals and small businesses with disputes with the Federal Government may be intimidated by the Government's greater resources. The EAJA reduces the likelihood that these persons will forego litigation and accept inequitable out-of-court settlements. However, the present interpretation of the act in regard to contract appeals boards serves to perpetuate this disincentive to litigate and in so doing flies in the face of EAJA's basic objective.

S. 1029 seeks to insure that the original purpose of the EAJA is carried out. The ability of the small business owner to have his or her day in court to fight unfair Government action should not be denied simply because the proceeding is before a contract appeals board.

In closing, Mr. President, let me touch one last time on testimony heard before Senator GRASSLEY's subcommitteee. J. Paul McGrath, Assistant Attorney General with the Justice Department, commented on S. 1029 during these hearings. He stated that in his view if there was a demonstrated need to extend coverage under the EAJA to agency boards of contract appeals, the Justice Department would support legislation containing such a provision.

It is my hope that Mr. McGrath found such demonstrated need in the testimony of his fellow witnesses. The overwhelmingly majority of the witnesses touched on the need for the type of coverage provided in S. 1029. S. 1029 amends EAJA to give small business a fighting chance to effectively deal with the Federal Government.

Mr. President, I want to again thank my colleague from Iowa for allowing me to offer testimony before his subcommittee on this important issue. I applaud his efforts to promote further discussion on the Equal Access to Justice Act so that it may be amended constructively. It is my belief that S. 1029 is one means of achieving this, and I urge my colleagues to support passage of this measure.●

PULITZER PRIZE AWARDED TO FORT WAYNE NEWS-SENTINEL

● Mr. QUAYLE. Mr. President, as Senator from the State of Indiana I would like to enter into the RECORD my congratulation to the Fort Wayne News-Sentinel, recent winners of this Nation's most prestigious journalism award, the Pulitzer Prize.

The Pulitzer Prize for best general, local reporting was awarded Monday to the News-Sentinel for its 6-days coverage of the 1982 Fort Wayne floods. Pulitzer officials commended the paper on its courageous and resourceful coverage of the local disaster.

This was Fort Wayne's first Pulitzer Prize and only the fourth for an Indiana newspaper.

During the week of March 15-20 the Sentinel published 102 stories and 111 photographs—the equivalent of 37 news pages—on Fort Wayne's efforts to battle the flood.

This is quite an accomplishment for a 68,000 circulation newspaper with only four photographers and nine city desk reporters. What is even more special is that 10 of these staff members were displaced from their own homes by the flood they were covering as a news item.

Newspaper officials cited the complete coverage and said:

> The staff worked around the clock and ignored danger not only to their homes but to their health.

All of Allen County and indeed all of Indiana shares in the pride of the Fort Wayne News-Sentinel's Pulitzer Prize. To mark the event, the Sentinel distributed copies of the prize-winning series to each of Allen County's 107,800 households.

I think the News-Sentinel's extensive coverage of the disastrous 1982 floods, and the prize that recognizes it, illustrates the newspaper's commitment to Fort Wayne and what happens there. This commitment to community is found throughout my State.

The Pulitzer Prize also celebrates the heroic citizens who pitched in during the disaster. School systems bused their children to help at sandbagging sites joining student volunteers on their spring break; churches held clothing and food drives for flood victims; and companies throughout the area donated manpower, equipment, and supplies. This is one more affirmation that Fort Wayne is a very special community.

Printed below are the names of the prize-winning staff:

Suleiman Abdul-Azeez, John V. Ankenbruck, Rick L. Antoine, Phyllis D. Banks, Kenneth L. Bledsoe, Emily M. Born, Dennis Chamberlin, James L. Costin, Kim A. Curtis, Donald D. Dorman, Jeannine M. Duvall, David R. Favrot, Peter E. Fullam, Paul W. Gallmeier, Marilyn J. Goggans, Paul F. Golden, Jerry G. Graff, Gary L. Graham, Charles A. Green, Stephen J. Grimmer.

Michael L. Hanley, David D. Haynes, Carl R. Hartup, Louis M. Heldman, Jack T. Hinkle, Kerry L. Hubartt, Richard A. Isenhour, Thurman E. Johnson, Robert J. Jonason, Kevin J. Leininger, Sharon D. Little, Daniel M. Luzadder, Robert W. Luzadder, Rose M. Mangos, Roger J. Metzger, Charlene Mires, Marilyn M. Nedelkoff, Gary E. Penner, James A. Quinn, Rebecca J. Richards.

William S. Sandeson, Samuel D. Satterthwaite, William J. Scott, Joseph F. Sheibley, Argil H. Shock, Brian D. Smith, Michael P. Smith, Stewart T. Spencer, John D. Stearns, Gerald W. Stewart, Susan A. Stone, Edwin L. Treon, Nancy J. Vendrely, Barbara A. Wachtman, Steven L. Warden, Ernest E. Williams, Thomas D.N. Zaenger, William F. Zlatos, Jr., and Connie Haas Zuber.●

THE UNITED STATES OLYMPIC CHECKOFF ACT OF 1983

● Mr. GLENN. Mr. President, I am pleased to cosponsor S. 591, the United States Olympic Checkoff Act of 1983. This bill would allow taxpayers to allocate $1 of their individual tax refunds to the establishment of an Olympic trust fund. Unlike the Presidential Election Campaign Fund checkoff, where contributions are paid from the individual's income taxes, the Olympic checkoff would be based on voluntary contributions. The bill would establish the U.S. Olympic Development Fund in the Treasury for use by the U.S. Olympic Committee to expand and improve amateur athletics in the United States.

This bill enhances national support for our amateur athletes without appropriating tax dollars or establishing a Government-run Olympics program. The checkoff system enables citizens to more easily contribute to the support of amateur athletics. The donations pay for the administrative costs of the trust fund and the bill requires annual reports to the President's Council on Physical Fitness and Sports, and Congress to insure the effectiveness of the expenditure of these funds.

This fund will expand and improve opportunities for all Americans—including women, minorities, the aged, and the handicapped—to participate in amateur athletics. I support creating this fund by way of a checkoff system because, unlike other charities, the Olympics capture national attention and support only once every 4

years. This makes it difficult to provide stable and adequate funding for all Olympic sports programs.

High school and college sports programs have suffered budget cuts in recent years and of the 26 Olympic sports, only 12 are represented in high school and college programs. The lack of adequate funding and the narrow range of training opportunities for America's athletes highlight the clear need to improve and expand facilities and training programs in amateur athletics. This fund will address that need.

Our athletes deserve nothing less. Our Olympic athletes represent us around the world as good will ambassadors and, in 1980, sacrificed their own personal goals to our Nation's foreign policy concerns. The Olympics are the most visible peaceful involvement of the United States with other nations, yet our failure to support our Olympic team has deprived our athletes of the opportunity to realize their full potential and compete with international athletes on even terms.

Mr. President, the competitiveness of America's amateur athletes, like the competitiveness of American industry, is hamstrung by outmoded and outdated views of how the world operates. Of the 140 countries participating in the Olympics, the United States is the only country that does not provide Government assistance to its athletes. This bill does not nationalize our Olympics program, it simply facilitates private contributions to the program. It will enhance opportunities for America's athletes to develop their skills fully and achieve excellence in the Olympic games.●

THE CASE OF DR. IOSIF BEGUN

● Mr. JOHNSTON. Mr. President, on Friday, April 15, 1983, Senator LAXALT and I, along with 96 of our Senate colleagues, sent letters of appeal to President Reagan and Secretary of State Shultz to protest the infringement of basic human rights in the Union of Soviet Socialist Republics, specifically deplorable actions directed against the Soviet Jewish minority including the prohibition of the Hebrew language and the political harassment of Hebrew teachers in the Soviet Union. We are particularly concerned about Dr. Iosif Begun, an engineer and Hebrew teacher in Moscow. Dr. Begun has been refused permission to emigrate to Israel since 1971 on grounds of alleged possession of State secrets and was indicted again on April 12, 1983. We subsequently appealed to Ambassador Dobrynin to look into Dr. Begun's case and seek favorable action by his government on Dr. Begun's pending application to emigrate to Israel. A decision to allow Dr. Begun to emigrate would be a positive step in furthering essential human rights in the Soviet Union at a very critical time in United States-Soviet relations. Mr. President, I ask that these letters be printed in the RECORD.

The letters follow:

U.S. SENATE,
Washington, D.C., April 13, 1983.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: There is a real danger threatening Soviet Jewry today. As you know, Jewish emigration from the USSR is at its lowest level since 1970 and Soviet anti-semitism has increased dramatically. We want to express our concern regarding the cultural genocide directed against the Soviet Jewish minority, specifically the prohibition of the Hebrew language and harassment of Hebrew teachers.

Dr. Iosif Begun, an engineer and Hebrew teacher in Moscow, has been refused permission to emigrate to Israel since 1971 on grounds of alleged possession of "state secrets". During the many years following his application for an exit permit, Begun fought valiantly for the right to emigrate, initiating and composing dozens of declarations and protests. In 1977, Dr. Begun was arrested, charged with "parasitism", and served two years in internal exile. In 1978, he was sentenced to three more years of internal exile for "violating internal passport laws" for living in Moscow without a residency permit.

On November 6, 1982, Dr. Begun was arrested again and charged under Article 70 of the Soviet Criminal Code of "anti-Soviet agitation and propaganda". He faces a sentence of 12 years in prison and internal exile as a result of this charge. While awaiting trial, Dr. Begun has been told by his Soviet interrogators that a charge of treason, which carries the death penalty, might well be lodged against him.

The release of Iosif Begun and other Soviet prisoners of conscience would be a constructive step in the development of future U.S.-Soviet relations.

We ask that the prohibition of Hebrew and the persecution of Hebrew teachers like Dr. Begun be raised with the new Soviet leadership at every appropriate opportunity, both by the United States and our European allies.

Sincerely,

PAUL LAXALT,
J. BENNETT JOHNSTON,
U.S. Senators.

U.S. SENATE,
Washington, D.C., April 13, 1983.

Hon. GEORGE P. SHULTZ,
Secretary of State,
Washington, D.C.

DEAR MR. SECRETARY: There is a real danger threatening Soviet Jewry today. As you know, Jewish emigration from the USSR is at its lowest level since 1970 and Soviet anti-semitism has increased dramatically. We want to express our concern regarding the cultural genocide directed against the Soviet Jewish minority, specifically the prohibition of the Hebrew language and the harassment of Hebrew teachers.

Dr. Iosif Begun, an engineer and Hebrew teacher in Moscow, has been refused permission to emigrate to Israel since 1971 on grounds of alleged possession of "state secrets". During the many years following his application for an exit permit, Begun fought valiantly for the right to emigrate, initiating and composing dozens of declarations and protests. In 1977, Dr. Begun was arrested, charged with "perasitism", and served two years in internal exile. In 1978, he was sentenced to three more years of internal exile for "violating internal passport laws" for living in Moscow without a residency permit.

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Sincerely,

PAUL LAXALT,
J. BENNETT JOHNSTON,
U.S. Senators.

U.S. SENATE,
Washington, D.C., April 13, 1983.

His Excellency ANATOLY DOBRYNIN,
Ambassador of the Union of Soviet Socialist Republics, Washington, D.C.

DEAR MR. AMBASSADOR: We wish to express our deep concern over the arrest of Dr. Iosif Begun, a Hebrew teacher from Moscow. In April, 1971, Dr. Begun's request for an exit permit to Israel was refused, and he was subsequently dismissed from his job as a senior research assistant at the Moscow Central Research Institute. He was later also dismissed from jobs as a telephone operator and a night watchman. In 1977, Dr. Begun was arrested, was charged with "parasitism", and served two years in internal exile. In 1978, he was sentenced to three more years in internal exile for "violating internal passport laws" for living in Moscow without a residency permit. On November 6, 1982, Dr. Begun was arrested again and charged under Article 70 of the Soviet Criminal Code with "anti-Soviet agitiation and propaganda". He was sent to Vladimir Prison to await a judicial decision.

Dr. Begun's arrest is the latest in a series of disturbing harassments of Soviet Jewish activists. We ask that you inform your government of our concern, and take all necessary steps to secure the release of Dr. Begun from Vladimir Prison. We also request your government's favorable consideration of his application for an exit visa to Israel.

The release of Dr. Begun and a reduction in the persecution of Jewish cultural activists like him would be positive steps in the development of closer relations between our countries.

Sincerely,

Paul Laxalt, Pete V. Domenici, Jake Garn, Robert Dole, Strom Thurmond, Richard G. Lugar, Lawton Chiles, Lloyd Bentsen, J. Bennett Johnston, William Proxmire, Claiborne Pell, Charles H. Percy, Mark Hatfield, Alan Cranston, Donald W. Riegle, Jr., Paul Sarbanes, Daniel Patrick Moynihan, Larry Pressler, John C. Danforth, David L. Boren, George J. Mitchell, Howard M. Metzenbaum, Paul E. Tsongas, Carl Levin, Roger W. Jepsen,

Chic Hecht, Bob Kasten, David Durenberger, Christopher J. Dodd, Steven D. Symms, Orrin G. Hatch, John P. East, Don Nickles, Warren B. Rudman, John Melcher, Howell Heflin, James Abdnor, Charles E. Grassley, Dale Bumpers, Walter D. Huddleston, Alan J. Dixon, Paula Hawkins, Arlen Specter, William S. Cohen, Jim Sasser, John Tower, Alfonse D'Amato, Quentin N. Burdick, Dan Quayle, James A. McClure, Mack Mattingly, David Pryor, Edward Zorinsky, Jeremiah Denton, Rudy Boschwitz, Thomas F. Eagleton, John Glenn, John Heinz, John W. Warner, Mark Andrews, Barry Goldwater, William L. Armstrong, Henry M. Jackson, Pete Wilson, Patrick J. Leahy, J. James Exon, Dennis DeConcini, Bill Roth, Jeff Bingaman, Daniel K. Inouye, Max Baucus, John H. Chafee, Bill Bradley, Spark M. Matsunaga, Edward M. Kennedy, Wendell H. Ford, Sam Nunn, Lowell P. Weicker, Jr., Slade Gorton, Joseph R. Biden, Jr., Gary Hart, Nancy Landon Kassebaum, Ernest F. Hollings, Robert C. Byrd, Frank H. Murkowski, Robert T. Stafford, Frank R. Lautenberg, Bob Packwood, Paul S. Trible, Jr., Alan K. Simpson, Thad Cochran, Gordon Humphrey, Malcolm Wallop, John C. Stennis, Jesse Helms, Ted Stevens, Russell B. Long, and Jennings Randolph,

U.S. Senators.●

RECOGNITION OF AN OUTSTANDING CALIFORNIA STUDENT

● Mr. WILSON. Mr. President, a high school student from California has received recognition in a contest sponsored nationally by Friends of Free China. Her speech related to Taiwan and brought out the relationship between freedom and progress. Because Elina So's speech clearly speaks for the value of freedom, I ask that it be printed in the RECORD.

The speech follows:

HOW FREEDOM AFFECTS PROGRESS (ON TAIWAN)

Freedom. There are many types of freedom. Freedom of expression, freedom of thought, and just as importantly, is the freedom to progress. The primary facet of a country's progress is its economic growth. Economic freedom, as America and the Western World know it, means free enterprise and capitalism. Taiwan, influenced by the policy of American business, has also developed a system of free enterprise, and as a result, its economy has bloomed into a highly productive one.

Economically, Taiwan started on par with Mainland China. However, Taiwan has progressed further and faster than their Communist counterpart. According to Barron's magazine, "China's national income runs a paltry $280 per head . . . on Taiwan, per capita is 4, 5, 6 times what it is on the Mainland." Taiwan's progress is due mainly to its free enterpirse. In a country where one could further one's wealth, and climb the corporate ladder, there is no lack of motivation. This motivation creates a desire for higher efficiency with in each individual. With cooperation among motivated individuals, a country is strengthened and progress is made.

By contrast, the lack of incentives, inherent in a Communist country, is an obstacle in a country's economic growth. Communist countries have central planning groups which set prices of products, annual production goals, wages of workers, and raw materials that are allocated to communes throughout the countries. Since prices and the amount of productivity, set by these groups, are not based on the law of supply and demand, excesses and shortages often appear. Since employment is virtually guaranteed, and since wages remain stationary, often for years, workers are not motivated to strive for higher efficiency.

Realizing the lack of incentives as a major problem, many Communist countries are trying to reform their economic policies. These countries are starting to let individuals keep their surplus profits and are going as far as to let them own their businesses. In one case, a farmer with a lake hires workers to keep up the lake while he charges others for fishing in it. He is making a small fortune from this business. This type of business, typical of free enterprise, is in direct opposition to Communist beliefs. This case shows that those countries that are reforming their economic policies the most are also progressing the most. However, even with these reforms, the Communist world is not doing well. According to U.S. News & World Report, "For the 1.5 billion inhabitants of the Communist world, the Marxist promise of a workers' paradise has turned into a nightmare of permanent scarcity, economic stagnation, and discontent." From this evidence, it may be seen that Communist economic policies stunt a country's growth.

Taiwan has progressed in its standard of living, technological growth, and overall economic stability. According to Business America, Taiwan has "an average annual growth rate of nine percent from 1952-1980." Further, "Despite the recession in the United States, Taiwan's exports to the United States have increased by an amazing 15.8% in the first six months of 1982 . . . this underlies the ability of the Taiwan economy to resist recession." Taiwan, then, has advanced its standard of living, technology, and economic stability.

Taiwan is the perfect example of the fact that economic freedom is essential to every country's progress. With free enterprise, Taiwan's economy has surpassed that of countries of the Communist world. For Taiwan, and for all of us, economic freedom is the path to progress.●

VOCATIONAL REHABILITATION

● Ms. HAWKINS. Mr. President, as a member of the Senate Labor and Human Resources Subcommittee on Handicapped, I have been very impressed by the testimony of handicapped and severely disabled individuals whose lives have been enhanced by the services they receive under the Vocational Rehabilitation Act and other employment programs. More than any other group, these individuals want to contribute, rather than be a burden on society.

I want to bring to the attention of the Senate, an excellent program operating in Florida in which local handicapped adults take advantage of the technical revolution in sight reading computers, voice synthesisers, and word processors to unleash the human potential existing within handicapped individuals. These handicapped individuals founded and now operate a business called the Institute of Computer Management (ICM). Their goal is to release talented minds from impaired bodies via the computer and enable them to compete in the marketplace.

I ask that the following explanation of this program, which was written and computer-typed by handicapped individuals, be inserted in the RECORD.

The material follows:

THE INSTITUTE OF COMPUTER MANAGEMENT—A FUTURE FOR THE HANDICAPPED

I. THE INSTITUTE OF COMPUTER MANAGEMENT

A. A personal introduction

The key to unlocking human potential is the availability of options. The physically handicapped person automatically has many options denied to him/her. I should know—my name is Crail Merriner, a person with a disability. Except for a three year position under the CETA program, my God—given talents plus years of education were going unused due to Cerebral Palsy. Despite a broad-based college education with very high grades, (4.0 in a economic major), the opportunities for gainful employment were extremely limited. After endless days of non-productive output, I was finally intruduced to the microcomputer by the Institute of Computer Management (ICM)—and my life turned 180 degrees. As ICM's first student, I was now able to write letters, create programs, and perform accounting skills via the computer. My life has changed to a point where waking each morning means a new day to be productive in my own environment. From this experience, it was made clear to me that the computer can change, for the good, the lives of the deaf, blind and multi-handicapped individual through the sight reading computer, the voice synthesiser, and the word processor—which helped me write much of this material.

B. Description of the agency

The Institute of Computer Management is a not-for-profit organization, founded in late 1981, for the expressed purpose of bringing the inexpensive personal computer to the physically handicapped. Federally tax exempt since November 1981, ICM hopes to supply these services free of charge through funding from private donations, local foundations, and contract services. All the functions of the organization are provided through the voluntary efforts of its Board and instructors.

ICM believes that microcomputers can give pride and independence to the handicapped person; that good minds can be released for use in both the private and public sectors; that the individual, the computer, and society can all be interrelated to enhance the mental skills of the physically handicapped. The design of the Institute involves an interlocking of three essential components—(1) training in computer skills, (2) contract services integrated with (3) on-the-job training, which in turn might lead to occupational opportunities.

The Institute is unique in that each Officer of the Board of Directors is a handicapped person (Arthritis, Blindness, Cerebral Palsy, and Polymiositis). It began when Lee Frank, an experienced computer pro-

grammer with disabling arthritis, was approached by Teresa Blessing to see if he could assist a young man with CP. Crail Merriner, an honour graduate of Tampa University's School of Business Administration, progressed rapidly. So rapidly, in fact, that Dwight Gill, an experienced industrial engineer and mathematical analyst, was called upon to provide additional programming instruction.

The Institute's first pupil, Crail, is now its Executive Director—using the computer for correspondence, recordkeeping, accounting, and grant-writing. With Dwight Gill as Chairman, Lee Frank as Programming Director, Teresa Blessing as Publicity Director, and its Board of Directors, the Institute feels it has the organizational know-how to reach the qualified handicapped, volunteer instructors, and the patrons so necessary for the success of any charitable venture.

C. Success to date

To inform the general public and to educate the business community as to the potential skills and employability of the handicapped, ICM has held open houses, a business seminar, numerous public speaking engagements, and performed contract services. During it first year of operation these contract services earned over $3500.00, helping to meet the needs of the marketplace, provide training for our handicapped clients, and create income for operating expenses. In addition, they helped to educate the business community as to the potential skills and employability of the handicapped.

Despite the limitations imposed by the wait for our Federal tax exempt status, ICM has raised over $2500 in donations. This money, plus the income from contract services, has enabled us to generate needed publicity, recruit volunteer instructors, screen clients, provide a computer to a quadriplegic, purchase necessary software and books for instruction, and many other activities.

ICM's contract services have included programming a statistics application, configuring a job cost accounting system for a drywall company, business systems for Landscaping firms, and systems evaluation for service agencies, ICM is presently teaching Visicalc to a qualified handicapped bookkeeper, teaching programming to a quadriplegic ham radio orperator, and developing computer communication skills for a severely disabled CP victim.

ICM has also written special software for various disabling conditions: a modification that permits those unable to control two hands simultaneously (or the one-handed) to use a full featured word processor; a full scale big letter information retrieval program for those with significant (but not excessive) visual impairment; in addition, ICM is developing other specialized software for the extremely visually impaired.

D. Statement of needs

Throughout the two county area of Sarasota-Manatee there are literally hundreds of people with a wide variety of serious physical handicaps. Probably more so than any other group, these people wish to contribute rather than be a burden. However, the focus in the past has been on their physicial limitations. Considerable progress has been made in improving their mobility and making their everyday lives more comfortable. There remains, however, the needs of their minds.

Local computer retail outlets have doubled in the past year, reflecting the ever increasing recognition of the benefits of the computer, whether in business, the public area, or the private home. Specific knowledge is needed in order to purchase the appropriate equipment, to select or design the relevant software, and to train the personnel to operate the machine at its optimal potential.

Two levels of needs, therefore, exist. First, there is a need to train the minds of the physically handicapped persons in order that they might not only achieve personal fulfillment, but also make considerable contributions to the community. Second, there is the need of the marketplace for persons with knowledge of computers who can provide technical assistance to the ever increasing number of computer consumers. ICM intends to meet the needs of the physically handicapped as well as the needs of the marketplace with a training program in computer usage.

E. Proposed goals

The obvious goal is to give disabled people professional computer skills. But not all computer jobs are programming jobs. Knowledge of word processor, spread sheet, and data base programs is also needed and valuable. And, in the not too distant future, most jobs will require some knowledge of computers.

Equally important is removing the barriers to communication. Any entry into the job market requires minimal communication skills. But using the microcomputer to enhance communication will yield even greater benefits. For some disabled people it will be the first time they will be fully able to express their own needs, desires, and goals. What achievement could be greater than to find out what someone really wants? Someone whose thoughts and talents have been obscure until now.

ICM hopes its computer training program (CHIP) will overcome physical handicaps as well as provide potential computer professionals. More than just adding new skills, controlling a personal microcomputer can be the key to personal independence for the physically disabled.

II. PROJECT CHIP (COMPUTERIZING HANDICAPPED INTO PRODUCTIVITY)

A. A proposal to train the physically handicapped in computer skills

Each year, millions of dollars are being spent to heal or prevent the many diseases or injuries that plague mankind, ICM was established to release talented minds from impaired bodies via the computer. With computers for individual use, the world of the handicapped can be changed for personal growth and productive output. Better communication with family, friends, and the business sector lifts self-confidence and removes private frustrations to an immeasurable degree. The disabled people living in this generation are fortunate to have the benefit of the advanced technology of the microcomputer. ICM desires to supply local residents with the computers and related software they need to upgrade themselves from an extremely dependent position in the community, to that of a contributing taxpayer. With teaching, training, and guidance, ICM can take people with untapped resources and turn them into valuable commodities.

B. Objectives

The objectives of the Institute of Computer Management vis a vis this proposal are the following: 1) train ten (10) handicapped people in improved individual communications skills which they need to access the job market; 2) provide each person with his/her maximum potential of computer literacy (necessary for future job opportunities); 3) train at least half (5 or more) of these people in professional level computer skills; 4) obtain contracts to provide on-the-job training; 5) use the income from these contracts to provide training for more people.

C. The program

In order for the Institute to fulfill these objectives, it is proposing a computerized administration and two levels of in-home instruction.

The first step will be to purchase and establish an administrative computer. The availability of this equipment will enable the Officers of the Institute to keep track of mailing lists, budgetary management and projections, word processing, scheduling instructors and trainees, record keeping, correspondence, bookkeeping, personnel records, scheduling public-speaking engagement, consulting reports for contracted services, and software library.

The first method of instruction will be to purchase entry level computers which the Institute will place in the client's homes for evaluation, and beginning instruction. The availability of this equipment will facilitate the instruction of trainees in communication skills, and computer literacy.

The second phase of instruction will be to use intermediate and portable computers to evaluate the potential for advanced training. Then, full business system computers will facilitate the instruction of trainees in knowledge of the use of specific application programs, and beginning BASIC programming.

The third phase of instruction will be on-the-job training. This training may take place at the job site or in the client's home as conditions and capabilities demand. Using ICM contract services as the vehicle, students will advance in their knowledge of programming and applications and help provide income for operating expenses and additional hardware and software purchases.

D. Capability and qualifications

The combined experience of the Officer of the Board of ICM includes over twenty years of computing, managerial positions in computing and industrial engineering, elected positions in local and regional organizations, board membership in various civic and handicapped organizations, teaching both preschool and computing, and education in mathematics, computing, special education, and economics.

To date ICM recruited a wide variety of computer personnel as volunteer instructors. Through our publicity and a campaign of posters and brochures in computer stores and educational facilities, we now have over ten (10) ICM instructors ranging from students majoring in Computer Science, and Rehabilitation, to faculty, to experienced counselors and computer professionals.

E. Evaluation

Detailed reports will be prepared on each client for screenings, progress and professional potential. The amount, type, and success of the on-the-job training will be enumerated for each contract performed. Income generated by these contracts should exceed $5000.

The successful completion of this project can be measured in many ways, but the hardest to measure will be its value in human terms. After all, how can one put a yardstick to what it would mean to give a voice to someone who has never spoken to his/her family? Or an intelligent person who has never written a word?

III. THE FUTURE

We have no doubt that ICM contract services and related on-the-job training will yield the funds for additional hardware and software purchases and necessary operating expenses for the CHIP project. ICM feels that with a two year cycle of recruitment, aptitude assessment, training, and skills/knowledge evaluation, we can involve eight new clients every six months to generate the necessary income to make this program economically self-sufficient.

ICM's next project will be to acquire a computer for telecommunications to enable a communications network which the Institute will use for instruction, monitoring, and on-the-job supervision, as well as administrative functions. This equipment will enable the directors and instructors of the Institute to give quicker feedback to inquiries and to examine work of the trainees on a daily basis as opposed to limiting instruction to home visits.

In the near future additional ICM activities will include the establishment of programming groups on the local campuses for software development, publications on shopping for computers and modifying programs for the handicapped, computer fairs and swap meets, and lotteries to help purchase computers. In the more distant future are a talk show exclusively for the handicapped, television instruction in computer literacy, and the Workstead Computer Center—a living and working environment for the handicapped using computers.

VI. APPENDIX

A. Board officers

Teresa Blessing, Publicity Director of ICM, is a certified teacher in the State of Florida. Prior to moving to Florida, she studied criminology and sociology before receiving an R. N. from Albany Medical Center. As a teacher in the Manatee County Headstart, she was also the public relations coordinator for the entire county. Retired five years ago due to legal blindness, she became the part-time Public Relations person for a local community action agency. Mrs. Blessing has been a leader of the Christ United Methodist Church in Bradenton for thirty years. She is presently serving on the boards of five local organizations dealing with the welfare of children, handicapped, and refugees.

Lee Frank, Programming Director of ICM, is a computer programmer with over seventeen years experience. Mr. Frank was educated at Rensselaer Polytechnic Institute and New York University. His past experiences include the teaching of programming, supervision of programmers, sales, and interviewing and hiring of other programmers. On mainframe computers, he has written programs for large scale databases, digital logic circuit design, and time-sharing system utilities. Although disabled with psoriatic arthritis since 1972, he operated a nationally advertised mail-order software business. A Sarasota resident the past eight years, his local activities include past membership in the Citizens Advisory Council of SMATS.

Dwight Gill, Chairman of ICM, is a management information specialist with over eighteen years administrative experience. Majoring in Mathematics at Western Reserve University, he has a comprehensive background in statistical, numerical, and financial analysis. He has written computer models for both manufacturing and marketing controls. Mr. Gill was a representative for the Manufacturers Industrial Relations Association in 1970, 1972, and 1974. He has published several computer programs ranging from number theory to baseball and football rating systems. A member of the Executive Committee for the Southwest Florida Region of Mensa, he is the permanent proctor for Sarasota and Manatee counties, Mr. Gill's disability is dermatopolymiositis.

Crail Merriner, Executive Director of ICM, received a cum laude degree in economics from the University of Tampa. For three years he was Assistant Program Planner for a local community action agency, writing budgetary portions of Federal Grants and maintaining personnel records for over 100 employees. Despite his Cerebral Palsy, he has acquired skills in word processing, Visicalc, and Basic programming. A Manatee County resident for the past sixteen years, he owned and operated the Card Party in the Bayshore Shopping Center. Mr. Merriner is a member of two Honor Societies (Omicron Delta Epsilon and Alpha Chi), ABLE, and is a Qualified Duplicate Bridge Director.

B. Board of directors

W. D. Bell: Palmetto City Councilman. Owns employment agency.

Teresa Blessing: Board Officer, see IV. A. above.

Phyllis Boyer: Real Estate salesperson. Volunteer public relations for area organizations.

Chris Brown: Supervisor, Motor Vehicle Registration, Manatee County.

Warren Brown: Project Manager, CAISH (Computer Assisted Instruction for the Support of the Handicapped), Sarasota County School System.

Ed and Joanne Dick: Dick-Johnson & Jefferson, Inc., Insurance.

Gregg Fierro: Project Coordinator, Careers for the Handicapped, MJC.

Lee Frank: Board Officer, see IV. A. above.

Dwight Gill: Board Officer, see IV. A. above.

David Giordano M.D. P.A.: Fellow of the American College of Physicians.

Pat Glass: Manatee County Commissioner.

Dr. Alton Kindred: Head of Computer Science Education, MJC.

Fulton Lewis III: Advertising and Public Relations, Concept One. Former radio commentator.

Crail Merriner: Board Officer, see IV. A. above.

Frank W. Moreau M.D. P.A.: Rehabilitative Medicine.

Don & Betty Murdock: Retired accountant. Bradenton pre-school.

Reverend Thomas Otto: Associate Pastor Christ United Methodist Church of Bradenton.

Charles Rhein: Secretary for Florida State Council of the Blind, USF Reading Service Board of Directors.

Winfield Rushnell: Counselor, Manatee Vocational Rehabilitation.

Louise Samson: Head, Occupational Therapy, Sarasota Memorial Hospital.

Joyce Shivers: Business Manager: Bradenton & Palmetto Artificial Kidney Centers.

Martin Silver: Public Relations Director, Support Inc., Peninsula Motor Club.

Audrey Thompson: Sarasota Counseling Center.

Gene Tischer: Executive director, Florida Home Health Services, member Florida Bar.

Mae Yeomans: Accountant, Manatee County Council on Aging.

C. Advisors

T. Raymond Suplee: C.P.A., Suplee & Co. (Accounting)

Russell T. Kitching: Manatee County Council on Aging. (Grants)

J. V. Cloud: Alpha Industries, Inc. (Special Equipment)

D. Volunteers and Instructors

Porter Anderson, Jr.: Experience hardware and software TRS-80 computers.

Michael Allen Coburn: MJC Data Processing student, also client.

Charles C. Entwistle: IBM PC, majoring in rehabilitation counseling.

Sherman Feingold: Experienced hardware engineer with Rexham Corp.

Paul Fodor: MJC Data Processing student, also client.

Debra Freedman: Special education teacher.

Dr. Clayton Hansen: Director, Alternate School Program, Happiness House.

Joseph Hayden: MJC Data Processing Instructor.

Eugene Kelley: Experience hardware and software, Apple computers.

Don LaVoy: Bradenton Lions, home computer bookkeeping.

Don and Betty Murdock: Daughter, Sara, is client.

Bettie Noel: IBM PC, MJC Data Processing student, daughter is client.

Richard Reynolds: IBM PC, professional programmer.

Peter Schulte: IBM PC, counseling and rehabilitation experience.

Holly Smith: MJC Data Processing student, straight A's.

Paul Stewart: Counseling degree.

Harold Walker: Computer applications for truss co., has TI computer.

E. Client intake

Joe Bische: Quadriplegic, self-taught in electronics and ham radio. Supplied with entry level computer by ICM, June 1983.

Michael Coburn: Cerebral Palsy, vision problem, MJC student (Venice Campus) in Data Processing.

Paul Fodor: Epilepsy, MJC student in Data Processing.

Chris Icenhower: MJC student, Muscular Dystrophy.

Mike Kingman: Paralyzed on dominant side, MJC student, needs one handed word processor.

Charlene Miller: Epilepsy.

Sara Murdock: Severe Cerebral Palsy, limited speech and communication.

Carol Noel: Severe arthritis.

Joyce Shivers: Polio, wheelchair, B.A. in Accounting and Management.

Jane Spencer: Quadriplegic due to car accident, MJC student in Data Processing.

Peggy Williams: Blind.

Dave Worber: Quadriplegic, has entry level computer.

Mae Yeomans: Birth malformation, accounting education, twenty years work experience.●

FREEDOM AND PROGRESS ON TAIWAN

● Mr. WILSON. Mr. President, Gillian Benet, a young scholar from my State, who has already shown herself to be an outstanding leader, has given a speech on freedom which is sure to obtain for her a sizable scholarship. Since she has so clearly defined the relationship between freedom and

progress, I ask that her speech be printed in the RECORD.

The speech follows:

HOW FREEDOM AFFECTS PROGRESS

It's hard to believe that Communist Red China has 55 times the population of the Republic of China on Taiwan, but only five times as much economic output. But it's true!

How could there be such a great difference between two countries of the same people? The difference lies in Freedom! The freedoms of thought and economic progress that the Taiwanese citizens are allowed breathe incentive. And with incentive, comes progress.

Senator Barry Goldwater of Arizona once said, "If you want to see the end result of our system—what we call free enterprises—the free market—go to Taipei, go to Taiwan—it's the only real bright economic spot in the world."

Senator Goldwater is right. At a time when Americans are grappling with double-digit unemployment figures, Taiwanese are enjoying an unemployment rate that is well under 2 percent of the population. Inflation on the island is just 6 percent each year. Per capita annual income has risen from $180 U.S. dollars in 1960 to over two thousand five-hundred dollars. At the same time, income on mainland China averages less than $200 each year per person.

These two Chinese states are the greatest example of how freedom affects progress.

The people of Red China have been denied basic freedoms that Americans and Taiwanese take for granted. One important freedom that the Taiwanese have is the right to an education. On Taiwan, nine years of compulsory education are free. Ninety percent of all Taiwanese are literate! However, on Red China where all schools are privately run institutions, only 60 percent of the population can read and write!

Religious freedom, guaranteed by the Taiwanese constitution, hardly exists in Communist China. Thousands of clergymen were annihilated during the Cultural Revolution simply because of their religious beliefs.

Another obvious effect of freedom, so well pointed out by Senator Goldwater, is economic progress. The American and Taiwanese free-enterprise systems allow the consumer to decide which products he wants to buy. The law of supply and demand forces companies to offer quality goods at reasonable prices. Yet in Red China, it's the government that decides who will sell what to whom at which price.

The oppressive lifestyle that many Red Chinese now experience has revitalized an ancient Buddhist adage—"Alive in the Bitter Sea."

"Alive in the Bitter Sea" is the title of a recently published book about Communist China by Fox Butterfield. Mr. Butterfield was the first American journalist allowed to report on Mainland China from inside the country. He discovered how the Chinese communist elite, while preaching equality, have actually taken advantage of the peasants and have risen as a new class with their own large homes, servants, special book shops and food stores.

A communist periodical "Cheng Ming" reported that 200 million peasants, almost as many people as live in the United States, are living in a condition of semi-starvation.

While the People's Communist Republic has been trying to find ways to feed the population, Taiwan has rapidly progressed into a great industrialized nation. Sometimes it seems that everything we own is "Made in Taiwan." What greater example do we have of how freedom affects progress than in comparing these two Chinese states? On one side of the Formosa Strait sits Free China, which is only 34 years old, yet the people have increased their standard of living almost to the same extent that we Americans have over 200 years. Just 100 miles away live their relatives on mainland China a country whose progress is far behind that of Free China. What is this difference? What causes this great disparity?

To us it is obvious. The answer is Freedom. Freedom Translates Into Progress.●

PRESIDENT'S REMARKS TO 41ST ANNUAL CONVENTION OF THE NATIONAL ASSOCIATION OF EVANGELICALS

● Mr. DANFORTH. Mr. President, I ask that a copy of the President's speech of March 8, 1983, to the 41st Annual Convention of the National Association of Evangelicals be printed in the RECORD.

The remarks follow:

REMARKS OF THE PRESIDENT TO THE 41st ANNUAL CONVENTION OF THE NATIONAL ASSOCIATION OF EVANGELICALS

THE PRESIDENT. Thank you. Thank you very much. And reverend clery all, Senator Hawkins, distinguished members of the Florida Congressional delegation and all of you, I can't tell you how you have warmed my heart with your welcome. I'm delighted to be here today.

Those of you in the National Association of Evangelicals are known for your spiritual and humanitarian work. And I would be especially remiss if I didn't discharge right now one personal debt of gratitude. Thank you for your prayers. Nancy and I have felt their presence many times in many ways. And believe me, for us they've made all the difference. The other day in the East Room of the White House at a meeting there, someone asked me whether I was aware of all the people out there who were praying for the President and I had to say, "Yes, I am. I've felt it. I believe in intercessionary prayer." But I couldn't help but say to that questioner after he'd asked the question that—or at least say to them that if sometimes when he was praying he got a busy signal it was just me in there ahead of him. (Laughter).

I think I understand how Abraham Lincoln felt when he said, "I have been driven many times to my knees by the overwhelming conviction that I had nowhere else to go."

From the joy and the good feeling of this conference, I go to a political reception. (Laughter). Now, I don't know why but that bit of scheduling reminds me of a story—(laughter)—which I'll share with you. An evangelical minister and a politician arrived at Heaven's gate one day together. And St. Peter, after doing all the necessary formalities, took them in hand to show them where their quarters would be. And he took them to a small single room with a bed, a chair and a table and said this was for the clergyman. And the politican was a little worried about what might be in store for him. And he couldn't believe it then when St. Peter stopped in front of a beautiful mansion with lovely grounds, many servants and told him that these would be his quarters. And he couldn't help but ask, he said, "But wait, how—there's something wrong—how do I get this mansion while that good and holy man only gets a single room?"

And St. Peter said, "You have to understand how things are up here. We've got thousands and thousands of clergy. You're the first politician who ever made it." (Laughter). (Applause).

But I don't want to contribute to a sterotype. (Laughter).

So I tell you there are a great many God-fearing, dedicated, noble men and women in public life, present company included. And, yes, we need your help to keep us ever mindful of the ideas and the principles that brought us into the public arena in the first place. The basis of those ideas and principles is a commitment to freedom and personal liberty that, itself, is grounded in the much deeper realization that freedom prospers only where the blessings of God are avidly sought and humbly accepted.

The American experiment in democracy rests on this insight. Its discovery was the great triumph of our Founding Fathers, voiced by William Penn when he said: "If we will not be governed by God, we must be governed by tyrants." Explaining the inalienable rights of men, Jefferson said, "The God who gave us life, gave us liberty at the same time." And it was George Washington who said that "of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports."

And finally, that shrewdest of all observers of American democracy, Alexis de Tocqueville, put it eloquently after he had gone on a search for the secret of America's greatness and genius—and he said:

"Not until I went into the Churches of America and heard her pulpits aflame with righteousness did I understand the greatness and the genius of America. America is good. And if America ever ceases to be good, America will cease to be great." (Applause.)

Well, I am pleased to be here today with you who are keeping America great by keeping her good. Only through your work and prayers and those of millions of others can we hope to survive this perilous century and keep alive this experiment in liberty, this last, best hope of man.

I want you to know that this administration is motivated by a political philosophy that sees the greatness of America in you, her people, and in your families, churches, neighborhoods, communities—the institutions that foster and nourish values like concern for others and respect for the rule of law under God.

Now, I don't have to tell you that this puts us in opposition to, or at least out of step with, a prevailing attitude of many who have turned to a modern-day secularism, discarding the tried and time-tested values upon which our value civilization is based. No matter how well intentioned, their value system is radically different from that of most Americans. And while they proclaim that they are freeing us from superstitions of the past, they have taken upon themselves the job of superintending us by government rule and regulation. Sometimes their voices are louder than ours, but they are not yet a majority. (Applause.)

An example of that vocal superiority is evident in a controversy now going on in Washington. And since I'm involved, I've been waiting to hear from the parents of young America. How far are they willing to go in giving to Government their prerogatives as parents?

Let me state the case as briefly and simply as I can. An organization of citizens sincerely motivated and deeply concerned about the increase in illegitmate births and abortions involving girls well below the age of consent sometime ago established a nationwide network of clinics to offer help to these girls and hopefully alleviate this situation.

Now, again, let me say, I do not fault their intent. However, in their well-intentioned effort, these clinics have decided to provide advice and birth control drugs and devices to underage girls without the knowledge of their parents.

For some years now, the federal government has helped with funds to subsidize these clinics. In providing for this, the Congress decreed that every effort would be made to maximize parental participation. Nevertheless, the drugs and devices are prescribed without getting parental consent or giving notification after they've done so. Girls termed "sexually active"—and that has replaced the word "promiscuous"—are given this help in order to prevent illegitimate birth or abortion.

We have ordered clinics receiving federal funds to notify the parents such help has been given. (Applause.) One of the nation's leading newspapers has created the term "squeal rule" in editorializing against us for doing this and we're being criticized for violating the privacy of young people. A judge has recently granted an injunction against an enforcement of our rule.

I've watched TV panel shows discuss this issue, seen columnists pontificating on our error, but no one seems to mention morality as playing a part in the subject of sex. (Applause.)

Is all of Judeo-Christian tradition wrong? Are we to believe that something so sacred can be looked upon as a purely physical thing with no potential for emotional and psychological harm? And isn't it the parents' right to give counsel and advice to keep their children from making mistakes that may affect their entire lives? (Applause.)

Many of us in government would like to know what parents think about this intrusion in their family by government. We're going to fight in the courts. The right of parents and the rights of family take precedence over those of Washington-based bureaucrats and social engineers. (Applause).

But the fight against parental notification is really only one example of many attempts to water down traditional values and even abrogate the original terms of American democracy. Freedom prospers when religion is vibrant and the rule of law under God is acknowledged. (Applause). When our Founding Fathers passed the first amendment they sought to protect churches from government interference. They never intended to construct a wall of hostility between government and the concept of religious belief itself. (Applause).

The evidence of this permeates our history and our government. The Declaration of Independence mentions the Supreme Being no less than four times. "In God We Trust" is engraved on our coinage. The Supreme Court opens its proceedings with a religious invocation. And the Members of Congress open their sessions with a prayer. I just happen to believe the school children of the United States are entitled to the same privileges as Supreme Court Judges and Congressmen. (Applause). Last year, I sent the Congress a constitutional amendment to restore prayer to public schools. Already this session, there's growing bipartisan support for the amendment and I am calling on the Congress to act speedily to pass it and to let our children pray. (Applause).

Perhaps some of you read recently about the Lubbock school case where a judge actually ruled that it was unconstitutional for a school district to give equal treatment to religious and nonreligious students groups, even when the group meetings were being held during the students' own time. The first amendment never intended to require government to discriminate against religious speech. (Applause).

Senators Denton and Hatfield have proposed legislation in the Congress on the whole question of prohibiting discrimination against religious forms of student speech. Such legislation could go far to restore freedom of religious speech for public school students. And I hope the Congress considers these bills quickly. And with your help, I think it's possible we could also get the constitutional amendment through the Congress this year. (Applause).

More than a decade ago, a Supreme Court decision literally wiped off the books of 50 states statutes protecting the rights of unborn children. Abortion on demand now takes the lives of up to 1½ million unborn children a year. Human life legislation ending this tragedy will some day pass the Congress and you and I must never rest until it does. (Applause). Unless and until it can be proven that the unborn child in not a living entity, then its right to life, liberty and the pursuit of happiness must be protected. (Applause).

You may remember that when abortion on demand began many, and, indeed, I'm sure many of you warned that the practice would lead to a decline in respect for human life, that the philosophical premises used to justify abortion on demand would ultimately be used to justify other attacks on the sacredness of human life, infanticide or mercy killing. Tragically enough, those warnings proved all too true: only last year a court permitted the death by starvation of a handicapped infant.

I have directed the Health and Human Services Department to make clear to every health care facility in the United States that the Rehabilitation Act of 1973 protects all handicapped persons against discrimination based on handicaps, including infants. (Applause.) And we have taken the further step of requiring that each and every recipient of federal funds who provides health care services to infants must post and keep posted in a conspicuous place a notice stating that "discriminatory failure to feed and care for handicapped infants in this facility is prohibited by federal law." It also lists a 24-hour, toll-free number so that nurses and others may report violations in time to save the infant's life. (Applause.)

In addition, recent legislation introduced in the Congress by Representative Henry Hyde of Illinois not only increases restrictions on publicly-financed abortions, it also addresses this whole problem of infanticide. I urge the Congress to begin hearings and to adopt legislation that will protect the right of life to all children, including the disabled or handicapped.

Now, I'm sure that you must get discouraged at times, but you've done better than you know, perhaps. There is a great spiritual awakening in America—(applause)—a renewal of the traditional values that have been the bedrock of America's goodness and greatness. One recent survey by a Washington-based research council concluded that Americans were far more religious than the people of other nations; 95 percent of those surveyed expressed a belief in God and a huge majority believed the Ten Commandments had real meaning in their lives.

And another study has found that an overwhelming majority of Americans disapprove of adultery, teenage sex, pornography, abortion and hard drugs. And this same study showed a deep reverence for the importance of family ties and religious belief. (Applause.)

I think the items that we've discussed here today must be a key part of the nation's political agenda. For the first time the Congress is openly and seriously debating and dealing with the prayer and abortion issues—and that's enormous progress right there. I repeat: America is in the midst of a spiritual awakening and a moral renewal and with your biblical keynote. And with your biblical keynote, I say today, "Yes, let justice roll on like a river, righteousness like a never failing stream." (Applause.)

Now, obviously, much of this new political and social consensus that I have talked about is based on a positive view of American history, one that takes pride in our country's accomplishments and record. But we must never forget that no government schemes are going to perfect man. We know that living in this world means dealing with what philosophers would call the phenomenology of evil or, as theologians would put it, the doctrine of sin.

There is sin and evil in the world. And we are enjoined by scripture and the Lord Jesus to oppose it with all our might. Our nation, too, has a legacy of evil with which it must deal. The glory of this land has been its capacity for transcending the moral evils of our past. For example, the long struggle of minority citizens for equal rights once a source of disunity and civil war is now a point of pride for all Americans. We must never go back. There is no room for racism, anti-semitism or other forms of ethnic and racial hatred in this country. (Applause.) I know that you have been horrified, as have I, by the resurgence of some hate groups preaching bigotry and prejudice. Use the mighty voice of your pulpits and the powerful standing of your churches to denounce and isolate these hate groups in our midst. The commandment given us is clear and simple: "Thou shalt love thy neighbor as thyself." (Applause.)

But whatever sad episodes exist in our past, any objective observer must hold a positive view of American history, a history that has been the story of hopes fulfilled and dreams made into reality. Especially in this century, America has kept alight the torch of freedom, but not just for ourselves, but for millions of others around the world.

And this brings me to my final point today. During my first press conference as President, in answer to a direct question, I pointed out that, as good Marxists-Leninists, the Soviet leaders have openly and publicly declared that the only morality they recognize is that which will further their cause, which is world revolution. I think I should point out, I was only quoting Lenin, their guiding spirit who said in 1920 that they repudiate all morality that proceeds from supernatural ideas—that is their name for religion—or ideas that are outside class conceptions. Morality is entirely subordinate to the interests of class war. And everything is moral that is necessary for the annihilation of the old, exploiting social order and for uniting the proletariat.

Well, I think the refusal of many influential people to accept this elementary fact of Soviet doctrine illustrates an historical reluctance to see totalitarian powers for what they are. We saw this phenomenon in the 1930s. We see it too often today. This does not mean we should isolate ourselves and refuse to seek an understanding with them. I intend to do everything I can to persuade them of our peaceful intent, to remind them that it was the West that refused to use its nuclear monopoly in the '40's and '50's for territorial gain and which now proposes 50-percent cuts in strategic ballistic missiles and the elimination of an entire class of land-based intermediate-range nuclear missiles. (Applause.)

At the same time, however, they must be made to understand we will never compromise our principles and standards. We will never give away our freedom. We will never abandon our belief in God. (Applause.) And we will never stop searching for a genuine peace, but we can assure none of these things America stands for through the so-called nuclear freeze solutions proposed by some.

The truth is that a freeze now would be a very dangerous fraud, for that is merely the illusion of peace. The reality is that we must find peace through strength. (Applause.)

I would agree to a freeze if only we could freeze the Soviet's global desires. (Applause.) A freeze at current levels of weapons would remove any incentive for the Soviets to negotiate seriously in Geneva, and virtually end our chances to achieve the major arms reductions which we have proposed. Instead, they would achieve their objectives through the freeze. A freeze would reward the Soviet Union for its enormous and unparalleled military buildup. It would prevent the essential and long overdue modernization of United States and allied defenses and would leave our aging forces increasingly vulnerable. And an honest freeze would require extensive prior negotiations on the systems and numbers to be limited and on the measures to ensure effective verification and compliance. And the kind of a freeze that has been suggested would be virtually impossible to verify. Such a major effort would divert us completely from our current negotiations on achieving substantial reductions. (Applause.)

A number of years ago, I heard a young father, a very prominent young man in the entertainment world, addressing a tremendous gathering in California. It was during the time of the cold war and communism and our own way of life were very much on people's minds. And he was speaking to that subject. And suddenly, though, I heard him saying, "I love my little girls more than anything—" And I said to myself, "Oh, no, don't. You can't—don't say that." But I had underestimated him. He went on: "I would rather see my little girls die now, still believing in God, than have them grow up under communism and one day die no longer believing in God." (Applause.)

There were thousands of young people in that audience. They came to their feet with shouts of joy. They had instantly recognized the profound truth in what he had said, with regard to the physical and the soul and what was truly important.

Yes, let us pray for the salvation of all of those who live in that totalitarian darkness—pray they will discover the joy of knowing God. But until they do, let us be aware that while they preach the supremacy of the state, declare its omnipotence over individual man, and predict its eventual domination of all peoples on the Earth—they are the focus of evil in the modern world. It was C. S. Lewis who, in his unforgettable Screwtape letters, wrote: "The greatest evil is not done now in those sordid 'dens of crime' that Dickens loved to paint. It is not even done in concentration camps and labor camps. In those we see its final result. But it is conceived and ordered (moved, seconded, carried, and minuted) in clear, carpeted, warmed, and well-lighted offices, by quiet men with white collars and cut fingernails and smooth-shaven cheeks who do not need to raise their voice."

Because these "quiet men" do not "raise their voices," because they sometimes speak in soothing tones of brotherhood and peace, because, like other dictators before them, they're always making "their final territorial demand," some would have us accept them at their word and accommodate ourselves to their aggressive impulses. But, if history teaches anything, it teaches that simple-minded appeasement or wishful thinking about our adversaries is folly. It means the betrayal of our past, the squandering of our freedom.

So, I urge you to speak out against those who would place the United States in a position of military and moral inferiority. You know, I've always believed that old Screwtape reserved his best efforts for those of you in the church. So, in your discussions of the nuclear freeze proposals, I urge you to beware the temptation of pride—the temptation of blithely declaring yourselves above it all and label both sides equally at fault, to ignore the facts of history and the aggressive impulses of an evil empire, to simply call the arms race a giant misunderstanding and thereby remove yourself from the struggle between right and wrong and good and evil.

I ask you to resist the attempts of those who would have you withhold your support for our efforts, this administration's efforts, to keep America strong and free, while we negotiate real and verifiable reductions in the world's nuclear arsenals and one day, with God's help, their total elimination. (Applause.)

While America's military strength is important, let me add here that I have always maintained that the struggle now going on for the world will never be decided by bombs or rockets, by armies or military might. The real crisis we face today is a spiritual one; at root, it is a test of moral will and faith.

Whittaker Chambers, the man whose own religious conversion made him a witness to one of the terrible traumas of our time, the Hiss-Chambers case, wrote that the crisis of the Western World exists to the degree in which the West is indifferent to God, the degree to which it collaborates in communism's attempt to make man stand alone without God. And then he said, "For Marxism-Leninism is actually the second oldest faith first proclaimed in the Garden of Eden with the words of temptation, 'Ye shall be as gods.' "

"The Western world can answer this challenge," he wrote, "but only provided that its faith in God and the freedom he enjoins is as great as communism's faith in man."

I believe we shall rise to the challenge. I believe that communism is another sad, bizarre chapter in human history whose last pages even now are being written. I believe this because the source of our strength in the quest for human freedom is not material but spiritual. And because it knows no limitation, it must terrify and ultimately triumph over those who would enslave their fellow man. For in the words of Isaiah: "He giveth power to the faint; and to them that have no might He increased strength . . . But they that wait upon the Lord shall renew their strength; they shall mount up with wings as eagles; they shall run and not be weary . . ." (Applause).

Yes, change your world. One of our Founding Fathers, Thomas Paine, said, "We have it within our power to begin the world over again." We can do it doing together what no one church could do by itself. God bless you and thank you very much. (Applause).●

POLICY ALTERNATIVES TO THE IMF BAILOUT

● Mr. HUMPHREY. Mr. President, Dr. Robert E. Weintraub, a senior economist for the Joint Economic Committee, has just published the first of a three-part study of U.S. bank lending to LDC's and Eastern bloc nations entitled "International Debt: Crisis and Challenge." In my estimation, this paper deserves the full attention of my colleagues and their staffs as Congress prepares to debate the request for an $8.5 billion bailout of the International Monetary Fund.

Dr. Weintraub systematically reviews the origins of the current debt crunch, the ability of the LDC's and the banks to honor their commitments, the nature of the doomsday scenarios involving the collapse of the international monetary system should widespread debt repudiation occur, and the likely impact of current administration proposals for dealing with the debt problem. In essence, Dr. Weintraub concludes that, first, a reviving world economy will improve the export position of troubled debtors and thus significantly reduce their balance-of-payments difficulties, and second, that the realities of international banking and our regulatory system do not support the theory of widespread bank failures should defaults occur.

The particular portion of this study to which I would like to direct the attention of my colleagues today, Mr. President, is the final chapter of Dr. Weintraub's study. In it, he critiques the current administration policy for defusing the debt bomb and finds it lacking in many respects. In particular, Dr. Weintraub finds that an increase in IMF and GAB resources is both unnecessary and possibly counterproductive to significant long-term economic reforms by troubled debtors. He then proceeds to elucidate an alternative set of policy recommendations involving the promotion of real, noninflationary economic growth in the industrialized nations and the LDC's, necessary adjustments on the part of bankers who made the bad loans in the first place, and the willingness of central banks and governments to

extend short term, bilateral bridge loans when necessary.

In the view of this Senator, Mr. President, Congress has been asked to squander over $8 billion in precious domestic resources on behalf of a hasty and ill-advised policy proposal. Dr. Weintraub has made an invaluable contribution to the debate by demonstrating that an IMF bailout is not only a questionable policy pursuit, but is in fact completely at odds with the economic objectives we should be pursuing in the interest of real worldwide recovery and growth.

I ask that the relevant portion of Dr. Weintraub's study be printed in the RECORD.

The material follows:

INTERNATIONAL DEBT: CRISIS AND CHALLENGE

(By Robert E. Weintraub)

IV. SOLUTIONS

In the second half of 1982, it became clear that some Eastern bloc nations and LDCs could not service their external debts and that the solvency of some of their creditors was threatened. For U.S. banks, the external debts and economic problems of Brazil and Mexico and, to a lesser extent, Argentina, Chile, and Venezuela are especially troublesome.

The U.S. solution

On December 21, 1982, Treasury Secretary Donald Regan told the House Banking Committee that "the U.S. strategy to deal with current strains on the international financial system contains five key elements." The first calls for "orderly, but effective domestic adjustment efforts by each country concerned." On February 14, 1983, Secretary Regan told the Senate Banking Committee that this "will entail multi-year efforts, usually involving measures to address some conbination of the following problems: rigid exchange rates; subsidies and protectionism; distorted prices; inefficient state enterprises; uncontrolled government expenditures and large fiscal deficits; excessive and inflationary monetary growth; and interest rate controls which discourage private savings and distort investment patterns."

In supportive testimony before the House Banking Committee on February 2, 1983, Federal Reserve Board Chairman Paul A. Volcker stressed the need for "determined action by major borrowing countries to change their economic policies . . . to cut down on very high rates of inflation and budget deficits, to establish realistic foreign exchange rates and domestic interest rates, to encourage greater economic efficiency, and, as a result, to aim for substantial reductions in external (trade and current account) deficits."

The second element of the U.S. strategy calls for "readiness to provide official financing." Secretary Regan identified the International Monetary Fund (IMF) as "the key institution for this purpose" stating that the Reagan administration favored "strengthening IMF resources. . . . by an increase from $67 billion to $99 billion (plus) an expansion of the IMF's General Agreements to Borrow, (GAB)" in an amount equal to $12 billion. All IMF members would be given access to GAB funds under certain circumstances. Chairman Volcker testified that the IMF plays "the key coordinating and substantive role." Only the IMF, he said, "can effectively combine the several ingredients necessary to encourage both sound adjustments and necessary financing. . . ."

The IMF has requested that the quota increases and the new GAB money be paid into the IMF by the end of 1983. The U.S. share would be $5.8 billion of the proposed quota increases and $2.6 billion of the proposed GAB expansion. The total U.S. cost would be $8.4 billion. The United States would provide $8.4 billion of assets that can be converted by the IMF quickly into purchasing power. When converted, the U.S. would receive an equivalent book-entry claim on the IMF which, however, could be used only for purchasing foreign currencies to support the dollar.

Third, the U.S. strategy calls for "continued commercial bank lending." Chairman Volcker called for "arrangements among the bank creditors to provide enought continuing credit to maintain continuity of payments and a financial environment in which orderly adjustment programs can be implemented."

The fourth element, as stated by Secretary Regan, calls for "governments and central banks in lending countries to act quickly to respond to debt emergencies when they occur." In support, Chairman Volcker stated that we must assure, "in specific instances, short-term 'bridging' credit by national monetary authorities, acting bilaterally or through the Bank for International Settlements . . . to meet minimum and immediate liquidity requirements while adjustment and borrowing programs are being arranged."

Finally, the U.S. strategy calls for "economic policies in the major industrialized countries that will produce economic growth," Chairman Volcker testified that this part of the program would establish "an environment of sustained recovery and expansion in the industrialized world," a "critically important" priority.

Evaluation

The First Element

No approach to the international debt crisis can succeed if it does not achieve substantial reductions in the trade and current account deficits of debtor nations. The question is how to achieve these reductions. Secretary Regan and Chairman Volcker have suggested a number of constructive possibilities. The keystone is that financially strained debtor nations "establish realistic foreign exchange rates" either by devaluation or floating. In time, this would increase the exports of debtor nations and decrease their imports, improving both trade and current account balances. It would also attract new foreign direct investment, making it easier to balance current account deficits. To validate the new exchange rates, it is important that debtor nations reduce governmental expenditures and moderate money growth permanently in order to prevent renewed downward pressure on exchange rates. Finally, Secretary Regan and Chairman Volcker correctly urge debtor nations to abandon subsidies, protectionism, interest rate controls, and the like. This element of the administration's strategy is easy to support, but the debtor nations, not the United States, must implement it.

The Second Element

The most controversial element of the U.S. strategy is the proposal to "provide (more) official financing" by increasing IMF quotas by $32 billion and increasing GAB by $12 billion by the end of 1983. There are a number of reasons for questioning the proposal. The IMF does not need additional resources. The money will not be raised quickly enough to help and, in fact, events have already occurred that will solve the present crisis without further official financing. Also, more IMF aid could be counterproductive. Finally, viewed as insurance, the cost appears greater than the benefits.

The IMF already has substantial unused financial resources and the power to create and raise additional billions of dollars. It has $8 billion immediately available in the form of on-hand lending resources. It also has a large free or unpledged gold stock, the power to create new Special Drawing Rights (SDRs), and certain borrowing powers. Some would argue, however, that apart from the $8 billion on hand, the IMF's existing financial resources are more apparent than real.

First, the IMF's Board of Governors must approve any sale of its gold or its pledge to member nations for use as collateral, allowing them to borrow on the open market with favorable terms. The board would also have to approve any new SDR issue and allocation. These are major policy decisions, and there is no ordinary authority or historical precedent for such actions. In both cases, therefore, approval could be difficult to obtain. If the United States opposed such solutions, as it has in the past, no approval would be given, since an 85 percent affirmative vote is required and the United States holds more than 15 percent of the votes.

Second, it must be recognized that newly created SDRs would not be assigned to the fund itself, but would be allocated directly to member nations by the existing formula. Thus, it would take a huge increase in SDRs to provide troubled Eastern bloc nations and LDCs even moderate amounts of new, hard currency. In addition, since a country can use its SDR allocation as it sees fit, the IMF could not impose conditions that would constrain a nation from pursuing inflationary policies.

Third, although the fund can now borrow from member or nonmember nations on a case-by-case basis—from Saudi Arabia, for example, or other nations with large liquid assets—and can do so by a routine vote of the Board of Governors, the sources of such borrowing are dwindling.

Although it would be difficult for the IMF to use its gold stock, create new SDRs, or obtain additional resources by borrowing, and although there are retrictions on how it can allocate newly created SDRs and limits on the leverage it would get from such allocations, the IMF does have substantial unused financial resources and the potential for creating more. It holds approximately 100 million ounces of gold worth $40 to $50 billion (at current prices), plus $8 billion in cash. It also has virtually unlimited power to create new SDRs and it has certain borrowing powers. The combination of these assets and powers provides a formidable package of "last resort" financial resources and powers.

Even if IMF had no unused resources, increasing IMF quotas and expanding GAB would not help and is not necessary. Events already have occurred that will defuse the current crisis before the new funds are scheduled to be paid into the IMF and GAB, which is not until the end of 1983. Debtor nations that could not service their debts in 1982 have taken steps to reduce their external deficits. Most important, exchange rates have been adjusted in many countries, including Mexico and Brazil. Creditors have eased the liquidity crunch, maturing loans

have been rescheduled and the IMF and commercial banks have granted additional loans. Finally, interest rates have fallen, and a strong economic recovery seems to be underway in the United States and other developed nations. New policies and economic trends will make it far easier for debtor nations to service their debts in 1983 than in 1982.

There is not need to increase IMF quotas or expand GAB now. In fact, it could be counterproductive to do so. Knowing that the IMF and GAB have acquired $44 billion in additional financial resources, debtor nations could avoid or renege on the "determined action" that must be pursured if they are to ever manage their external debts. Private lenders could be drawn into extending new credits with the little chance of repayment. The problem would be put off, not solved, and would grow over time.

Analysis of near-term capabilities, problems, and trends does not support the administration's call for "strengthening IMF resources." There remains the question of whether the insurance that the U.S. contribution would buy is worth the $8.4 billion cost. The benefits depend on the loss that is insured against, an unknown figure. My best estimate of the maximum loss (in current value) is $30 billion.

Although anything is possible, the worst-case scenarios that have been presented in response to the current debt crisis, involving the collapse of the U.S. banking system and the virtual cessation of international trade, are too unlikely to be worth insuring against. If they were real dangers, the case for "strengthening IMF resources" would be strong, but they are not. Nor is there a case for protecting against a redistribution of market shares in banking, even though that would involve some painful local adjustments. The $8.4 billion proposed U.S. contributions must be viewed as insurance against a partial reduction of exports and a resulting decrease in real GNP in the event of LDC defaults. Considering all the factors that would affect international finance and trade and U.S. exports as a result of major widespread defaults, it is estimated that U.S. real GNP would be decreased by no more than 1.5 percent, or $45 billion (in current value). The Council of Economic Advisers estimates that U.S. real GNP is likely to be decreased by 0.5 percent, or $15 billion, as LDCs reduce their imports under the administration's strategy. (Part of this reduction has already occurred.) Thus, the proposed $8.4 billion in U.S. contributions would insure against a maximum loss of real GNP of $30 billion. Ordinarily, the potential loss in purchasing insurance against an event with a significant change of occurring is a much greater multiple of the premium than is the case here.

The Third Element

Viewed alone, continued bank lending to debtor nations is not controversial. Banks will "provide enough continuing credit" if it is in their best interest to do so. The question is whether governmental policy should promote this action. There are indications that the U.S. government has encouraged bank lending to LDCs in the past, and the proposal to increase IMF quotas and expand GAB is designed in part to make it easier for banks to continue lending to developing nations, especially those that are financially strained. Doubtless banks would feel more secure lending to LDCs if their governments see the IMF as an elastic conduit for helping debtor nations. Under certain circumstances, however, continued lending could lead to a magnification of the same imprudent lending practices that helped create the present debt crisis. Governmental policy to promote bank lending to debtor nations is not desirable.

The Fourth Element

The fourth element of the U.S. strategy calls for "governments and central banks in lending countries to act quickly to respond to debt emergencies when they occur." Governments and central banks already have ample powers to do so, and the administration is not asking for anything new. This part of the strategy is not controversial.

The Fifth Element

The final element of the U.S. strategy calls for free world industrialized nations to expand their economies. No one can effectively argue against this, provided that policies adopted do not lead to another inflationary surge in the industrialized free world. If inflation is reaccelerated, recession will eventually follow. As stated by the IMF's Interim Committee of the Board of Governors in its February 10, 1983, Paris Communique, "successful handling of the inflation problem is a necessary—albeit not sufficient—condition for sustained growth." The communique "urged national authorities, in their efforts to promote sustained recovery, to avoid measures that might generate harmful expectations with regard to inflation." Unfortunately, it is not clear that inflationary measures will be avoided.

Summary

The U.S. strategy for solving the debt problem is debatable and risky. First, the proposed increases in IMF quotas and GAB are not necessary at this time. The legislative debate on the proposal to increase IMF quotas and expand GAB should be delayed until next year. Events are defusing the debt bomb, and it is wiser to discuss the proposal in a non-crisis atmosphere.

Second, although continued bank lending per se is not controversial, promoting such lending involves risks. Banks should be allowed to determine what is in their own best interests, with the understanding that they alone bear the risks. If it can be shown that the national interest is involved, national resources should be put at risk. No such interest has yet been demonstrated.

Third, although economic recovery and sustained growth is critically important, it is essential to avoid inflationary policies in pursuing recovery and growth. Specific policies for achieving recovery and sustaining growth without reaccelerating inflation have not yet been delineated. That deficiency should be corrected promptly.

Asset-exchange proposals

There is considerable sentiment for making banks "pay" for congressional approval of increased IMF quotas and expanded GAB and then giving the payment to debtor nations so they can live with their debts more easily. One plan would require banks to discount foreign loans in exchange for securities issued by a U.S. government or international agency. The buying agency would reschedule the loans on terms more favorable to debtor nations. For example, banks might be required to discount their foreign loans to the Federal Reserve at prices well below par, and the Federal Reserve would reschedule them at interest rates well below market rates and with stretched-out repayments.

There are at least four problems with this approach. First, the external debt problems of Eastern bloc nations and LDCs are country specific, so it makes no sense to treat the loans as equally risky. Some foreign loans, even to non-OPEC developing countries, are in little danger of default or being repudiated. Thus, under the asset-exchange proposal, the purchasing agency (e.g., the Federal Reserve) would have to decide which loans banks were required to discount. Given such power, the agency would be in a position to discriminate among countries and banks. It would be unwise to give such discretion to any agency, national or international.

Second, it should be remembered that medium- and long-term loans made by U.S. banks constitute only about 20 percent of the total medium- and long-term indebtedness of non-OPEC developing countries. It would be neither fair nor sensible to force U.S. banks to discount their loans to these countries if other creditors remained unaffected. Further, there is not way that the United States could require creditors (other than U.S. government agencies) to discount their loans to these countries.

Third, if banks are forced to discount loans which they have made to specific countries to the Federal Reserve or some other national or international agency, they would be unlikely to issue new loans to these countries. Thus, asset-exchange plans would make it more difficult to give financially strained countries "enough continuing credit to maintain continuity of payments and a financial environment in which orderly adjustment programs can be implemented." In short, rather then helping debtor nations, compulsory asset-exchange plans could force them into default.

Fourth, asset-exchanges at discounts would necessitate reducing the capital of participating banks simultaneously by amounts equal to the discounts from par at which the loans are sold to the Federal Reserve or other agency. At the same time, the gain realized by debtor nations in reduced debt-service payments from loan reschedulings would extend only over a period of years. For these schemes to significantly help financially strained debtor countries, they would have to create serious capital problems for some banks.

Some proposals urge that voluntary asset-exchanges be negotiated between debtor nations and their U.S. banks, perhaps with assistance of the Federal Reserve or some other U.S. agency. Debtors would offer their banks new loan agreements in exchange for existing ones. For example, new agreements might give the banks claims on debtors' exports in return for lower interest rates and stretched-out repayment schedules. There is no reason why banks and debtors should not negotiate such exchanges, but there also is no reason why public policy should encourage such negotiations.

The challenge: Avoiding doing more harm than good

The current debt crisis can be resolved, but the policies adopted to solve it could cause more long-term harm than near-term good. Such policies must be avoided in designing a package of remedies.

Elements of the Solution

1. Resumption of economic growth by the United States and other developed countries. The present debt crisis is unlikely to be ameliorated until the economies of the United States and other developed countries recover substantially the production and consumption lost in the 1981 to 1982 recession and provide evidence of sustaining growth. Developing nations must have growing markets for their exports.

Developed countries must be careful, however, to prevent new inflationary surges from accompanying or closely following their recoveries and the corollary growth of developing nations' exports. The inflationary surges in the United States and other industrialized countries from the late 1970s to 1981 generated an economic environment in which developing nations flourished but in which the seeds of the debt crisis were sown. Developing nations' output and exports increased, but so did their indebtedness. Ultimately, inflation in the United States and other industrialized countries produced high interest rates and set the stage for the 1981 to 1982 recession. These events were important causes of the present international debt crisis.

New inflationary surges in developed countries must be avoided if we are to assure both sustained growth and a permanent resolution of the international debt crisis. Specifically, achieving real economic growth without inflation requires constraining but not contracting monetary growth, especially in the United States. One does not have to be a monetarist to understand Chairman Volcker's statement before the Joint Economic Committee, (Federal Reserve Bulletin, February 1980) that "the inflationary process is ultimately related to excessive growth in money and credit. This relationship is a complex one, and there are many facets of it that are sensitive to nonmonetary economic variables. But, in spite of all the nuances, it is clear that inflation cannot persist over the long run in the absence of excessive monetary growth."

Based on the history of the post-World War II period, 0-2 percent per year M1 growth is large enough over the long term to sustain normal real growth, but not so large as to produce inflation. Currently, M1 growth is well above 2 percent a year. Quickly reducing growth to the 0-2 percent range would abort the present recovery of the U.S. economy. However, there is no need to increase money growth at this time; it is fast enough and recovery is underway. The policy should be to steadily reduce M1 growth to the 0-2 percent range over four or five years and keep it there.

2. Improvements in the trade and current account balances of debtor nations. Debtor nations must take "determined action" to increase their exports and the investment of foreigners in their plant and equipment, decrease their imports, and constrain their consumption. Most important, debtor nations must allow their exchange rates to float downward or devalue them realistically, as Mexico and Brazil have recently done, and enforce the new rates by reducing their fiscal deficits and moderating money growth.

Downward exchange rate adjustments will increase the exports of debtor nations and decrease their imports, thereby improving both their trade and current account balances. In addition, debtor nations that allow their exchange rates to adjust downward will become, relatively speaking, low-cost producers. In time, this will attract investment capital, making it easier for debtor nations to finance current account deficits and, over a period of years, spurring their GNP growth rates. Low domestic tax rates on saving and investment income, removal of all capital controls, and noninflationary money supply growth would also encourage investment and growth and improve their external accounts. It is a mistake to view so-called austerity programs as recessionary or anti-growth. They are, rather, pro-saving, pro-investment and pro-growth.

Finally, the United States and other developed countries should do nothing to impede debtor nations in their pursuit of increased exports and investment. This means that the United States and other free world developed countries must avoid protectionist measures, equalization taxes, and capital controls.

3. Willingness of bank creditors to reschedule maturing loans and extend additional credits. Debtor nations need time to implement realistic adjustment programs. Their bankers must be willing to give it to them, and where prudent, to provide new credits. However, banks cannot and should not be pushed or tempted to reschedule and extend new credits. They must do it on their own initiative, in meeting their own needs, and at their own risks. It will be in their best interests, if debtor nations in danger of defaulting take "determined action" to improve their trade and current account balances.

4. Willingness of governments, central banks, and the BIS to provide short-term credits in debt emergencies while loan reschedulings are being negotiated. Providing short-term credits is a proper crisis role for governments, central banks, and international agencies, since loan reschedulings necessarily take time to negotiate.

These four elements comprise a solution package that will defuse the present international debt crisis without doing more harm than good. The challenge is to limit our initiatives to this package. As is often the case in economics, activist policies to solve crises are unnecessary and could be counterproductive.

Postscript

Although the case is not persuasive, there is considerable sentiment in favor of increasing IMF quotas and expanding GAB now. In the event that those who favor this policy are able to work their will in Congress, it would be wise, to the expansion of IMF and GAB resources to decreasing members' borrowing powers. Currently, members can borrow 4.5 to 8 times their IMF quotas. These multipliers should be cut drastically.

Epilogue

This study has dealt only with the present international debt crisis and challenge. Future studies will explore longer term problems and questions, such as the interest rate and production effects of international lending, the optimal regulatory restraints on international lending, the optimal regulatory restraints on international lending, the appropriate long-term roles and structure of the IMF, and the progress that has been made in defusing the present international debt crisis.●

JOAN BENOIT WINS 87TH BOSTON MARATHON

● Mr. MITCHELL. Mr. President, this week Joan Benoit, a Maine native, won the 87th Boston Marathon, setting a world record for the distance of 2 hours, 22 minutes and 42 seconds. We are immensely proud of her victory. Her achievement is much more than one of statistics. It represents a measure of commitment that exemplifies the quest for excellence, no matter what the endeavor. Only Joan Benoit knows the effort, dedication and sacrifice necessary to attain her unique accomplishment in the field of athletic competition. The thousands of miles and training, the search for mental toughness, the frustration and pain of injury were all manifest in a grueling footrace against thousands of competitors, 26 miles, 385 yards, some 50,000 strides, each more difficult than the last, to test the limits of human endurance.

It is a feat which earns our respect as much for what it represents in terms of the human spirit, as for the victory itself.

While visiting her family in Cape Elizabeth, Joan could often be seen running the countless miles in training, a reminder that the rewards of victory demand so much more than just talent.

A graduate of Bowdoin College, Joan Benoit has given prestige and honor to the State of Maine. We take pride in her victory and wish her godspeed in the years ahead.●

THE WARSAW GHETTO UPRISING

● Mr. D'AMATO. Mr. President, today we recall the heroic resistance of Mordecai Anielewicz and members of the Jewish Fighter Organization who were responsible for the Warsaw Ghetto Uprising.

The movement of the Nazi war machine across the border of Poland on September 1, 1939, signaled the beginning of the Second World War. A force of more than 1 million German soldiers marched through the country toward Warsaw. This huge army, supported by more than 6,000 aircraft, reached Warsaw from the west within a matter of weeks. Meanwhile, the Red Army of the Soviet Union penetrated Poland from the east. Despite considerable resistance, the combined Russo-German forces dominated the entire nation by early October.

Shortly thereafter, the Nazis adopted a law which made all Jews subject to forced labor. In addition, the SS and Gestapo forced the nearly 330,000 Jews living in Warsaw into "educational" camps.

Members of the Jewish community were subjected to increasingly repressive laws. Their property and possessions were expropriated. In order to identify them more readily, the Gestapo required that every Jew 12 years or older wear a Star of David on his clothing. The Jews became the subject of official harassment.

During October 1940, the Nazi Governor of Warsaw announced the establishment of the ghetto. By November, the Nazis had forced more than 450,000 Jews into the ghetto, which was separated from the rest of the city by a 10-foot-high wall and barbed wire. In the process, the Jews were required to leave all possessions behind in homes which they would never return.

Within the ghetto, food became increasingly scarce. Starvation was widespread. It is estimated that more than half of the Jewish population died of starvation, while those who remained went hungry. Disease began to spread throughout the ghetto. The streets were cluttered with the bodies of those who had succumbed.

Not satisfied with the systematic segregation and starvation of the Jews, the Nazis decided to employ a different policy, one which would bring about a "Final Solution."

Beginning during the summer of 1942, the German Deportation Board was placed in charge of the deportation of thousands of Jews from the Warsaw Ghetto to the concentration camps. Those who resisted this effort were eliminated on the spot. The Jews of the Warsaw Ghetto were herded, like cattle, into rail cars—as many as 100 to a car.

Led by Mordecai Anielewicz, thousands of Jews organized to resist the frenzied Nazis. At 2:15 a.m. on April 19, 1943, SS troopers attacked the residents of the Warsaw Ghetto. The Jewish fighters were successful in maintaining their position for a week. Their desire for freedom spurred the Jews to continue to fight despite the crushing strength of the German forces. These brave men, women and children persevered for nearly a month.

Finally, on May 16, the Nazis began their last assault. In the aftermath, 56,000 Jews were captured or killed. Only eight buildings remained standing in an area which covered a hundred city blocks.

Mr. President, as Americans, we enjoy the freedom which our forefathers struggled so hard to obtain. It is our duty to speak out on behalf of those who continue to be deprived of even the most basic of human rights. The bravery displayed by the participants in the Warsaw ghetto Uprising should serve as an inspiration to us all.●

ENVIRONMENTAL PROTECTION AGENCY LACKS FUNDS TO ENFORCE LAWS

● Mr. LEAHY. Mr. President, the Environmental Protection Agency (EPA) cannot enforce the Nation's environmental laws under the present administration budget.

The study, which I am placing in the CONGRESSIONAL RECORD, shows that EPA is 1,000 employees short of the Agency complement necessary to enforce the environmental laws, and that other vital activities are left unfunded.

The study uses EPA's own documents to show that the Agency cannot begin to enforce the environmental protection laws in the 10 Federal regional offices throughout the country. It is clear that irremedial damage to the environment will result from this lack of adequate EPA monitoring personnel.

Previous studies, which I have issued, pointed out: First, agency mismanagement; second, attempts by the administration to repeal the Nation's environmental laws by underfunding the EPA budget; and third, complaints by the States that cutbacks in EPA funds would severely handicap local efforts to protect the health and safety of Americans.

A supplemental appropriation of $48 million for the regional offices alone is essential to bring EPA up to the strength it requires to adequately enforce the law. I urge newly designated EPA Administrator William Ruckelshaus to request a supplemental appropriation to meet this need.

I ask that this study on the EPA's workload analysis, and a statement on a report by the Congressional Budget Office, be placed in the CONGRESSIONAL RECORD.

The material follows:

SUMMARY

The Administration budget strips the Environmental Protection Agency of the manpower it requires to enforce the nation's environmental laws and fails to fund critical environmental activities necessary to protect the health and safety of Americans.

The 46% cut in the EPA operating budget (compared to the last Carter budget) leaves the agency 1,000 employees short of performing its duties in the 10 federal regions throughout the United States.

The EPA's own data shows that the agency cannot enforce our environmental laws, and provides examples of critical environmental activities that are left unfunded.

It will take an additional $48 million just to provide for the manpower necessary for EPA to do its job.

EPA's own documents analyzing the sufficieny of resources to establish water pollution controls state:

"Actual resources available to the regions . . . are far less than necessary even to meet the major needs of the program . . . For example: the workload for issuance of permits (the highest priority of this program element) not only excludes all minor permits, but includes only a portion of the majors that should be issued during FY '84."

The same documents show that, because of lack of staff, EPA does not "routinely conduct compliance visits to all (drinking water) systems with (public health standard) violations."

In the air pollution program, the regions do not have enough resources to monitor air pollution violations by major sources in areas which violate clean air standards, even though this enforcement is required by federal law.

In the ocean pollution program, the documents warn that, because the Administration's new policy permits dumping of hazardous wastes at sea, if a "substantial increase in resources" is not granted, there will be "unreasonable degradation of the marine environment."

The Administration is proposing major changes in environmental policy which require increased resources, but it is providing less. It must be aware of strong public support for environmental protection, so it is attempting backdoor repeal of our environmental protection, so it is attempting backdoor repeal of our environmental laws through budget cuts. The results are the same, more pollution.

The new EPA Administrator must clearly state in his confirmation proceeding that the course at EPA will be changed. There must be a special supplemental EPA budget this year.

(End of Summary)

Can the Reagan Administration cut the operating budget of the Environmental Protection Agency by 46% in three years and still continue to effectively enforce our environmental laws? As a member of the subcommittee of the Senate Appropriations Committee responsible for the budget of the Environmental Protection, Agency, I have sought the answer to this question since 1981, when the Reagan Administration began its program of large cuts in the EPA budget. In contrast to the Department of Defense budget, where the President has argued massive spending increases are necessary, the Environmental Protection Agency has been asked to do more, or at least as much, with much less.

The Reagan Administration has contended that this is possible through increased efficiency, by delegating responsibilities to the states and because unnecessary tasks are no longer being done. In three reports issued last year, I addressed each of these issues. The first report showed that, while Administrator Burford was telling Congress she could do more with less, she was telling the Office of Management and Budget a different story. That story was that cuts in pollution control budgets meant cuts in pollution control.

The second study showed that, far from making the Agency more efficient, the Agency had been severely mismanaged. The enforcement division, for example, had been reorganized once every 11 weeks during the first year of the new Administration.

The third study reported the reaction of state officials to the claim that more could be done with less. Its results were summarized succinctly by a Utah environmental protection official.

"If resources are cut then programs will have to be cut. We are all making a mistake if we deceive ourselves into believing otherwise."

But attempting to develop a positive alternative for the Administration's anti-environmental budget has been very difficult. This has been the case because it was very difficult to develop detailed information about where the resources were needed but not provided.

This study contains the first of such information. It shows that the regional Environmental Protection Agency offices are about a thousand employees short of what they believe they need to enforce the environmental laws. The failure to adequately staff the regional offices is critical because it is in the regions that environmental law enforcement fails or succeeds. The critical policy decisions made in Washington mean little if they are not implemented in the regions.

In order to develop the critical information necessary to understand what the large cuts in the Environmental Protection Agency's budget mean, I asked my staff to compare the workload analyses prepared to determine the level of resources each of the ten regional offices will receive each year. Each of the regional offices administers about twenty programs. Examples of the programs are "air quality management,"

"water quality enforcement," "hazardous waste enforcement," and "ocean disposal."

For each of these twenty programs, extensive studies are done to decide what portion of the funds that the Administration requests or the Congress appropriates each region will receive. In the course of this analysis, a calculation of the "absolute needs" to enforce that program is made. The "absolute need" assessment is the resources that the region would need to do its job fully if budget ceilings were not a constraint. The work load analysis of the air quality management and monitoring programs describes how the level of needs is established.

The comprehensive listing of the activities was developed through (1) review of the principal requirements of the Clean Air Act, Agency regulations and policies, regulation development plans and schedules, FY 82 workload model, and other pertinent documentation; (2) consultation with OANR management and program staff; and (3) discussions with selected Regional air management and monitoring staff. The pricing factors were similarly developed considering both the factors used in previous models and changes in procedures or operations which have or are expected to occur and influence pricing. Examples include current efforts to streamline the State Implementation Plan (SIP) review and approval process in the A230 model producing smaller pricing factors for a number of SIP actions compared to the FY 82 model. The use of historical pricing information which has evolved over time representing major consensus among both OANR and Regional Office programs and staff was a key consideration in developing the pricing factors for the current models.

It is the gap between the absolute needs and the actual number of employees allocated that provides a solid indication of the failure of the Reagan Administration to adequately fund environmental protection.

The following two charts for fiscal years 1983 and 1984 show, program by program, the gap between what is needed and what has been budgeted.

These charts show that the regions in 1983 believed they needed about 1060 more employees or work years than they were funded. In 1984, they needed about 1040 more employees than they received. This translates into an annual funding need of about $48 million above the Reagan Administration budget. This included a shortfall of about 200 employees in the hazardous waste management program in 1984 and a 365 shortfall in 1983. This large gap in need versus resources existed in spite of the fact that relatively new programs, such as hazardous emergency response and prevention, did not prepare absolute needs surveys at all.

1983 NEEDS ASSESSMENT

	1982	Need	Actual 1983	Difference need 1983
A230 Air quality management	298.8	462.0	266.8	195.2
A235 Ambient air quality monitoring	89	123.6	87.8	35.8
A306 Stationery source enforcement	418.2	252.7	252.7	
B207 Dredge and fill		64.3	49.3	15
B209 Standards and regulations		66.7	34.6	32.1
B212 Environment emergency response		72	72	
B224 Water quality monitoring and analysis	151.4	292.5	132.20	160.3
B230/B231 Construction grants		536.1	487.8	48.3
B235 Ocean disposal	13.1	19.5	13.1	6.4
B304 Water quality enforcement	491		334	

1983 NEEDS ASSESSMENT—Continued

	1982	Need	Actual 1983	Difference need 1983
B307 Permit issuance	210.2		168.2	
C215 Public water supply management	178.5	282.5	142.5	140
C220 Underground injection control		181.7	130.8	50.9
C306 Drinking water enforcement	22		19	
D210/D311 Hazardous waste management		735.2	369.3	365.9
D307 Hazardous waste enforcement	91.5	51.4	51.4	
E306 Pesticide enforcement	106.2		87.9	
H210 EIS review		57.9	48	9.9
H230 Accelerated development and permitting	54.8		49.3	
H373 Enforcement policy and operations		112.9		
L306 Toxic substances enforcement	68.3		54.3	
B348 General-regional counsel	85		68	
Y905 Hazardous emergency response and prevention	170	198.5	198.5	
Total		3,509.5		1,059.8

	1983	Need	Actual 1984	Difference need 1984
Y307 Hazardous waste enforcement	75.4		75.4	
Y905 Hazardous spill and site response	216.5		219.1	
Y309 Hazardous waste response enforcement	49.2		51.4	
AJAH3A Enforcement policy and operations	88.9		101.9	
Hazardous substances—legal services	14		10	
A2XTRA Regional counsel	70		78	
Total		3,089.5		1,040.2

OVER ESTIMATE

The point can be made the regional administrators will always over-estimate the amount of staff they will need. It is also true that they have never received all the staff they have wanted. However, even accepting the validity of these points, it is clear that the 1,000-person shortfall estimate is conservative for two reasons.

First, only 60 percent of the regional programs prepared absolute need surveys. The other 40 percent only used models to determine which region received what level of staffing. Thus, if all the regional programs prepared absolute need surveys, and the ratio of need to actual resources for these programs is the same as groups which did prepare absolute need surveys, the shortfall would be about 1,600 employees.

Second, regional employees are only 17 percent of the Environmental Protection Agency's total employees. Thus, if the need gap in the Agency as a whole is the same as in the regions, the Environmental Protection Agency would need over 5,000 additional employees. This would mean increasing EPA's budget by one-fourth. There is strong evidence that this is the case. For example, Edward Kurent, formerly associate enforcement counsel, recently warned that "the resource shortfall had reached crisis proportions." He noted that, while the workload of the Agency was increasing, the number of lawyers had been cut by one-third. Robert Perry, formerly General Counsel at EPA, also warned in a memo to Rita Lavelle that "given our existing load of resources, (we) simply cannot provide all of the legal services which are necessary to support your stated goals" (for the Superfund program).

But even more important evidence of the critical nature of the resource shortfall at the Environmental Protection Agency is the text which accompanies the figures in these resource allocations.

In this text, the regions explain what is not being done as a result of these cuts. This text establishes that it is routine environmental law enforcement efforts that are not being funded, not gold-plating that is being stripped.

DRINKING WATER

The text describing the regional drinking water programs is particularly descriptive of the impact of lack of resources. This text includes a ranking of priorities within the drinking water-public water supply program from priority one through six. In 1983, one hundred percent of priority one items was funded, and only 38% of priority two items. In 1984, only 95% of priority one items was funded and priorities two through six were not funded at all.

For example, in 1983, among the activities not funded were the following:

"1. Routinely conduct compliance visits to all systems with MCL violations; assure that all other systems with MCL violations or which frequently fail to monitor give public notice."

"2. Assure that all violators give public notice; provide laboratory support to systems, particularly for THMs, synthetic organics and/or corrosivity characteristics; implement a training program for water systems owners and operators."

The failure to conduct these activities is very disturbing because "MCLs" refer to the "maximum contaminant levels" of pollutants permitted in drinking water supplies. MCLs are established because, above these levels, there are unacceptable public health risks. The list of contaminants includes heavy metals, pesticides, and bacteria which have been determined to be a public health risk since 1962.

The failure to routinely assure compliance of violators of such drinking water health standards is obviously unacceptable.

The descriptive text also indicates that, because of lack of manpower, the Environmental Protection Agency cannot "assure that all violators give public notice" of their violations. This public notice is required by Section 300(b)(3) of 42 USC 300(g)-3(c). The public notice requirement is an integral part of the Safe Drinking Water Act's enforcement system.

Another indication of the extent of gap between resources and needs can be found in the text accompanying the 1984 Ground Water Protection Workload analysis.

In 1984, "serious" violations are followed up with a phone call, letter, or an on-site visit, but the region will not have the resources to "follow up on all other violations with a phone call, letter or on-site visit." The Agency also does not have the resources to "assure that operators correct conditions which could result in a violation—i.e., find and correct potential violations before they occur."

Any minimally acceptable public health program would fund these activities.

Finally, the Reagan Administration has clearly stated that the hazardous waste and Superfund programs are its highest priority. Since this is the case, it is difficult to understand why the regions have only 74 percent of the funds they need to "Work with the Superfund, NEPA, Hazardous Site and RCRA Programs on incorporating groundwater protection criteria into permit and program reviews."

Without such an integration, a basic purpose of both the hazardous waste and Su-

perfund laws, protection of drinking water supplies, may not be achieved.

The level of available resources declined from 1983 to 1984 and even more priority activities were not funded. As mentioned earlier, in 1984 only 95 percent of priority one activities was funded. Obviously, significant activities in categories two through six were not. For example, the following is the description of a level two priority activity not funded in 1984:

"Track compliance with the microbiological monitoring requirements at the systems serving the largest numbers of people and other priority criteria, i.e., hospitals, schools and food serving establishments; follow-up on violations detected."

Thus, in 1984, even priority activities protecting priority populations are not being funded.

WATER PROGRAM

The background materials for the water quality program contain similar disturbing information about the impact of these cuts.

The text accompanying the workload analysis in the water pollution permitting program bluntly describes what the lack of resources means.

"The FY84 workload model for the Permit Issuance Program Element recognizes that actual resources available to the Regions for implementing activities within this Program Element are far less than necessary even to meet the major needs of the program . . . For example; the workload for issuance of permits (the highest priority of this Program Element) not only excludes all minor permits but includes only a portion of the majors that should be issued during FY84."

These permits are critical because permits are the basis for the entire enforcement effort and the Agency has stated privately that a huge backlog exists that will only get worse if resources are not increased.

"The backlog at the end of FY 1983 will be about 9,200 permits including 1,200 major permits. This does not include a backlog of new source permits which will also have to be issued."

That document concluded: "An increase in the FY 1984 budget needs to be proposed to Congress before Appropriations Committee action (May-June) to be considered with the rest of the Agency budget."

Beyond the broad assessment that the present funding levels do not give the regional water programs the funds they need to even meet the "major needs" in water pollution control, the text material also contains important and disturbing information about the type of activities that are not now being conducted under the present budget.

This information was developed by the regions in response to a question posed as part of the workload analysis exercise. The question was: "Accomplishment If Ideal Level of (Employees) Were Available?"

For example, Region IV revealed that if it had more staffing it would undertake "Minimal evaluation of contractor lab QA (Quality Assurance)."

In other words, Environmental Protection Agency's regional offices do not even do minimal evaluations of the reliability of the laboratory work done by contractors upon which they rely.

Region VI said that, if it had additional resources, it would undertake "Surveillance of organics in the Lower Mississippi River between Baton Rouge and New Orleans." It is very disturbing that this is not already being done. Louisiana has one of the nation's largest concentrations of petrochemical plants. There are over 100 toxic organic chemicals which are required to be controlled by federal law.

Another issue that appears repeatedly is that the lack of adequate resources will preclude the development of scientifically valid information.

For example, Administrator Burford launched a new planning process requiring the development of Environmental Management Reports (EMRs) in each region. The purpose of these EMRs was to develop a series of priority environmental threats in each region. Although these reports have absorbed a large amount of time, they probably do not have a scientifically sound basis. As Region III warned: "If the Administration wants EMR's based on sound data they must support that activity with resources."

Region VII issued a similar warning:

"Biological data are not computer automated and are, therefore, not available to the Regions in a practical sense. Additional resources would permit use of biological data in a scientifically valid manner."

The failure of the region to perform even priority tasks because of lack of resources is especially clear in the Region IX back-up materials.

For example, under existing law, advanced wastewater treatment facilities are required to be installed if, even after building more traditional sewage treatment facilities, the water is still excessively polluted. Region IX indicates that under existing levels of funding it cannot "conduct reviews of priority cases." And with regard to water quality standards it does not have the funds to "review standards to fully meet program demands and make revisions where necessary in priority water bodies."

In both of these cases, only "highest priority" activities are being undertaken.

AIR PROGRAM

Just as in the water and drinking water programs, the text describing the effects of the failure to provide adequate resources in the air program shows that critical programs are not being funded.

For example, priority II of the Air Quality Management program only receives 45 percent of the funding needed in 1983. The activites no adequately funded are described as follows: "Priority II was principally assigned to the provision of technical support to selected litigation and to States on special topics such as regulatory reform, major sulfur dioxide point sources, and inhalable particulate data bases."

The cuts in inhalable particle funds are critical because the Administration is proposing a major shift in the regulation of particles. In the past, a "Total Suspended Particulates" (TSP) standard was used. This TSP standard measured "large particles." The new standard being proposed would regulate "inhalable particles" (IHP). Unfortunately, almost all existing ambient particle data is for the larger particles. Thus, if this inhalable particle data base is not developed and the new standard is adopted, the system will go blind for several years. No enforcement will be possible because an adequate data base for the small particles does not exist.

As part of this analysis, the air program was also asked what it would do if its resources were increased by 10 percent. The study shows that, if these increases were granted, "Our inventory of sources would be expanded to include all sources in non-attainment areas with an emission potential of 100 tons per year of any pollutant without controls."

Two points must be made about this statement. First, the sources now not being covered are in non-attainment areas. These are areas with dirty air. Second, even if this 10 percent had been granted and these large polluters in non-attainment areas were subject to enforcement, the Agency would still not be obeying the law. Section 113 of the Clean Air Act requires that the Agency take action against polluters of 100 tons per year in both non-attainment and attainment areas.

Under current policy, only facilities emitting more than 250 million tons are effectively subject to regular enforcement activities.

In sum, as in other programs, the failure to provide needed staff will mean that essential activities will not take place.

COMMON PROBLEMS

One of the most disturbing common threads appearing in the texts relates to the failure of the Administration to provide increases in funds where its own policy choices require them.

For instance, current water pollution law is based on a point source rather than a pollution absorption theory. Under a point source approach, a polluter is required to clean up his effluent even though, were it dispersed in the receiving water body, the level of pollution would not be dangerous. The alternate approach is called a pollution absorption or water quality approach. Under this approach, polluters are only required to clean up their pollution to the extent necessary to reach some level of water quality.

This pollution absorption approach was rejected by the 1972 Water Pollution Control Act because it had not worked. It is immensely difficult to even measure water quality in a river or an estuary. It is just as hard to determine which polluter is responsible for what pollution. Enforcement is also difficult because it requires the wisdom of Solomon to decide which polluter should be required to reduce his pollutants by a certain amount to reach certain levels of water quality.

In contrast, a point source approach applies a single set of requirements on each major type of pollution. The levels of the effluents are relatively easy to measure and enforce.

But is it just the pollution absorption approach that the Reagan Administration has adopted. The cost of such a method is enormous. As EPA explained, a very large amount of work must be done. In 1981 EPA described the work as follows:

There are no low-cost practical screening techniques to scan large numbers of samples for the presence or absence of toxic pollutants in toxic amounts.

Existing reference methods for toxic metals are not sufficiently sensitive.

(There is an) inability to measure effluent discharge flow at the necessary level of precision to calculate receiving water impacts (and, therefore, waste treatment requirements to protect water quality).

Existing models are inadequate for making wasteload allocations of the priority toxic pollutants.

There are essentially no data available for assigning values to proposed incremental improvements in water quality, as would be essential in determining the highest level of water quality worthy of pursuit in a given stream reach.

Yet, in spite of these facts, the regions again and again warn that they are not col-

lecting needed water quality data. As the regions warned:

"If the Administration wants (water quality assessments) based on sound data, they must support that activity with resources.

"Biological data are not computer automated and are, therefore, not available to the Regions in a practical sense. Additional resources would permit use of biological data in a scientifically valid manner."

Another major example involves the ocean dumping of hazardous wastes. Here again, the test speaks for itself.

"A 10 percent increase in employees would aid in the implementation of an increased workload which is anticipated as a result of new Agency policy, that the oceans can be part of an integrated waste management plan, increased activities for Incineration-At-Sea Permits, new site designations and RICRA (sic) regulation. These activities represent a major and significant change from the historical Agency position relative to ocean disposal. Previous policy was to phase out ocean dumping activities. With the increased emphasis on oceans as an alternative site for waste disposal the Agency must be able to match wastes with ocean disposal sites so that unreasonable degradation of the marine environment will not take place. This will require substantial increases in resources for processing permits, public hearings/meeting monitoring and analysis of waste disposal sites and waste characterization studies."

A similar problem exists with the air pollution control program. The text describing the air quality management program notes that only 45 percent of the needed funds were provided for such "special topics as regulatory reform, (and) major sulfur dioxide point source . . ."

The reference to "special topics" involving "regulatory reform, major sulfur dioxide point sources" illustrates this contradiction in the Reagan Administration's environmental policies. The Reagan Administration has promoted the use of such regulatory flexibility measures as "bubbles" for major point sources. At the same time it has cut the air enforcement budget drastically. Unfortunately, measures such as "bubbles" require more staff, not less. The failure of this policy is clear from recent bubble proposals in which EPA made major errors in calculation of releases. Under bubble proposals, polluters are given credit for reducing pollution. These pollution credits can be used to allow other parts of the plant to exceed pollution limits. In one proposed bubble, EPA gave preliminary approval of a bubble under which a polluter was given credit for reducing formalin emissions by 70 tons, when in fact the plant was releasing only 22.6 tons per year.

Without adequate funding, regulatory reform proposals will only lower public health protection.

In sum, the Reagan Administration is proposing major changes in environmental policy which require increased resources, while it is providing less. Environmental protection is reduced as effectively by cutting budgets as it is by repealing laws.

It is clear that the Administration is attempting major changes in environmental policies through the budget. As James Watt, Chairman of the Cabinet Council on Natural Resources and the Environment, stated:

"We will use the budget system to be the excuse to make major policy decisions."

STATEMENT BY SENATOR PATRICK LEAHY ON CBO STUDY OF EPA BUDGET—APRIL 19, 1983

The study by the Congressional Budget Office (CBO) of the 1984 cuts in the budget to the Environmental Protection Agency (EPA) shows that there must be a fundamental change in the Reagan Administration's environmental policy if the American people are to receive the protection of the environment they want and deserve.

While the Reagan Administration has claimed the EPA budget cuts are insignificant, this thorough non-partisan analysis by the CBO shows that the EPA's budget has been cut by 44 percent since 1981 (page 2). I am especially disturbed that the CBO found that the Reagan Administration has cut environmental law inforcement funding by 3 percent and staff by 35 percent (page 5).

These stark statistics show that, if EPA Administrator Ruckelshaus is to rebuild this agency, there must be major additions to the EPA budget in 1983 and 1984. The decision of the Reagan Administration on a supplemental request for EPA funds will be the major test of whether recent changes in personnel at EPA are more than rhetoric and window dressing.

As a member of the Subcommittee of the Senate Appropriations Committee responsible for the budget of the EPA and as Senate Co-Chairman of the Environment and Energy Study Conference (EESC), I requested this CBO study. The study was also requested by Senator Slade Gorton (D-WA) and Representatives Howard Wolpe (D-MI) and Claudine Schneider (R-RI).

This study is available through the CBO office.

KEY POINTS OF CBO STUDY

Water Pollution

Funding for water pollution control has declined from $387 to $151 million since 1979 (60 percent) (page 9).

Funding has been cut 33 percent alone between 1983 and 1984 (page 13).

The Agency failed to meet "one of the major program goals according to EPA (which) was the promulgation of effluent limitations for the majority of the industries cited in the Clean Water Act . . . by the close of 1982" (page 12).

In spite of the fact that "the EPA's new emphasis on a water quality-based control strategy may place new research burdens on the agency, . . . The water quality research and development program has undergone almost a 70 percent cutback." (page 19).

Air Quality

The air quality programs cut 14 percent compared to 1983 (page 25).

Air quality enforcement is "39 percent lower in real terms than actual 1981 obligation levels." (page 27).

"The 1984 request for health effects research is always 50 percent less in real terms than in 1981." (page 28).

State grants for air pollution control cut 33 percent compared to 1981. "The likely outcome expressed by many at the state level will be delays in processing and approving air quality permits for new industrial plants, failure to accept delegation of air programs now run by the Federal Government . . . and inadequate state resources to establish and run new innovative programs designed to more efficiently improve air quality." (page 28).

Hazardous Wastes

"Compared to 1981 actual obligations, the 1984 request represents a 34 percent real reduction in funds." (page 32).

"The 1984 request for enforcement funding represents a real increase of 41 percent (from $2.4 to $3.5 million), primarily to allow for more travel to support state oversight activities and to automate the reporting of state enforcement data. Hazardous waste permit issuance, formerly funded under this subprogram, is now performed under the abatement and control subprogram." (page 34).

Toxic Substances

"Compared to 1981, the 1984 funding for the entire toxics program is 39 percent lower in real terms." (page 39).

"EPA has split the review process for new chemicals into two groups—low risk and high risk. By eliminating full scientific assessment for a large portion (roughly 50 percent) of incoming new chemicals judged low risk, EPA has reduced the required resources in this area." (page 38).

"EPA is encouraging voluntary testing of toxic substances by industry . . . While this program appears to be hastening chemical reviews, it is unclear whether it is an effective substitute for EPA testing." (page 41).

Superfund

"The 1984 appropriation request of $310 million is $100 million higher than 1983, representing a 41 percent increase in real terms."

"The proposed 1984 budget for the enforcement subprogram is 44 percent higher in real terms than the 1983 level. This increase is to finance an intensified effort by EPA to arrange private financing for hazardous substance release response." (page 44).

"The Administration does not intend to continue this program beyond its currently legislated lifetime . . . Thousands of sites require remedial action, and by the end of fiscal year 1982, the agency had initiated cleanup action at only 15 sites. It is not clear that the amount in the fund or the time frame being considered by the Administration is adequate to complete the program." (page 45).●

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS

● Mr. STEVENS. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD this notice of a Senate employee who proposes to participate in programs the principal objective of which is educational, sponsored by a foreign government, or a foreign educational, charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35 which would allow Mr. John L. Mica, of the staff of Senator PAULA HAWKINS, to participate in programs sponsored by Seoul National University, Republic of Korea, and Sino-American Cultural and Economical Association in the Republic of China, from March 26 to April 2, 1983.

The committee has determined that participation by Mr. Mica in the programs in the Republic of Korea and the Republic of China, at the expense

of Seoul National University and the Sino-American Cultural and Economical Association, respectively, to discuss with government officials and business groups concerning foreign policy, defense, and agricultural issues, is in the interest of the Senate and the United States.

The Select Committee has received a request for a determination under rule 35 which would permit Mr. Ed Allison, of the staff of Senator PAUL LAXALT, to participate in a program sponsored by Soochow University, in Taipei, Taiwan, from March 25 to April 2, 1983.

The committee has determined that participation by Mr. Allison in the program in Taipei, at the expense of Soochow University, to discuss United States-Taiwan relations is in the interest of the Senate and the United States.●

ENTERPRISE ZONES

● Mr. TSONGAS. Mr. President, I call to my colleagues attention an excellent article by William Barnes of the National League of Cities, which appeared in the April 18 issue of Nation's Cities Weekly.

Mr. Barnes, who has spent considerable time reviewing various proposals for enterprise zones, and who is an expert on urban economic development needs, points out that while the concept of zones may be a worthy notion, the proposals to date are an "empty box with an excellent label."

When I first reviewed the enterprise zone concept 3 years ago, I felt that the proposals failed to address the real incentives need for business activity in our urban areas. That original problem still exists today, and the incentives seem to get us further and further from the goal with each new iteration of the enterprise zone.

I recommend that my colleagues take a moment to read Mr. Barnes' comments and ask that the article be included in the CONGRESSIONAL RECORD.

The article follows:

[From Nation's Cities Weekly, Apr. 18, 1983]

ECONOMIC DEVELOPMENT: BEYOND THE EZ METHOD

(By William Barnes)

Not so many months ago, no treatment of urban economic policy was quite respectable without at least a genuflection towards the EZ grail. But times change, especially in the Washington wonderland.

The EZ idea was, for example, included in President Reagan's February proposals for an emergency jobs program but its presence there seems to have escaped the notice of Congress and just about everyone else. Perhaps it's just as well: the debate over enterprise zones was invigorating, but the condition of the nation's economy and of some of our cities' economies would seem to require that we get past the search for the EZ method and turn serious attention to the larger themes of economic development.

Rep. BARBER CONABLE (R-N.Y.) and Sen. RUDY BOSCHWITZ (R-Minn.) have introduced the president's zones plan in the House and Senate, respectively. The bills are reported to be almost identical to the administration's 1982 version. The conventional wisdom appears to be that, while it may flow through the Senate, the House Ways and Means Committee will dam it up into a legislative backwater, thus repeating their performance—or lack thereof—of 1982. Meanwhile, the Department of Housing and Urban Development is trying to stir up interest by demonstrating their imagination and will with a set of draft regulations and application procedures, premised on enactment of a progam.

I am neither an EZ enthusiast nor a rabid opponent. In my view, the basic idea of an enterprise zone hardly warrants such excitement at either extreme. You draw a line around an area and you then do things to encourage businesses to locate there; it sounds like targeted economic development to me. Of course, it gets more interesting when the businesses you try to promote are new, smaller enterprises. But then, I've yet to see a proposal, including the administration's, that makes a plausible case that its specific "incentives" are really geared to entrepreneurship. On the other hand, the proposal incites some people when the "incentives" include removing various regulatory controls. No doubt because of this opposition to what researcher and policy bon mot expert George Sternlieb called "legislating a lowered standard of living," I've also yet to see a proposal, including the administration's, that deregulates enough to make a significant difference, for good or ill.

On both counts—entrepreneurship and de-regulation—the British enterprise zones are likewise unexceptional. They are industrial parks with good advertising: nothing per se to get ecstatic about, but not to be derided either.

The American proposals for an enterprise zone program vary widely, which brings me to the central problem with the EZ idea. It is an empty box with an excellent label. Interested parties endorse this well-named cube because they project their own goals and methods into it. So everyone can support the concept but as soon as a specific set of goals and methods are packed into it, the arguments start. Some folks want new firms and de-regulation; others want big plants and tax reductions; others want direct public expenditures and hiring requirements; and on and on.

I am told that Rep. JACK KEMP (R-N.Y.)—the original American proponent of enterprise zones and, for a time, the most ardent purveyor of the idea—has said that the most significant achievement of his proposal is that it stimulated a broad range of new ideas and much vigorous debate on important topics. I think this is a true statement and I think we should act accordingly. If KEMP didn't say it, then I will say it. And I think it's true either way.

The world will little note nor long remember whether the United States has a federal enterprise zone program. I'd not suggest that no such program be enacted (though the most visible version—the administration's—does not seem to me to be desirable in its present form.) I do suggest, however, that the idea of an experiment with EZs be put in perspective, and, I think in that context, other economic development topics will seem more important.

This unsolicited commentary comes, I think, rather after the fact for most people. As I noted at the outset, the enterprise zones idea seems to have receded from the spotlight as other, more important topics have moved to center stage.

Such topics include renovating infrastructure that supports economic growth, the concept of an economic development block grant, the relationship between economic development and job training, a standby countercyclical program with a "shelf" of local projects for which funds are triggered by high unemployment, the locational impact of the Federal tax code, tax and capital formation incentives for new business, coordinated treatment of the problems-piled-on-problems in distressed cities with declining industries and displaced workers, and—as Yul Brynner said in "The King and I"—et cetera, et cetera. It should be noted, moreover, that a host of ideas and state and local experiments elicited by the enterprise zones debate may prove useful as these other topics are addressed.

Enterprise zones were an inadequate and misplaced "centerpiece" for too long. Cold economic realities, national and local, demand renewed attention to the larger, more important themes of economic development.●

CLINCH RIVER—ALTERNATIVE FINANCING, NOW A NEW COST

● Mr. HUMPHREY. Mr. President, late last December after funding for the Clinch River breeder reactor project was defeated in the House and sustained by only one vote in the Senate, the conference instructed the Department of Energy (DOE) to examine ways Federal funding of the project could be reduced by increasing private sector support. On March 15 of this year, DOE issued its findings.

Ironically, the press has referred to DOE's proposals as cost sharing ideas. They are nothing of the sort. Indeed, there is every reason to believe that DOE's alternative financing proposals will end up costing the U.S. taxpayer more than if Congress simply appropriated money for the project outright.

How could something so perverse occur? Simple: The proposals DOE has offered to reduce Federal appropriations in the near term do so only by giving away long-term tax breaks and guaranteed revenues of far greater worth to the investors than the money they put in. Such schemes may succeed in making it seem as though the project's cost to the Federal Government has been reduced, but it is a ruse and is no way to save the taxpayer money.

On March 28 and April 16 the Washington Post ran two lead editorials criticising this sort of creative financing and specifically mentioned DOE's Clinch River proposals as prime examples of what Congress should avoid. Mr. President, I ask that these editorials be placed in the RECORD along with the March 15 report on alternative financing for the Clinch River project that DOE sponsored.

The material follows:

[From the Washington Post, Apr. 16, 1983]

LEASE-BACK MANIA

Hardly a day goes by without new tales of extraordinary financing schemes undertaken by governments and nontaxable institutions to attract private investment. The key ingredient? Heaps of tax breaks costly only to the federal treasury and contributors thereto.

All of these schemes operate in basically the same way. The non-taxable agency or organization arranges to have a private group buy or construct some big-ticket item. The nominal owners, being taxpayers, can claim one or more tax benefits such as accelerated depreciation, interest deductions and investment tax credits. The non-taxable organization then signs a long-term lease at a discount reflecting some share of the leaser's tax benefits. The leasers are happy because their tax bill has been reduced at no risk, and the agency is happy because its budget looks lower. But the federal Treasury pays a substantial part of the bill in lost revenue.

The idea is flourishing. That troublesome new NASA satellite just deployed by the space shuttle turns out not to be owned by NASA—at least not for tax purposes. The shuttle budget looks smaller than the true cost to taxpayers. Rural electric cooperatives assisted by the Rural Electrification Administration are getting into the game. The Clinch River Breeder Reactor may be sold and leased back. The Navy wants to "charter" customized cargo ships and the Air Force wants to lease 39 executive jets and assorted transports. Anyone want to buy a missile silo and rent space to the MX program?

State and local governments? Sale-lease-back deals are becoming the preferred method of financing many development projects. Atlanta, for example, is considering selling its historic city hall; private developers will renovate, enlarge, and lease it back to the city. The developers get the tax breaks, the city gets a deal on the rent, and Uncle Sam picks up a large part of the tab. Similar deals around the country involve museums, convention centers, schools and sewer systems.

The renovation of the Torpedo Factory in Old Town Alexandria is a state-of-the-art example. There, the private developers will take advantage of industrial development bonds, the investment tax credit, a special tax credit for rehabilitating old buildings, and accelerated depreciation. Bennington College is considering selling its campus to a group of friendly alumni, and leasing it back. The purchase price paid by the alumni becomes, in effect, a loan made inexpensive for the college because of tax breaks available to the alumni, at the federal Treasury's expense.

This is all absurd. Neither touristy torpedo factories nor college campuses should receive these extra helpings of invisible, unfocused taxpayer largess. And the issues of control and accountability become critical when the property involved is city hall or a Navy ship. This burgeoning tax avoidance industry is attributable in part to higher bond interest rates that make borrowing more expensive to local governments (there's too much state and local government debt floating around), and in part to the extremely attractive depreciation provisions in the 1981 tax act. Plugging this drain on the Treasury should be high on the agenda.

[From the Washington Post, Mar. 28, 1983]

LEASE-A-GOVERNMENT

When the Navy Department decided recently to lease rather than buy 13 custom-tailored cargo ships, it was cashing in on a growing trend in government financing. Not only federal agencies, but local governments as well are finding that lease-back deals with private investors can make their budgets look considerably smaller. The catch is that the hidden costs show up as lost revenues to the federal Treasury, an addition to the deficit that Congress cannot now control.

Leasing routine services and equipment is a perfectly legitimate and efficient practice for government agencies in cases where the item in question is needed only sporadically or for short periods of time. The practice becomes suspect, however, when it is extended to such quintessentially governmental properties as naval ships, fire stations or city halls, and the transaction ends up costing the taxpayer more money than it saves.

Leasing is attractive to governments because they can pay for the things they need in installments rather than having to justify their full costs when they are initially bought. A municipality can thus avoid having to persuade voters to authorize a new bond issue, and a federal agency can avoid a fight with an authorization or appropriation committee.

The government can also lease the item in question at an apparently low price because the private investors, unlike the government, can claim substantial depreciation deductions against the taxes they would otherwise pay. Part of the true cost of the purchase is thus passed on to the federal Treasury in the form of lower revenues. The whole thing ends up costing the taxpayers more than a straight-out purchase because the investors and other intermediaries involved in the deal want some profit in return for their participation.

Rep. J. J. Pickle, chairman of the Ways and Means oversight subcommittee, has been looking into tax-leasing deals at all levels of government. He notes Joint Committee on Taxation estimates that the cargo ship-leasing deal will cost taxpayers 12 percent more than a direct purchase and disguise 30 percent of the true cost.

Similar hidden losses can be expected from other administration "privatization" schemes, such as the sale of weather satellites and the Clinch River Breeder reactor. Even larger taps on the Treasury can be expected as local governments extend their use of tax-leasing and other innovative forms of tax-exempt financing to shift both municipal and private development costs to the federal government. If Congress wants to narrow the federal deficit, it will have to stop what could become a massive and uncontrollable drain on federal revenue.

[Report of Mar. 15, 1983]

EXPLORATION OF ALTERNATIVE FINANCING POSSIBILITIES FOR THE CLINCH RIVER BREEDER REACTOR PROJECT

(A task force report to the Breeder Reactor Corp. on alternative financing possibilities for the CRBR project.)

I. COST TO COMPLETE

Under the May 4, 1976 Project Agreement, the DOE is obligated to use its best efforts to obtain from Congress whatever additional funds are needed to complete the Project and demonstrate the technology.

The Task Force was asked by BRC to explore alternative sources of Project financing and to advise BRC whether such alternative sources, when coupled with continuing Federal appropriations at roughly present levels, will be adequate to complete the Project. The Task Force did not make an in-depth examination of the Project schedule and costs, but was provided with DOE's latest construction schedule and cost estimates which indicate that the CRBR Project can be completed by October 1989 at an estimated remaining expenditure of $2.4 billion after FY 1983. These estimates assume that the construction schedule is not constrained by further funding limitations. Thus, the completion date and remaining expenditures are highly dependent upon resolution of existing funding uncertainties. If the construction schedule were to slip, the estimated remaining cost to complete the Project could increase significantly.

For purposes of this report, the Task Force accepted DOE's estimate of $2.4 billion to complete the Project, assuming that further delays will be avoided; and recognizing that this assumption (and, hence, the cost estimate itself) depends upon prompt actions relating to the resolution of Project funding.

The deleterious effect of delays.—It is enormously costly to delay or stretch out any large construction project, particularly a large R & D project, such as the CRBR Project, due to additional carrying charges during the delay period, escalation of construction costs, and added expenditures associated with using less than optimal construction forces. Members of the Task Force have had direct experience with such delays and, accordingly, all of the projections in this report assume prompt Federal action, including timely future funding by the Congress, so as to permit optimal work scheduling from this point on. Absent these, the conclusions of this report cannot be supported.

II. NEW-SOURCE FUNDING NEEDS

Future contributions from the electric utility industry, already committed, will provide $172 million, and other contributors will provide $5 million, for total future contributions of $177 million. While part of these contributions are scheduled to be made after FY 1991, it is assumed that all such amounts can be made available for funding Project construction plus interim financing costs, to the extent they must be paid currently.

Assuming minimum future Federal funding at roughly current levels for a total of $1.4 billion subsequent to FY 1983, the additional amount required to be provided from new sources, in order to fund total Project costs, would be about $800 million, as shown in the following table:

TABLE I.—*Remaining capital requirements*

	Billions
Federal funding	$1.4
Utility contributions and others	0.2
New-source funding required	0.8
Total funds needed	2.4

Adding a modest allowance of $300 million for those out-of-pocket financing costs which must be paid during the construction period, an estimate of $1.1 billion seems reasonable for the Project's future new-source funding needs, but this amount can vary widely, depending upon the financing plan selected.

III. NEW-SOURCE FUNDING REQUIREMENTS EXCEED THE PROBABLE PROCEEDS OF A SALE OF THE PROJECT ITSELF

The maximum future market value of the CRBR Project, measured in terms of the likely avoided cost of constructing alternative coal-fired units equipped with scrubbers, is not expected to exceed $2,300 per KWe.[1]

If the 330 MWe conservative net rating of CRBR were priced at $2,300 per KWe, the result would be $750 million. If the 380 MWe design net rating were priced at $2,300/KWe the result would be nearly $900 million. However, the facility is worth less than that today because achievement of a commercial level of reliable operation is at least nine years away. Moreover, steps must be taken to reduce completion risks and the like before Bankable[2] securities can be sold and full market value realized.

IV. POWER SALES CONSTRAINTS

Studies show a probable need for additional electric generating capacity in the SERC region in the early to mid-1990s. However, utilities in that region may be reluctant to assume certain risks associated with long lead-time commitments for CRBR power, namely: projected load growth in the SERC region may not materialize; the level of power revenues needed to pay project debt service and other financing costs may exceed the purchasers' "Avoided Costs;"[3] and the project may not be able to produce the power contracted for.

Regulated electric utilities tend to be inhibited from making risky long-term capacity commitments because the regulatory penalties for over-commitment are severe. In view of the possibility that such penalties might be imposed, regulated utilities in the SERC region may be reluctant to enter into long-term obligations today (i) to purchase minimum annual quantities of CRBR power, or to purchase the Clinch River Project itself (or the Balance of Plant, *i.e.*, the Project excluding the Nuclear Steam Supply System) because anticipated load growth might not materialize; or (ii) to pay a specific minimum price of CRBR power because that price might prove to be in excess of their systems' Avoided Costs.

Nevertheless, the Task Force is confident that, if appropriate arrangements are developed, such reluctance can be overcome. However, the very existence of such reluctance is evidence of the need for the kinds of assurances deemed essential, as discussed below.

V. RANGE OF POSSIBLE MARKET VALUES

The CRBR Project will have significant potential maket value when completed and the plant is operating as a base-load electrical power plant. Realization of that value prior to the end of the shakedown period (now scheduled for mid-1992) will depend upon unconditional Federal assurances, as discussed below. Such realization may be accomplished in a variety of ways, as follows: sale of the project, sale of the balance of plant (BOP), accompanied by a viable steam supply contract, and pledge of the future revenue stream.

Sale of the project.—As a practical matter, it would be difficult to sell the entire Project today (or to sell securities approaching its full value) because the accident at Three Mile Island and the controversy surrounding the Washington Public Power Supply System (WPPSS) nuclear program have left investors leery of large nuclear power plant projects, whether or not they are backed by apparently firm govenmental assurances. This suggests that the inherent value of the plant itself would have to be supplemented by a long-term power sales agreement backed by an unconditional Federal warranty of minimum revenues.

Setting aside, for the moment, the value of the revenue warranty, it is reasonable to assume that the Project itself may ultimately be worth as much as the coal-fired capacity which would otherwise have to be built. Applying the $2,300 per KWe figure already mentioned to the full 380 MWe net rating of the Project indicates that the maximum capacity value of the Project may, in 1992, approach $900 million. The tax benefits normally associated with plant construction and ownership would provide additional value which, however, cannot be quantified at this time.[4]

Sale of the BOP.—The BOP would have little market value without an assured supply of steam. A contract to supply such steam at an assured price per Kwh would be essential if the BOP were to be sold for a significant amount. A long-term power sales agreement backed by Federal assurances would also be required. The amount for which the BOP could then be sold would depend, of course, upon the terms of those two contracts. Assuming that the steam contract were designed to maximize the value of the BOP, then the BOP might be sold for a significant figure, not because of its replacement value in terms of turbine generator condenser, switchgear and the like, but because of the value of the future net revenue stream (after deducting steam supply costs), coupled with construction-related tax benefits already referred to.

A simple pledge of the warranted future revenue stream.—The value of the future power output of the Project will vary depending upon the amount of assured output and the net revenue per Kwh available to cover debt service and equity return. For example, minimum net revenues of 6 cents per Kwh (after deducting fuel, other operation and maintenance expenses) on an assured annual output of two billion Kwh for 20 years beginning in 1992 would provide $120 million a year, an amount adequate to pay the debt service (and equity return), at an assumed 10 percent annual cost of money,[5] on approximately $1 billion invested in 1992—$1,020 million. A minimum net price of 6 cents per Kwh does not seem unreasonable for the 1990s and thereafter, in terms of Avoided Cost projections for SERC region utilities which have committed their 1990s capacity needs. However, bus-bar electricity cost projections from new coal-fired units in the SERC region for the 1990s and thereafter are in the 15 cents per Kwh of higher range. If net revenues pegged at this level or modestly lower could be assured through firm DOE contracts, significantly larger amounts could be provided.

It should be emphasized that to be Bankable, the power contracts must be the hell-or-high-water type. In short, they must guarantee the payment of annual dollar amounts adequate to cover financing costs no matter what happens.[6]

In setting forth the foregoing range of 1992 values, the Task Force avoided pinpointing a precise value because it will depend upon the character of the arrangements provided. However, several relevant observations can be made:

(1) It appears that the market value in 1992 (for investment purposes) may be in the range of $1 billion.

(2) If the Project or the BOP is purchased by investors, the investment value can possibly be enhanced through conventional construction-related tax benefits, viz, those associated with amounts invested in newly-constructed depreciable property.

(3) The amount of funds which can be made available to cover actual construction expenditures will vary widely depending upon when the money is actually invested. For example—

The proceeds of a $1 billion investment in 1993, if invested in 1983 with no interest or other return payable for ten years, would provide useable funds (in 1983) of only $385 million, assuming 10 percent annual cost of money.

If the funds are invested in 1988, the net amount thus available (again assuming no interest or other return payments until 1993) would be $620 million.

Alternatively, if the funds are invested in four equal annual amounts, from 1986 to 1989 inclusive, such investments would amount to $150 million a year for a total of $600 million.

Given the range of possible investment values arising from varying revenue streams, tax considerations and present value discounting, a carefully worked-out plan will be required to thread one's way through the array of opportunities and obstacles confronting the Project financing. The Task Force stands ready to assist in de-

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[1] Generation in the Southeastern Electric Reliability Council (SERC) Region, outside of Florida, is predominantly coal-fired. The $2,300 figure is derived from a range of estimates available from several sources for base-load coal-fired capacity installed in the SERC region for commercial service in 1992 (the earliest date at which commercially reliable output is expected to be available)—in short, ten years hence—and using annual cost escalation rates in the 8 to 9 percent range.

[2] The terms, "Bankable" and "Bankable Commitments", as used herein, mean that the contract or obligation in question is sufficiently firm to provide adequate security for non-recourse loan, advance, leasehold investment, or equity participation.

[3] "Avoided Costs" is a technical term derived from Section 210 of the Public Utility Regulatory Policies Act (PURPA). Section 292.101(b)(6) of the regulations implementing that Act defines "Avoided Costs" as follows:

"(6) Avoided Costs" means the incremental costs to an electric utility of electric energy or capacity or both which, but for the purchase from the. . . qualifying facilities, such utility would generate itself or purchase from another source."

The PURPA regulations generally provide that electric utilities must pay full avoided costs for electricity generated by small power producers and cogenerators.

[4] There should be no net loss to the Government through the use of CRBR of existing construction-related tax benefits. This is because any such benefits used in connection with the CRBR will displace those that would otherwise have applied to new capacity displaced by CRBR.

[5] The precise interest rate applicable to the financings referred to above and hereinafter would depend upon market conditions when such financings were arranged. In today's market, a 10 percent annual rate is on the optimistic side. However, other assumptions set forth herein tend to be on the conservation side.

[6] With moderate economic growth over the long-term, new capacity is expected to be required in the SERC region. Thus, while firm utility contracts to purchase power at displaced capacity rates will be difficult to achieve in the near term, as future capacity needs become clear such contracts may be forthcoming. Thus, while Federal revenue assurances will be needed in the near term, the Government might not have to pay on such assurances unless, of course, the expected economic growth and capacity requirements do not materialize when needed.

veloping acceptable arrangements for capitalizing on the future market value of the CRBR Project in order to obtain significant financial support for the Project.

VI. SUGGESTED PLANS TO CAPITALIZE ON THE VALUE OF THE PROJECT

The future market value of the CRBR Project can be capitalized on, if, and only if, the licensing, completion and operating risks are eliminated through prompt Federal action. Also, appropriate fuel supply assurances must be provided and private investors assured that future revenues will be adequate to earn an appropriate return on, and return of, their investment.

As indicated in the foregoing Sections, several approaches seem feasible:

(1) Straight-forward borrowing based upon future power supply contracts.

The DOE might contract to purchase the entire CRBR output for use in its uranium enrichment plants, with annual payments sufficient (net of operating costs) in any event to pay the debt service. That contract could then be pledged as security for a long-term loan.

Alternatively, the DOE might warrant that the CRBR will produce a minimum amount of power and provide price supports such as those proposed for synthetic oil in the mid-1970s when the Government offered to provide such oil at a support price for resale to user utilities. There is ample precedent for price support in Public Law 96-294, the Energy Security Act. Such price supports should be adequate to cover all debt service requirements.

(2) Sale of Partnership equity interests and debt securities of an entity which would purchase and own the entire CRBR Project.

To be marketable, such Partnership equity interests would require broad Federal assurances as to the deliverability of a reliable and acceptable facility.

Long-term power sales contracts (like those described under (1)) would also be required.

In order to realize the full extent of available tax benefits, favorable IRS rulings would be essential.

(3) Sale of Partnership equity interests and debt securities of an entity which would purchase and own only the BOP.

This approach would require all those items discussed under item (2) except that BOP operating risks might be assumed by the owners.

In addition, an acceptable steam supply contract would be required because, without such a contract, commercial viability cannot be assured.

With appropriate contractual provisions, this approach may be the best way to maximize the tax benefits associated with the Project.

Conclusion—Under any of the foregoing plans, it would be feasible to work out arrangements so that payments received for the future value of the Project or the BOP would be adequate to provide significant investment support.

VII. OTHER APPROACHES TO FUNDING CAPITAL REQUIREMENTS

The only other way to obtain significant additional capital funds from private investors would be to provide other assets or potential benefits adequate to assure that the investor will get something of value in return and be compensated for risk.

Potential "assets" not already discussed fall into six categories:

(1) Assurances that private investors will recover their investment and the cost thereof if timely Federal appropriations are not provided, and that annual appropriations will be continued if the Project is delayed.

Such a commitment would assure investors that the Federal Government intends to see the Project through to completion despite past uncertainties.

It would also facilitate interim financing during periods of peak construction expenditures.

(2) Additional tax incentives, similar to those associated with any large capital-intensive R&D project.

Such tax incentives would not be a windfall for investors; instead, they would be designed to provide additional "value" which the Project can offer in exhange for funds invested. For full discussion, see the appendix prepared for the Task Force by tax counsel.

(3) Other source of funds.

Possibilities include additional warranties by maufacturer/vendors and architect/engineers and additional R&D commitments from manufacturer/vendors and architect/engineers, or the domestic electric utility industry. Local regulation and the controversial nature of the CRBR Project would make it very difficult to raise such funds from either the regulated electric utility industry or the Electric Power Research Institute. Any attempt to do so might well jeopardize existing CRBR funding arrangements.

(4) Additional foregin R&D commitments

(5) Licensing revenues, based upon potential patent rights.

Action would be needed to protect breeder R&D from reaching the public domain and make potential worldwide licensing revenues available to support CRBR Project financing.[7]

(6) Direct Federal assurances.

If other financial mechanisms are inadequate, the alternative may be for the Federal Government to act as a "deep pocket" guarantor of Project debt, lease obligations and equity returns.

The foregoing Sections outline an array of financing alternatives which are available to the CRBR Project. While the Task Force prefers no single financing approach, the following Sections describe in broad terms one possible financing program which seems promising.

VIII. POSSIBLE FINANCING ENTITY

The CRBR Project is faced with the need for significant funds; and without specific legislation, it would be unable to obtain such funds.

Such legislation may be needed to provide necessary warranties and tax incentives. It is also needed to create a financing entity which can use those warranties and incentives.

That entity can take several forms but, in any event, it should be designed to bring the Federal Government and a group of private investors together in a single enterprise so as to enable completion (through combined Federal/private financing) of an important R & D facility on which more than $1.5 billion has already been spent and which it would be foolhardy to junk.

Accordingly, the following format is suggested as a basis for further study and review:

(a) Its name: whatever it is finally named, it is hereinafter referred to as the "Partnership."

(b) The form: A public/private joint venture, created by Federal statute, encompassing both Government and private investment capital.

(c) Partners would include a newly created Federal corporation (or the DOE) as general partner and a group of private investors as limited partners.

(d) The limited partners might be individuals, corporations, or partnerships, depending on tax and regulatory considerations.

(e) The Partnership would be entitled to receive and allocate tax benefits among its partners.

(f) Ownership of the Project should be vested in the Partnership. Care should be taken not to disturb present licensing arrangements, but the Partnership should be provided with enough of the characteristics of ownership so that tax deductions and credits can be allocated among the limited partners.

(g) TVA would operate the Project and wheel power produced pursuant to a keep-whole reimbursement contract.

(h) At the conclusion of operations and recovery by private investors of their investment, title would revert to the Federal Government. Provision should also be made for decommissioning and waste disposal responsibility to remain in the Federal Government.

IX. POWERS OF THE PARTNERSHIP

The Partnership should have the following powers, among others:

To issue its own debt obligations with Federal warranties, which could include borrowings from the Federal Financing Bank (FFB),[8] and/or without Federal warranties.

To issue limited Partnership equity interests and to allocate tax benefits among the limited partners;

To pledge the proceeds from its contracts and agreements as security for its debt, lease, joint venture or Partnership obligations;

To ratify and assume obligations under existing contracts and to enter into new purchase, construction and operating agreements, to buy and sell power, to sell and lease back facilities and fuel, etc.;

To obtain and hold title to patents and to license the use of such patents worldwide;

To enter into appropriate joint ventures related to the CRBR Project;

To be exempt from the Public Utility Holding Company Act and the Federal Power Act and not to be considered a regulated public utility for any purpose, state or Federal.

X. PRIORITY ASSESSMENT OF ACTIONS NEEDED

In addition to the legislative action needed to create the Partnership with the powers set forth in Section IX, it must be given enough financial substance to allow it to function. Actions required to provide that financial substance have already been described. They are listed below, with only moderate additional amplification, because the listing is intended primarily to indicate their relative priority.

(1) Assurances must be provided as to completion, licensability and operability.

Such assurances must be unconditional if the required funds are to be obtained, espe-

[7] Care would have to be taken to assure that such action did not diminish the patent rights of the BRC members under their Utility Contribution Agreements, which could jeopardize collections from such members.

[8] Alternatively, the Partnership could have the right to sell notes to the U.S. Treasury and Treasury would be obligated to purchase such notes.

cially in view of the uncertainties surrounding the outstanding WPPSS obligations.

In the event the Project is not completed, licensed and placed in operation, private investors would be entitled to recover the capital they had provided plus a return thereon.

(2) Assurances must be provided as to the amount of power the Project will produce.

(3) Power purchase contracts must be provided for the Project's full output at an assured price.

Such contracts may represent either direct Federal power purchases or third-party purchases backed by Federal assurances.

As mentioned earlier, such assurances with regard to power purchases and the price thereof have statutory precedent in the Energy Security Act where, as here, the need for future secure energy justifies such support.

(4) Provide a Bankable Commitment that adequate Federal funds (at least $1.4 billion) will be appropriated after fiscal year 1983, or, if not, that private investors would be entitled to recover the capital they had provided plus a return thereon.

The commitment should apply to the period from fiscal year 1984 through fiscal year 1990.

It should provide for additional appropriations thereafter until the Project is licensed and achieves a commercial level of reliable operation.

It should be sufficiently firm to be Bankable.

Although the Congress does not normally appropriate funds for more than a year at a time, it should empower the DOE (i) to enter into the sort of commitment described above and (ii) to borrow from the FFB or from the U.S. Treasury the funds necessary to meet such commitments.

(5) Assure that project-related tax incentives can be allocated among the limited partners, as is customary for all large construction partnerships.

These tax incentives, which are generally available to the owners of any large construction project, include investment tax credits, accelerated depreciation and the immediate deductibility of certain overhead and operating expenses.

It is customary to allocate such project-related incentives among the partners.

Consequently, the allocation of these incentives among the Project partners would in no way provide a wind-fall for investors.

All expenditures in excess of the Project's market value might be treated as R & D expenditures deductible by the limited partners. This was the formula used in 1955 to aid in financing Dresden Unit Number One (the first privately financed U.S. nuclear power reactor), whereby all expenditures by the Nuclear Power Group (a financing consortium) in excess of the commercial value of the plant were allowed as immediate tax deductions.

In case the foregoing conventional tax incentives prove inadequate to provide the capital required, a number of new approaches might be considered. For example:

A special energy tax credit might be provided, applicable solely to the Project.

The Partnership might be empowered to enter into arrangements with the City of Oak Ridge to issue tax-exempt industrial development bonds backed by the Partnership and without regard to the so-called two-county rule.

For further discussion of the matter of tax incentives, see the appendix.

CONCLUSION

The Task Force concludes that the Clinch River Project can support significant private investment, and that the present Government/private business relationship can be enhanced, to the benefit of the entire nation.

From the viewpoint of the Federal Government, the benefit of obtaining private CRBR financing would be a near-term reduction in Federal budget requirements and increased private participation in the Project. Clearly, Federal assurances, warranties, and tax incentives will be needed in order to attract private financing. However, many of the proposed assurances are contingent and would not be called upon unless the Project failed to perform as expected, or the government failed to complete the Project on schedule or the power revenues were substantially less than projected. Moreover, the Task Force assumes that the financing arrangements will reserve to the Federal Government the residual value of Project assets.

The Task Force stands ready to assist in determining how best to proceed.

Respectfully submitted,

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Chairman.
William H. Grigg,
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Lewis E. Wallace,
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Robert C. Murray,
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COMMUNISM IN CENTRAL AMERICA

● Mr. WALLOP. Mr. President, from time to time the press carries articles that deserve the adjective "definitive" because they obviously describe the truth of a public issue, and thereby define the boundaries of serious discussion. Serious people can and do disagree with such statements. But they cannot question either their truth or their relevance. In 1975, Daniel P. Moynihan's article, "The U.S. in Opposition", made clear that the United States is part of a shrinking band of countries which practice democracy and decency. In the aftermath of that article, no serious person has attempted publicly to romanticize the Third World to the American people. In 1977 Professor Richard Pipes' article on why the Soviet Union thinks it can fight, survive, and win a nuclear war evoked much criticism. Yet since its appearance no serious person has suggested that Americans can successfully teach the doctrine of mutual assured destruction to Soviet leaders. It is heartening that, even in our day there are people who can speak with authority.

Jeane Kirkpatrick, our Ambassador to the United Nations, published an article on central America in yesterday's Washington Post that can only be called definitive. After the publication of this article Americans will still take sides on the events now occurring in central America. But no serious person will doubt who our opponents in central America are, what they are after, and the consequences of any victory that they might achieve. In sum, the Soviet Union and its corps of international auxiliaries: The PLO, the Vietnamese, the Cubans, and others have literally taken over Nicaragua. They are oppressing its people more than ever, and they are using Nicaragua as a base for the outright conquest of El Salvador and the rest of the region. Their ultimate target, of course, is the United States. This is so. All concerned avow it proudly. It is tragic that the debate over Central America has turned on procedural issues: Should there be covert activities; what is the meaning of this or that amendment. We know that human nature inclines people to avoid hard choices, and to take refuge in procedural issues. Jeane Kirkpatrick's article forces people to make their choices on this issue on the basis of fact. Thanks to Jeane Kirkpatrick no serious person will be able to say—I did not know . . .

Mr. President, I ask that Ambassador Kirkpatrick's article be printed in full in the RECORD.

The article follows:

[From the Washington Post, Apr. 17, 1983]

COMMUNISM IN CENTRAL AMERICA

THIS TIME WE KNOW WHAT'S HAPPENING

(Jeane J. Kirkpatrick)

The whole scenario sounds like a grade B movie from the 1950s, but that, alas, does not mean it is not true. It's almost unbearably unfashionable to say so, but there is a plan to create a communist Central America which, if successful, will have momentous consequences for our security and that of our European allies, for Israel's international position, and for the unfortunate people of Central America. So far, Congress seems unwilling to make a serious effort to prevent—by means short of war—these human and strategic catastrophes.

Enmev though a very well organized lobby works indefatigably to confuse the moral, political and intellectual questions involved in U.S. policy toward Central America, there is growing clarity about the issues and the stakes. Indeed, what distinguishes the current debate about military and economic aid for Central America from similar disputes about China, Cuba, Vietnam and Nicaragua is that we have fewer illusions and more information.

We know by now what the government of Nicaragua is and what it intends—in El Salvador, Honduras, Costa Rica, New York, Jerusalem. We know who the guerrillas in El Salvador are, where and how they get their arms, what their plans are, who their friends are.

As recently as July 1979 it was possible for American policymakers of optimistic disposition to suppose that, if they acted wisely and generously, Nicargua would emerge from its bloody civil war with an independent, pluralist, socialist, neutralist government. To this end, the United States rushed some $24.6 million in emergency food, medi-

cal and reconstruction assistance to the FSLN on their triumph, provided $118 million direct economic assistance in the subsequent 18 months, and assisted the new government in securing, in addition, some $262 million from multilateral lending institutions (an amount almost double the amount the Somoza government had received in the preceding 20 years). But before the Carter administration left office in January 1981, the decision was made that Nicaragua no longer met U.S. requirements for assistance, its pattern of internal repression and external aggression being already clear. And during the subsequent two years, Nicaragua's facade of democratic intentions and national independance have been not ripped off, but cast aside.

Everyone who cares to know now understands that the government of Nicaragua has imposed a new dicatorship; that it has refused to hold the elections it promised; that it has seized control of all media except a lone newpaper that it subjects to heavy prior censorship; that it denied the bishops and priests of the Roman Catholic Church the right to say Mass on television during Holy Week; that it insulted the pope; that it has stifled the private sector and independent trade unions; attacked the opposition; driven the Miskito Indians out of their homelands—burning their villages, destroying their crops, forcing them into exile or into involuntary internment in camps far from home.

Persons interested in such questions understand, too, that Nicaragua's rulers have introduced into the country many thousands of Cuban teachers, trainers and supervisors, including at least 2,000 military advisers. The Sandinista rulers have denied their international supporters the comforts of ambiguity. They have explained who their friends are and what convictions guide them.

From Moscow and Managua they have announced their principles: "We guide ourselves by the scientific doctrines of the Revolution, by Marxism-Leninism," Minister of Defense Humberto Ortega explained to his army; ". . . our political force is Sandinismo and our doctrine is Marxist-Leninism." "Marxism-Leninism is a fundamental part of the Sandinista ideology," said another member of the junta, Victor Tirado Lopez. They have issued a new stamp with a picture of Karl Marx and excerpts from the Communist Manifesto.

Nicaragua's leaders are done with dissembling. They are proud of their ideology, proud of their monopoly of power, proud of their huge new military force (which has no peer in the region), proud of their role in Central America's guerrilla war, proud of their string of successes in international diplomacy. Those successes are impressive; a seat on the U.N. Security Council, a stymied regional diplomatic initiative, continued support from the Socialist International and a resounding victory at the Delhi Summit of the Non-Aligned Movement. Proud too of their friends, including: Libya, the PLO and, of course, Cuba, their constant companions. The PLO connection, acclaimed by Yasser Arafat at the revolution's first anniversary (". . . the Nicaraguan people's victory is the victory of the Palestinians. Anyone who threatens Nicaragua will have to face Palestinian combatants."), has spawned international progeny. This past week a Latin American preparatory meeting on Palestine has been held in Managua for the purpose of "obtaining governmental and nongovernmental support for the Palestinian cause" and "opposing" Israel's aggressive policy. According to Radio Sandino, delegates from some 20 nations and 10 U.N. organization were expected.

Such conferences are but one manifestation of the junta's vocation for public diplomacy. Other examples may be observed on U.S. television and, especially, at the United Nations where, with dazzling chutzpah, Nicaragua's leaders last week pressed their demand for immunity from attack by anti-Sandinista Nicaraguans, at the same time they stepped up support for Salvador's guerrillas.

The character of El Salvador's guerrilla struggle is no more ambiguous than that of Nicaragua's government. Since the elections of March 1982, nobody even pretends that the FMLN enjoys popular support, is "really" a bunch of agrarian reformers, or a coalition that would, if victorious, usher in a more perfect democracy.

The fictions with which communist insurgents have conventionally clothed their conquest of power are not available to the partisans of the FMLN. The pretense that the FMLN is an indigenous guerrilla movement without significant foreign support has also been largely abandoned. Too many truckloads, planeloads boatloads of arms from Cuba, Nicaragua and the Eastern bloc have been found; too many documents have been captured, too many pictures taken, too many bold announcements made from Managua. The facts about the FMLN are understood by people interested in these questions. It is a professional guerrilla operation directed from command and control centers in Nicaragua, armed with Soviet bloc arms delivered through Cuba and Nicaragua, bent on establishing in El Salvador the kind of one-party dictatorship linked to the Soviet Union that already exists in Nicaragua.

There has, moreover, been so much discussion among them of "revolution without frontiers," of "liberating" and "unifying" Central America, so many threats to Honduras, so much bullying of Costa Rica and guerrilla activity in Guatemala, that it is hardly possible seriously to doubt the regional character of Soviet/Cuban/Nicaraguan goals.

Yet to be fully faced is the relevance of these small, poor nations of the Central American isthmus to the United States, or the importance of Caribbean sea lanes to the Western Alliance. Neither is the extent of the Soviet investment—military, economic, cultural—in this hemisphere yet fully appreciated. But very reluctantly, most serious observers have come to acknowledge that, yes, the area's location gives it a certain irreducible relevance to our national interest. These serious observers grouse about the way the Reagan administration talks about the issues; they grouse about the government of El Salvador; but they understand.

The Economist noted last week "The 'loss' of El Salvador could be a lethal foreign policy blow for America . . ." and The New Republic made a similar observation.

There is also a growing, if grudging, acknowledgment that money—in the form of economic and military assistance—is quite probably the key to the viability of the region's non-communist governments. And two top aides of previous Democratic administrations, one a former assistant secretary of state, wrote in last week's New York Times Magazine that, "The area is of clear strategic and political importance to the United States . . ." so that "to stop American aid would be to deliver—yes, deliver—El Salvador into the hands of a guerrilla movement that is . . . allied externally with America's adversaries, and capable itself of the greatest brutality," and advised that ". . . abandonment is an option Democrats should reject."

Yet if few in or out of Congress advocated outright abandonment, a good many argued for such little assistance on such niggardly terms that the effect is almost sure to be the same.

From the perspective of hemispheric policy, it was an extraordinary week.

An official of the Soviet foreign office, Vadim Zagladin, reiterated Brezhnev's threat to install nuclear missiles in the Western Hemisphere five minutes from the United States. And a member of the Nicaraguan junta announced that, if asked, his government would consider installing Soviet nuclear missles in Nicaragua.

In Managua, Nicaraguan officials made clear their determination to continue support for revolution in Central America while, at exactly the same time, their representatives at the United Nations demanded protection from an internal insurgency.

Meanwhile, the Democratic majority on the Latin American subcommittee of the House Committee on Foreign Affairs acted to deny the democratically elected government of El Salvador the military assistance it needs to stave off a very well armed and advised Marxist insurgency and, simultaneously, to deny a democratic Nicaraguan insurgency any support against a repressive, aggressive Marxist government—though the clear effect of such a policy would be to make the United States the enforcer of Brezhnev's doctrine of irreversible communist revolution.

If, as often suggested, the "Vietnam Syndrome" explains the extraordinary reluctance of America's political class to provide urgently needed assistance to endangered friendly governments in an area of clear national interest, in what does that syndrome consist? Obviously, the Vietnam experience did not make us isolationist. The U.S. government pursues, with the full consent of Congress, a foreign policy that involves us in the affairs of four continents. We support a large standing army and a huge defense establishment. We station troops in remote places, provide billions of dollars in economic and military assistance to governments of all sorts in Asia, Africa and the Middle East. Neither the moral nor military misgivings expressed with regard to Central America are evident with regard to these other regions.

Nobody talks about slippery slopes when we rush weapons to Thailand, trainers to Lebanon or economic aid to Africa or Asia. Nobody talks about human rights when there is murder and mayhem in Zimbabwe, though one can readily imagine the outcry if the bishops of El Salavador had issued a statement resembling that of the bishops of Zimbabwe,

Why?

Why is Congress so much more reluctant to assist an imperfect democratic government clearly important to our national interest than much less perfect governments in more remote regions?

What is it that Central America has in common with Vietnam that so repels liberals? Is it just the nature of the contest—the fact that, in both, well-financed communist guerrilla movements have simultaneously targeted the existing government and what is generally called "world public opinion"?

Is it because lobbies of the left have managed, in both cases, to make the anti-com-

munist side seem unbearably unfashionable?

God knows there are parallels enough in the public discussion of Vietnam and Central America. In both cases, well-orchestrated international campaigns have focused mercilessly on the political and moral failings of the government. And in El Salvador, as in Vietnam, the introduction of elections and reforms, the reductions of human rights abuses and corruption have proved not to have much effect on the drumbeat of criticism. In El Salvador, as in Vietnam, Congress calls the U.S. commitment into doubt from quarter to quarter, "certification" to "certification," undermining the confidence of vulnerable allies in our reliability and their viability.

As with Vietnam, doubt is continuously voiced about whether the government of El Salvador, which struggles mightily to satisfy American demands, is morally worthy of American approval or even of survival.

But there are a few crucial differences too, and those differences involve what we know and when we know it. Not only do we know who Salvador's FMLN is, when we didn't know who the Vietcong were, we know now who the Vietcong were, how they came down from the North (20,000 in the early years alone), how they were supplied, how Western public opinion was manipulated into believing that the National Liberation Front, created by decision of the North Vietnamese Communist Party, was a spontaneous product of "deeper" social causes. We know all these things now because Gen. Vo Nguyen Giap and his colleague, Gen. Vo Bam, have told us about them.

We know too about human rights under those two Vietnamese regimes, about the labor camps and mass deportations. We know this at least in part because Stephen J. Morris' careful study has documented with endless, painful details that "The violation of human rights by the Communist Party of Vietnam, in both the North and the South, was incomparably worse than the violation of human rights by the former Thieu government in South Vietnam. The difference was not one of degree but one of quality."

We know the Vietcong did not establish a broad-based government or a socialist democracy. We know what happened—and is still happening—in Cambodia. We do not enjoy thinking much about these matters, but we know about them, just as surely as we know the character and the stakes of the contest in Central America.

The crucial difference between Vietnam and Central America is not the Pacific Ocean, though that is important. The crucial difference is that the Congress that cut off aid to Vietnam could say it did not guess what would follow.●

INTEGRATED MONOPOLY AND MARKET POWER

● Mr. RIEGLE. Mr. President, I recently encountered an article in the Quarterly Review of Economics and Business, entitled, "Integrated Monopoly and Market Power" written by Walter Adams and James W. Brock. The article examines competition and market control in industries that are vertically integrated. The article draws some interesting conclusions with respect to the functions of monopolies in the economy, and the elements of competition in a monopolistic market.

One of the authors is an old friend of mine, and, in fact, a former professor. I am speaking of Dr. Walter Adams, distinguished university professor and past president of Michigan State University. I commend Professor Adams for his contribution to this analysis, and ask that the article be printed in the RECORD.

INTEGRATED MONOPOLY AND MARKET POWER: SYSTEM SELLING, COMPATIBILITY STANDARDS, AND MARKET CONTROL

(By Walter Adams and James W. Brock)

Almost from the beginning, the antimonopoly strictures of the Sherman Act[1] have been bedeviled by a persistent philosophical paradox. The policy objective of the law was clear: to promote competition by prohibiting conduct which eventuated in monopoly. But how was the law to encourage competition if at the same time it punished the competitor whose success was crowned with monopoly? What distinction, if any, was to be drawn between monopoly resulting from superior performance ("good trusts") and monopoly based on predatory conduct ("bad trusts")?

In a landmark decision, *U.S.* v. *Alcoa*, Judge Learned Hand articulated the dilemma as follows:

"A single producer may be the survivor out of a group of active competitors, merely by virtue of his superior skills, foresight and industry. In such cases a strong argument can be made that, although the result may expose the public to the evils of monopoly, the Act does not mean to condemn the resultant of those very forces which it is its prime object to foster: *finis opus coronat.* The successful competitor, having been urged to compete, must not be turned upon when he wins."[2]

While he conceded that the Sherman Act did not condone "good trusts" and condemn "bad trusts" but forbade "all" trusts, Judge Hand nevertheless concluded that it would be both unfair and unwise to prohibit monopoly per se. Such a policy would, he believed, penalize superior performance, blunt incentives to excel, and thereby compel (in Judge Irving Kaufman's words) "the very sloth [which antitrust was] intended to prevent."[3]

The apostles of the New Economic Darwinism have seized upon this dilemma as a basis for their attack on the antimonopoly statutes. In their view, monopoly is simply the result of successful competition—proof of the monopolist's superior performance. Sound public policy, they argue, should not penalize, but encourage such conduct. Says Robert H. Bork:

"It must forever remain a mystery why so many students of antitrust policy or the economics of industrial organization fail to see the obvious point that size attained in market rivalry is the result of efficiency and that larger size shows greater efficiency. * * *"

If consumers choose to purchase more from one company than from its rivals, that firm is, precisely to that degree, the most efficient in the market. [6, p. 86]

According to Bork,

"It makes no sense to talk about market failure in the sense of default by competitors any more than it makes sense to denigrate the performance of a winning runner on the ground that his rivals did not run fast enough to beat him. On that day, in that race, he was the fastest, and anything that worsens his performance hurts those who value it. It is the same with the superior firm."[4]

Therefore, Bork concludes, antitrust "should never attack [monopolistic market] structures, since they embody the proper balance of forces for consumer welfare" [5, p. 164].

The Structuralist School in industrial organization rejects this definition of the antitrust "dilemma." It would dispute the *post hoc ergo propter hoc* reasoning which leads to the conclusion that a monopolist—by virtue of being a monopolist—has demonstrated superior performance in the competitive struggle. It would reject the simplistic admonition "not to penalize the winner of the race" as quite irrelevant for policy purposes. According to the structuralists,

"The relevant policy problem is how to reward the winner without including in his trophy the right to impose disabling handicaps on putative competitors, or the power to determine the rules by which future races will be run, or the discretion to terminate the institution of racing altogether." [1, p. 486]

Structuralists would contend, as did John Bates Clark almost 75 years ago, that

"In our worship of the survival of the fit under free natural selection we are sometimes in danger of forgetting that the conditions of the struggle fix the kind of fitness that shall come out of it; that survival in the prize ring means fitness for pugilism, not for bricklaying nor philanthropy; that survival in predatory competition is likely to mean something else than fitness for good and efficient production; and that only from strife with the right kind of rules can the right kind of fitness emerge. Competition is a game played under rules fixed by the state to the end that, so far as possible, the prize of victory shall be earned, not by trickery or mere self-seeking adroitness, but by value rendered. It is not the mere play of unrestrained self-interest; it is a method of harnessing the wild beast of self-interest to serve a common good—a thing of ideals and not of sordidness. It is not a natural state, but like any other form of liberty, it is a social achievement, and eternal vigilance is the price of it." [11, pp. 200-01]

In other words, a clinical analysis of monopoly requires an understanding of the rules under which an incumbent monopolist has attained market power and market dominance. We must ask: What are the rules of game? Who made those rules? How have the rules been implemented? What would the outcome have been under a different set of rules?

These questions are particularly crucial in industries which comprise several interrelated and mutually interdependent markets—markets which constitute parts of a vertically integrated chain of "system-compatible" components. In such industries, it may be decisive whether the rules of the game permit a firm to compete in a single-component market or whether a firm must compete on a system-wide basis to survive and prosper; whether the rules are drawn by a system-wide monopolist, intent on excluding specialized-component competitors, or whether they are drawn so as to promote maximum access to single markets in the vertically integrated, system-compatible chain; whether the rules tend to encourage entry to the maximum extend feasible within the technical compatibility constraints of the industry, or whether "compatibility" can be made into an anti-com-

[1] Footnotes at end of article.

petitive weapon in the arsenal of a dominant systems seller.

Three major American industries—computers, communications, and amateur photography—illustrate the policy problems which arise when a dominant firm occupies the dual role of rival and rulemaker in a vertical chain of markets linked by a systems-compatibility constraint. In such industries, survival and success are not necessarily the result of "superior skill, foresight, and industry." Indeed, they may be determined by the possession (and exercise) of naked power to set the rules by which any and all comers shall be allowed to play the game.

In the computer industry, for example, the final output is a service produced through systems which combine three necessarily compatible elements: a central processing unit (CPU) or "mainframe"; various pieces of peripheral equipment attached to the CPU which store, feed, retrieve, and print data; and, finally, "software" in the form of computer programming instructions. As elements of a system, each component "must be completely and precisely compatible" [7, p. 76] with the others—particularly with the CPU which, given its strategic location in the system chain, "determines what peripheral equipment, programs and data can be used" [7, p.76].[5] Market dominance in CPU's, therefore, has spillover effects on adjacent, functionally related markets: a firm which dominates CPU's has the concomitant power to set the rules under which potential competitors—regardless of their "skill, foresight and industry"—can enter and survive in the peripheral equipment and "software" markets.

IBM is, of course, the dominant integrated system seller in the industry. It dominates roughly 70 percent of the market for general purpose, electronic digital computer systems [9, pp. 21-22; 22, pp. 1124-30], and at the same time accounts for about 63 percent and 79 percent, respectively, of the net shipments of tapes and disks.[6] Entry barriers at the systems level (the simultaneous production of compatible, components and services) are prohibitively high [9, p. 65; 19, pp. 255-63; 22, pp. 1130-34] while specialized entry into component markets, most notably peripheral equipment, is relatively easy [7]—on condition that the newcomers offer products designed to be "plug-compatible" with (and substitutes for) IBM peripheral equipment.[8] In other words, survival in any of the component markets is possible in practice, but requires playing by the rules set by a dominant IBM and other sellers of major systems. Survival does not depend on who makes the "best" peripheral equipment or who furnishes the "best" software services or whether they are sold at the "lowest" price. Survival does not depend on successful mastery of the rules of the game set by some autonomous market mechanism. Survival may be aborted prematurely and unilaterally by the dominant firm's predatory product design policies, implemented through undisclosed interface manipulation—an issue raised in a spate of recent anti-trust complaints.[9]

In the communications industry, technological constraints require similar interface compatibility between the several components of an integrated end-to-end service: local telephone networks, long distance transmission, network switching and transmission gear, and customer terminal equipment. Contending that efficient end-to-end service required "one system, one policy, one company" and insisting that "the system is the solution," A.T.&T. was able to parley its legal monopoly over local telephone service into virtually unchallenged control over the entire industry. [See 18; 8, chapters 8, 9, 11.] [10] In 1979, it controlled 92 percent of the industry's domestic plant, while accounting for 84 percent of local telephone revenues, 80 percent of long distance revenues, 85 percent of central office transmission equipment, 55 percent of aggregate customer terminal equipment, and 63 percent of telephone handsets.[11] For more than half a century, Judge Harold Green found, "no piece of equipment (could) be interconnected with the country-wide public switched network unless it conform(ed) to the compatibility standards set by Bell" [12] and the "inability to obtain Bell technical information/compatibility standards constitute(d) an insuperable barrier to entry." [13] Thus, even if one were to concede Bell's prowess as the purveyor of local telephone service, its ability to determine who shall be allowed to compete in long distance transmission or who shall be allowed to compete in the sale of terminal equipment was not conducive to rules of the game which would award victory to the competitor endowed with "superior skill, foresight and industry." Bell's ability until very recently to refuse interconnection with its local network over which it held legal (and hence unchallenged) monopoly control obviously enabled it to attain and retain system dominance over the entire vertical chain of the communication industry quite irrespective of efficiency, progressiveness, or other competitive virtues. [14] It was able to win the race consistently by imposing insuperable (and unnatural) handicaps on putative competitors—a fact adumbrated in countless FCC and antitrust proceedings.[15]

In the amateur conventional photography industry, the "system" consists of cameras, film, and photofinishing services which, when combined in technically compatible fashion, yield a finished photograph. Entry barriers vary by component markets: in photofinishing, the minimal requirements consist of dishes, chemicals, and a darkroom [23, p.145]; the production of film, by contrast, is "a fantastically intricate art." [16] Here again we find a single firm exercising integrated system dominance. Almost 2½ times larger than its nearest world wide rival [see 10, Table 4, p. 66], Eastman Kodak, in 1976, accounted for an 85-percent market share in amateur conventional film, a 60-percent share in color photographic paper, a 53-percent share of snapshot cameras, a 21-percent share of amateur movie cameras, and a 10-percent share of photofinishing revenues.[16] Kodak's monopoly control over film, persisting since the turn of the century, enables it to set compatibility standards for the entire industry and thus to control the terms under which specialized (as distinct from system-wide) entry is possible into camera production or photofinishing.[17] Again, recurrent antitrust litigation attests to Kodak's market power and underscores the policy problem when a dominant firm occupies the dual position of rival and rule maker.[18]

RULEMAKING UNDER ALTERNATIVE INDUSTRY STRUCTURES

As indicated, the functioning of systems such as computers, communications, and amateur photography depends fundamentally upon the industry's ability to coordinate its constituent markets in order to achieve technical compatibility between components. As a predicate to rivalry, a firm must be able to "plug into" a system somewhere—either its own or one produced by another. Thus, the critical rules are those that govern product design. The nature of these rules—what they comprise, who determines them, how they are implemented, how they are altered, and how they affect the outcome of the game—is determined by industry structure and, in particular, firm specialization or integration on one hand, and market concentration on the other. That is, structure determines the rules by which the game is played and how the game is won. Put differently, outcomes cannot be meaningfully interpreted without a knowledge of the rules by which the game has been played—rules inextricably bound up with the structure of the industry.

To illustrate these points in a systems context, it is helpful to consider four hypothetical industry structures: (1) specialized production with all component markets competitive; (2) specialized production with one component market monopolized; (3) fully integrated firms producing systems under competition; and (4) an integrated system seller holding a monopoly in one component market. The nature of the rules and the outcome of the game differ fundamentally under these alternative scenarios.

CASE 1: SPECIALIZED PRODUCTION, COMPETITIVE MARKETS

In this scenario, the industry producing a system of compatible components is populated exclusively by specialized firms whose operations are limited to the production of a single component. All component markets are competitively organized with no firm individually exerting any appreciable influence on the market or the industry.

The functioning of the industry clearly requires technical compatibility standards to coordinate product design between firms and markets if a viable system is to be produced. Given the structural assumptions of specialization and competition, compatibility standards governing product design can be arrived at either through agreement among all firms in the industry or, alternatively, from the banding together of specialized firms to form coalitions capable of producing several integrated, compatible systems. In either event, however, the necessary industry standards are collectively and voluntarily determined, with firms free to choose the technical compatibility requirements necessary to coordinate products across markets.

Once in place, these compatibility standards establish the boundaries within which product design must proceed; they are, in other words, the rules by which the competitive game must be played in each of the industry's markets. Moreover, they apply to new entrants and existing producers alike, with products in each market necessarily homogeneous in the technical sense of system compatibility.

As a corollary, the unilateral production of an incompatible component by any individual firm, of course, would be fruitless as would undisclosed alterations in products that violated existing standards. Alterations and modifications of extant technical compatibility requirements would require prior involvement and advance notification of all participants.

With these structural preconditions, then, competitive success within markets is accorded to those with "superior skills, foresight and industry" within compatibility boundaries voluntarily determined, collectively implemented, and commonly faced by existing producers and new entrants alike.

In other words, all competitors would begin at the same starting line—a line established by system compatibility requirements known in advance.

CASE 2: SPECIALIZED PRODUCTION, NONINTEGRATED MONOPOLY

In this scenario, all firms are specialized but one component market is monopolized. Given the assumption of firm specialization, then, the viability of the industry requires rules in the form of technical compatibility standards. Once monopoly is introduced, however, the means by which these standards are determined and implemented are fundamentally altered.

Two elements of monopoly power in a systems context must immediately be distinguished. The first, control over price, is familiar enough and requires no elaboration. A second aspect of monopoly, however, is unique to a systems context and crucial to an appreciation of the nature of control: the power unilaterally to dictate product design and compatibility standards. Because each component is necessary, the characteristics and features that the specialized monopolist elects to incorporate into his component necessarily establish the technical compatibility requirements that must be met by producers located in adjacent, vertically related markets. That is, the monopolist controls product design by—but does not compete with—specialized producers in related markets. By controlling compatibility standards within the system, the monopolist also establishes the conditions for entry into, and constrains rivalry between producers within, these related markets.

It is crucial to note four further corollaries. First, monopoly power in related markets is *not* reflected by market share nor is it confined solely within the particular market in which it arises; indeed, the specialized monopolist controls key aspects of product design in markets where he does not compete and in which his share is precisely zero. Second, the monopolist's standards apply equally and nondiscriminatorily to current and prospective producers in related markets. Third, compatibility with the monopolized component is compelled, not necessarily owing to its innate superiority, but because it is monopolized. And fourth, the power of the monopolist to *determine* industry standards includes the power to *alter* them via modifications in salient product predictably being followed by a corresponding adjustment, conversion, and reorientation by producers in related markets in order to maintain system viability.

Thus, technical compatibility standards—the rules of the game in a systems context—are neither collectively nor voluntarily arrived at once monopoly intrudes into the industry. Instead, they are unilaterally decreed by the specialized monopolist through the particular characteristics he chooses to design into his component. As such, a specialized monopolist controls the ground rules for entry and rivalry in markets where he does not compete. Success in these markets, then, turns upon efficiency in serving consumers within the constraints imposed upon existing producers and new entrants alike by the specialized monopolist.

CASE 3: FULL INTEGRATION, SYSTEMS COMPETITION

In the third scenario, the industry structure comprises firms which are all integrated "systems-sellers." As opposed to specializing within single component markets, each firm is assumed to produce all of the components required to market complete systems.

The industry is further assumed to be competitive in the production of systems. In this case, then, the plane of rivalry rises above individual products and markets to the system level.

Clearly, individuality and independence are maximized under this particular combination of structural attributes, for the rules governing product design and compatibility between system components are individually determined and controlled by each firm. Individual firms freely decide whether to produce systems and components compatible with those of rivals or, alternatively, to deliberately design systems that are incompatible across firms. Entry into the industry likewise takes place at the systems level without any requirement of entering particular markets with components compatible with those produced by others. Given the structural assumptions of full integration and competition, no anticompetitive significance attaches either to product alterations—whether disclosed in advance or not—or to product incompatibilities. Needless to say, entry barriers into such an industry are substantially higher than under scenarios 1 and 2; indeed, in some industries, these barriers may be prohibitively high, and in some regulated industries—rightly or wrongly considered "natural" monopolies—these barriers may be insuperable.

Thus, product differentiation, experimentation, innovation, and, in general, rivalry are given full vent when all firms are fully integrated system sellers. No firm is dependent upon any of the others nor must any firm accede to rules regarding product design and compatibility standards collectively or unilaterally determined by rivals. Hence, no firm can handicap any of its systems rivals. In a world of equally matched system sellers, success rests solely upon "superior skill, foresight and industry."

CASE 4: INTEGRATED MONOPOLY

In this scenario, the industry is composed of an integrated system seller holding a monopoly in one component market plus a number of specialized firms producing one or more system components.

Given this structural assumption, the integrated monopolist's system is the controlling system in the industry, with standards governing product design imposed throughout the industry through the compatibility required between the components of the monopolist's system. With rivals unable to enter the monopolized market and thus foreclosed from competing at the systems level, entry into and attempted rivalry within component markets are dependent upon attaining and maintaining compatibility with the integrated monopolist's system. Moreover, this result obtains irrespective of the particular advantages or disadvantages inherent in the monopolist's system. Thus, integrated monopoly power is the power to determine, alter, and control the *de facto* standards which are to prevail in the industry.

Compatibility, then, involves significantly more than the mere "copying" of the dominant system seller's products; it is a predicate for entry, expansion and competition. Regardless of how vigorous rivalry might appear in related markets when viewed from a horizontal perspective, such rivalry is illusory for it is "competition" within boundaries controlled by one of the participants. This key element of market power is not capable of detection by such horizontal measures as the integrated monopolist's share of markets adjacent to that which is monopolized.

The essence of integrated monopoly power resides in the dominant system seller's dual capacity as rival and rule maker. By introducing incompatibilities, or undisclosed alterations in his components, the integrated monopolist can render the system—and the industry—"allergic" to rivals' components. In this respect, product alteration in a systems context is superior to price cutting as an instrument of predation; while predatory pricing may require the dominant firm to absorb losses directly commensurate with market share, the introduction of incompatibilities enables the monopolist to impede rivals without having to suffer such losses [13, p. 780; 12, p. 295].[19]

Additionally and significantly, integrated monopoly control of the rules of the game across the industry's constituent markets includes the power to regulate the rate, direction, timing, and source of commercially viable innovation in the markets in which the monopolist operates. A necessary, if not sufficient, condition for successful innovation is participation by the dominant system seller. Commercialization of innovation must of necessity await the initiative of the integrated monopolist to enable the innovation to be fitted into a system—irrespective of the "superior skill, foresight or industry" of innovative, but specialized, rivals. Control of product design standards thus enables the integrated monopolist to block the pioneering efforts of rivals, to commandeer their innovations, and subsequently to market them as his own. The problem, as Professor F. H. Easterbrook indicates [14, pp. 304-12], is not one of "predatory innovation"; it is, by Professor F. M. Fisher's criterion [15, p. 27], monopoly control of innovation by others.[20] The essence of power in this respect is that rivals—maneuvered into a position of subservience and dependence—inevitably appear to be forever struggling to "catch up" when, in fact, their ability to move ahead is directly blocked by the integrated monopolist.[21] For this reason, "market acceptance" is an inherently defective standard by which to evaluate relative progressivity and innovativeness.[22]

Thus, integrated monopoly power in a systems context is the authority to dictate the ground rules for entry into any of a series of technically interconnected markets, to establish the boundaries within which others must attempt to compete, to introduce obstacles to rivalry, when desired, through alterations in the controlling system, and to regiment, channel, and delay innovation by rivals. In his combined role of rival in, and rule maker for, the industry, the integrated monopolist sets the rules prior to the race, decides the time and place at which the race will commence, arbitrarily alters the rules as the race progresses, and determines when and where the current race will terminate and a new race begin. The integrated monopolist can maintain supremacy—not because he is more adroit in serving consumer wants, not because he is an indefatigable engine of innovation, not because his rivals are innately incompetent—but because he controls the rules by which others must play the game and, thus, the means by which others can be prevented from winning.

CONCLUSION

Three conclusions may be drawn from an analysis of firm integration and market concentration as elements of industry structure in a systems context. First, monopoly power is the power, not merely to set price, but to control product design, rivalry, and innova-

tion through the product characteristics that a monopolist chooses—or refuses—to incorporate into his monopolized product. An integrated monopolist thus controls the ground rules under which rivals must attempt to enter and compete.

Second, the significance of product strategy is crucially dependent upon the structural context in which it is carried out. Compatibility and incompatibility, disclosure and nondisclosure, and product differentiation are of minor anticompetitive import under conditions of workable competition between fully integrated system sellers. However, these same elements of product strategy may become instruments of predation, exclusion, and control when the structural scene shifts to one wherein an integrated system seller dominates one or more of the markets for system components.

Third, market share is a defective measure of market control under conditions of integrated monopoly. Similarly, commercial success and consumer acceptance are unreliable indicators of relative innovativeness under conditions where specialized component manufacturers must compete with an integrated systems monopolist.

In short, where an integrated systems monopolist operates in the dual capacity of competitor and rule maker, it is by no means certain that the winner of the race is the most meritorious contender. To maintain otherwise is little more than phantasmagoric persiflage.

FOOTNOTES

[1] Section 2 of the Sherman Act declares it unlawful to "monopolize, or attempt to monopolize, or combine or conspire with any other person or persons, to monopolize any part of the trade or commerce among the several states, or with foreign nations." 15 U.S.C. 2 (1976).

[2] *United States* v. *Aluminum Co. of America*, 148 F.2d 416 (1945), at 430.

[3] *Berkey Photo, Inc.* v. *Eastman Kodak Co.*, 603 F.2d 263, 273 (1979).

[4] Robert H. Bork Statement before the National Commission for the Review of Antitrust Laws and Procedures, reprinted in *ABA Antitrust Law Journal*, Vol. 48 (1979), pp. 891, 894.

[5] See also, US Congress, Senate Committee on the Judiciary, *The Industrial Reorganization Act, Hearings before the Subcommittee on Antitrust and Monopoly*, 93d Cong., 2d sess., 1974, Part 7 (The Computer Industry).

[6] *Transamerica Computer Co.* v. *International Business Machines Corp.*, 481 F. Supp. 965, 983 (1979).

[7] The number of peripheral firms rose from 2 to 100 over the six-year period 1966–1972. *Telex Corp.* v. *International Business Machines Corp.*, 367 F. Supp. 258, 287 (1973).

[8] See, for example, *Transamerica Computer Co.* v. *International Business Machines Corp.*, 481 F. Supp. 965, 978, and *California Computer Products* v. *International Business Machines Corp.*, 613 F.2d 727, 731 (1979).

[9] *California Computer Products* v. *International Business Machines Corp.*, 613 F.2d 727 (1979); *Telex Corp.* v. *International Business Machines Corp.*, 367 F. Supp. 258 (1973), *rev'd*, 410 F.2d 894 (1975), *cert. denied*, 423 US 802 (1975); *Transamerica Computer Co.* v. *International Business Machines Corp.*, 481 F. Supp. 965 (1979); *Memorex* v. *International Business Machines Corp.*, 458 F. Supp. 423 (1978), *affm'd per curiam*, 636 F.2d 1188 (1980).

[10] See also US Congress, Senate Committee on the Judiciary, *The Industrial Reorganization Act, Hearings before the Subcommittee on Antitrust and Monopoly*, 93d Cong., 2d sess, 1974, Parts 5 and 6 (The Communications Industry).

[11] US Congress, House Committee on Energy and Commerce, *Telecommunications in Transition: The State of Competition in the Telecommunications Industry*, Report by the majority staff of the Subcommittee on Telecommunication, Consumer Protection, and Finance, 97th Cong., 1st sess, 1981, pp. 56, 105, 181, 186–87, 207; *United States* v. *American Telephone & Telegraph Co.*, 524 F. Supp. 1336, 1377 (1981).

[12] *United States* v. *American Telephone & Telegraph Co., 524 F. Supp. 1336, 1375.*

[13] Ibid, AT&T explicitly dictated quality and interconnect standards, first, by requiring terminal equipment producers to obtain connecting devices leased from Bell, and subsequently setting standards for producers to obtain connecting devices leased from Bell, and subsequently setting standards for producers of terminal and network equipment. Ibid., 1348–52, 1370–75.

[14] In 1968, in its landmark *Carterfone* decision, the FCC declared that the Bell system would no longer be allowed to prevent customers from installing their own terminal equipment as long as such equipment was deemed "privately beneficial without being publicly harmful." Bell fought this decision which would have opened up the telephone equipment market to new entry and subjected the erstwhile monopoly of Western Electric (Bell's manufacturing subsidiary) to competitive challenge. Bell insisted—ostensibly to protect the network from harm—that no "alien" PBX or key telephone system could be interconnected with Bell lines, unless a coupling device (an interface device) were interpositioned between the "alien" equipment and the Bell lines. This interface device could be obtained only from Bell; it could only be leased and not bought; it had to be attached to each trunkline leading in to the customer-owned equipment; the user had to pay a monthly rental to Bell of approximately six dollars a month for use of the device; the device was often is short supply; it was sometimes improperly installed; the "alien" equipment often had to be redesigned in order to be made compatible with the interface device even though it was compatible with the system in the absence of the device; and so on. Most interesting is the fact that a given piece of equipment—say, a Japanese PBX—if sold to a Bell operating company could be used without the interface device, but if sold to a customer-user had to have the interface device before it could be interconnected with the Bell system.

[15] The following list of proceedings attests to the persistence of the interconnection problem (and its competitive consequences) with respect both to the equipment and specialized services markets:

Equipment: (1) *IN re Hush-A-Phone*, 20 FCC 391 (1955) (AT&T prohibition of non-Bell equipment not unreasonable); *Hush-A-Phone* v. *United States*, 238 F.2d 266 (D.C. Cir. 1956) (remanded for reconsideration by FCC); *In re Hush-A-Phone*, 22 FCC 112 (1957) (FCC rescinds prior order and allows attachment of this device); (2) *Carter* v. *American Telephone & Telegraph Co.*, 250 F. Supp. 188 (N.D.Tex. 1966) (suit by equipment manufacturer stayed pending conclusion of FCC administrative proceedings *re* equipment interconnection), *affm'd*, 365 F.2d 486 (5th Cir. 1966), *cert. denied*, 385 US 1008 (1967). *In re Carterfone*, 13 FCC 2d 420 (1968) (inter-connection of equipment permitted so long as telephone system not adversely affected), *reconsideration denied*, 14 FCC 2d 571 (1968); (3) *In Re AT&T*, 15 FCC 2d 605 (1968) (protective connecting device required to be leased from ATT to interconnect non-Bell equipment); (4) *Macom Products Corp;*. v. *American Telephone & Telegraph Co.*, 359 F. Supp. 973 (C.D.Cal. 1973) (ATT interconnect conduct not immune from antitrust statutes, case referred to FCC); (5) *In re Telerent*, 45 FCC 2d 204 (1974) (FCC authority over equipment interconnection supercedes that of state regulatory commissions); *In re Interstate and Foreign Message Toll Service*, 56 FCC 2d 593 (1975) (FCC adopts registration program and standards for direct interconnection of non-Bell equipment after holding that protective device is unnecessarily restrictive and unreasonably discriminatory), *affm'd sub nom. North Carolina Utilities Commission* v. *FCC* 537 F.2d 787 (4th Cir. 1976), *cert. denied*, 429 US 1027 (1976), *reh. denied*, 552 F.2d 1036 (1977), *cert. denied*, 434 US 874 (1977); (6) *Litton Systems, Inc.* v. *Southwestern Bell Telephone Co.*, 539 F.2d 418 (5th Cir. 1976) (ATT conduct *re* terminal equipment not immune from antitrust statutes), *reh. denied*, 542 F.2d 1173 (1976); *Litton Systems, Inc.* v. *American Telephone & Telegraph Co.*, 487 F. Supp. 942 (S.D.N.Y 1980) (ATT conduct *re* terminal equipment not immune from antitrust statutes); (7) *Phonetele, Inc.* v. *American Telephone & Telegraph Co.*, 435 F. Supp. 207 (C.D.Cal. 1977) *rev'd*, 664 F.2d 716 (9th Cir. 1981) (ATT equipment practices held exempt from antitrust statutes); (8) *Essential Communications* v. *American Telephone & Telegraph Co.*, 446 F. Supp. 1090 (D.N.J. 1978) (ATT equipment practices held exempt from antitrust statutes), *rev'd*, 610 F.2d 1114 (3d Cir. 1979); (9) *Interconnect Planning* v. *American Telephone & Telegraph Co.*, 465 F. Supp. 811 (S.D.N.Y. 1978) (ATT conduct *re* equipment interconnection not immune from antitrust statute); (10) *Jarvis, Inc.* v. *American Telephone & Telegraph Co.*, 481 F. Supp. 120 (D.D.C. 1978) (ATT conduct *re* equipment interconnection not immune from antitrust statute); (11) *Sound, Inc.* v. *American Telephone & Telegraph Co.*, 631 F.2d 1324 (8th Cir. 1980) (ATT conduct *re* equipment not immune from antitrust statutes); and (12) *Northeastern Telephone Co.* v. *American Telephone & Telegraph Co.*, 477 F. Supp. 251, 497 F. Supp. 230 (D. Conn. 1980) (ATT illegally monopolized equipment), *rev'd*, 651 F.2d 76 (2d Cir. 1981).

Communication service and specialized carriers: (1) *In re MCI*, 18 FCC 2d 953 (1969) (p;ublic interest promoted by permitting carrier to offer specialized service), *reh. denied*, 21 FCC 2d 190 (1970); (2) *In re Specialized Carrier Services*, 29 FCC 2d 870 and 31 FCC 2d 1106 (1971) (competition in long distance service feasible, desirable, and in public interest), *affm'd sub nom. Wash. Utilities & Transport Commission* v. *FCC*, 513 F.2d 1142(9th Cir. 1975), *cert. denied*, 423 US 836 (1975); (3) *In re Bell System Tariff Offerings*, 46 FCC 2d 413 (1974) (ATT ordered to interconnect specialized carriers), *affm'd sub nom. Bell Telephone Co.* v. *FCC*, 503 F.2d 1250 (3d Cir. 1974), *cert. denied*, 422 US 1026 (1975); (4) *MCI Communications Corp.* v. *American Telephone & Telegraph Co.*, 369 F. Supp. 1004 (E.D.PA. 1974) (ATT ordered to interconnect specialized carrier), *rem'd*, 496 F.2d 214 (3d Cir. 1974); (5) *Chastain* v. *American Telephone & Telegraph Co.*, 351 F. Supp. 1320 (D.D.C. 1972) (telephone interconnection issue referred to FCC), 401 F. Supp. 151 (D.D.C. 1975) (ATT interconnection conduct to be judged by rule of reason taking fact of regulation into account). *In re Chastain*, 43 FCC 2d 1079 (1973) (ATT unreasonably and unlawfully excluded mobile telephone service by refusing to interconnect); (6) *In re Att*, 60 FCC 2d 939 (1976) (ATT service interconnection practices discriminatory and contrary to FCC policy); (7) *MCI* v. *American Telephone & Telegraph Co.*, 561 F.2d 365 (D.D.C. 1977) (reversing FCC decision barring MCI from offering Execunet long distance service), 580 F.2d 590 (D.D.C. 1978) (refusal of FCC to require Bell system interconnection with MCI service contrary to prior court order), *cert. denied*, 439 US 980 (1978), 462 F. Supp. 1072 (N.D. Ill. 1978) (ATT service interconnection practices not immune from antitrust statutes); and (8) *Woodlands Telecommunication Corp.* v. *American Telephone & Telegraph Co.*, 477 F. Supp. 1372 (5th Cir. 1980) (ATT refusal to interconnect service not immune from antitrust statutes), *rem'd sub nom. Mid-Texas Communications Inc.* v. *American Telephone & Telegraph Co.*, 615 F.2d 1372 (5th Cir. 1980) (ATT service interconnection practices must be evaluated by rule of reason), *reh. denied*, 618 F2d. 1389. *cert. denied*, 101 S.CT. 286 (1980).

Justice Department cases *RE* equipment and service interconnection: (1) *United States.* v. *American Telephone & Telegraph Co.*, 524 F. Supp. 1336 (D.D.C. 1981) (proof on anticompetitive conduct by ATT *re* interconnection of equipment and services sufficient to withstand motion to dismiss); and (2) *United States* v. *American Telephone & Telegraph Co.*, Memorandum of FCC as Amicus Curiae, reprinted in 62 FCC 2d 1102 (1977) (listing ATT practices and acts cited by Justice Department in support of its monopolization case and related FCC actions and proceedings).

[16] *Berkey Photo, Inc.* v. *Eastman Kodak Co.*, Kodak Appeal Brief, Addendum A, Tables 1, 4, 10, 11 (1979); *Berkey Photo, Inc.* v. *Eastman Kodak Co.*, Jury Instructions, p. 69 (1978).

[17] Of the more than 300 models of amateur conventional cameras available in 1977, in excess of 80 percent were designed to accept one of only four Kodak film formats. *Wolfman Report on the Photographic Industry in the United States*, 1979–80. The US International Trade Commission found "(c)ompatibility with existing (i.e., Kodak) processing systems" to be a critical element in marketing color photographic paper to independent photofinishers. US, International Trade Commission, *Color Paper From Japan and West Germany*, 1978, p. A-7. With regard to film, *Fortune* pointed to "standardization by independent photo processors on the chemicals and techniques needed to process Kodak films" as a problem continually confronting film producers (*Fortune*, November 1970, p. 118). In attempting to overcome this barrier, other film producers have turned to the design of color films compatible in processing with those of Kodak manufac-

ture. See *New York Times*, 11 January 1959, sec. 2, p. 19; *Modern Photography*, July 1970, p. 88; *Forbes*, 15 January 1971, p. 35.

[18] *Berkey Photo, Inc.* v. *Eastman Kodak Co.*, 457 F. Supp. 404 (1978), *rev'd* in part, *affm'd* in part, 603 F.2d 263 (1979), *cert. denied*, 444 US 1093 (1980). For a discussion of Bell & Howell's monopolization charge, see *Wall Street Journal*, 5 January 1973, p. 4 GAF's charges are reviewed in *GAF Corp.* v. *Eastman Kodak Co.*, 519 F. Supp. 1203 (S.D.N.Y. 1981).

[19] See [13, p. 780]. One commentator characterizes the response of an integrated monopolist introducing incompatibilities as fighting off "its competitors with the same lawful weapons with which these competitors are assaulting its dominant position." [12, p. 295]. The defect in this argument, of course, is that it fails to place conduct in the appropriate structural context. The point would be valid in a world of fully integrated system sellers. In the case of integrated monopoly, however, the monopolist's manipulation of compatibility requirements that are prerequisites for rivalry is scarcely a battle among equals; it is a blatant exercise of monopoly power.

[20] The strategy is one of transforming prior restraint of innovation by others into exclusionary incompatibilities; as such, it is neither "innovation" nor predatory "innovation." Judge Kaufman failed to recognize this crucial link between prior restraint and co-optation of others' innovations. See *Berkey Photo* v. *Eastman Kodak Co.*, 603 F.2d 263. Reviews of *Berkey* commit the same error. See [3 and 21].

The search for "bright-line" rules capable of isolating "predatory innovation" is, as Professor Easterbrook concludes, misdirected but for two reasons not considered by Easterbrook. First, the search presupposed that "innovation" is involved at the outset. Second, and related to the first, the ability of an integrated monopolist to block innovation by rivals is ignored. For proposed rules to detect "predatory innovation" see [17 and 20].

[21] Given the context in which it occurs, an integrated monopolist's record as the sole source of commercially successful "innovations" is as much grounds for suspicion as it is for commendation. One commentator, however, repeatedly refers to the integrated monopolist's prior record of successful innovation and grounds for concluding that its dominance promotes consumer welfare while failing to consider the possibility that the dominant system seller may have undermined the viability and opportunity for innovation in the industry. [See 13, pp. 782–84, 793–94.] Mere assertions of "aggressive innovation" as a proposed defense are similarly defective. This defense has been suggested in [2].

[22] A number of commentators fail to grasp this aspect of market power in a systems context. "Even a monopolist." Judge Kaufman wrote in *Berkey*, "must generally be responsive to the demands of customers, for if it persistently markets unappealing goods it will invite a loss of sales and an increase in competition." *Berkey Photo* v. *Eastman Kodak*, 603 F.2d 263, 287. The crucial omission is that the integrated monopolist's products may be rendered "appealing" by virtue of its having rendered its rivals' goods unappealing. An integrated film monopolist, for example, can render his cameras appealing simply by refusing to supply film in formats required by others' cameras. Similarly, proposals that judicial examination of an integrated monopolist's product conduct end in the monopolist's favor if the products are commercially successful are defective, because they fail to consider the integrated monopolist's power to restrain and foreclose innovation and the prior pioneering efforts of his rivals. For these proposed standards, see [12, p. 313; 14, p. 311; 4, pp. 730–32].

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NATIONAL POW/MIA RECOGNITION DAY

● Mr. DODD. Mr. President, Saturday, April 9, was National Recognition Day for American prisoners of war and those missing in action. Every American knows that we owe these people, as we owe all veterans, a debt of gratitude. Over 90,000 Americans survive from the POW camps of Nazi Germany, Imperial Japan, North Korea, and Vietnam. Yet, there is something special about this National Recognition Day. Some 2,494 cases of missing in action in Southeast Asia have not yet been resolved. Forty are from my own State of Connecticut.

There continue to be persistent reports that Americans remain held against their will in Southest Asia. More than 465 firsthand live sightings have been reported. Over 213 of these have not been traced to individuals since accounted for. These reports cannot, as yet, be disproved. Despite unremitting efforts by the National League of Families of American Prisoners and Missing in Southeast Asia, by veterans, by Members of Congress, by the Departments of State and Defense, and by the intelligence community, in the final analysis we simply do not know if there are any living Americans being held against their will in Southeast Asia. Perhaps we shall never know. But there is something which we do know: The governments of Vietnam and Laos are not telling us all that is known about the fate of these people.

There can be little doubt that most, if not all, of the nearly 2,500 people still unaccounted for may be dead. The jungles and the South China Sea will not tell us what happened to them. But there are cases of individuals known to have been captured who are still not accounted for. For their families, that fact of their sacrifice is not so cruel as the pain of not knowing whether that sacrifice is finished.

Accordingly, we must press forward with technical discussions with the Joint Casualty Resolution Center, and the Vietnamese Office for Seeking Missing Personnel, and with the Lao Foreign Ministry. Those remains that can be recovered must be returned. The burden of proof in this matter, in the eyes of the American people and of their Government, is on the Vietnamese and the Laotians.

We owe our former prisoners of war, and those missing in action, as well as their families, our special gratitude. But we owe the families of those missing in action our continued efforts to determine their fate. We can do no less.●

BOMBING OF AMERICAN EMBASSY IN BEIRUT

● Mr. KENNEDY. Mr. President, I join President Reagan in expressing heartfelt concern and sympathy to the American and Lebanese families of those injured and killed in the terrorist bombing of the United States Embassy in Beirut. It is a recurrent tragedy in the Middle East that those dedicated to the search for peace have so often become the victims of senseless violence.

We must never allow craven acts of terrorism to dictate American foreign policy. Now, more than ever, the United States must give its leadership to the continuing effort to find a satis-

factory formula for the withdrawal of all foreign forces from Lebanon—PLO, Syrian, and Israeli, for adequate security provisions along Israel's northern border, and for restored national unity and reconstruction in Lebanon under that country's sovereign government.●

THE COURAGE OF TROOP 10, BSA, SOUTH ORANGE, N.J.

● Mr. BRADLEY. Mr. President, I was proud to receive a recent letter which brought my attention to an outstanding act of heroism by members of Troop 10 of the Boy Scouts of America at Our Lady of Sorrows School in South Orange, N.J. Such acts of courage and quick thinking—particularly by such young boys—are rare and deserve our recognition.

On the afternoon of February 6, five boys from South Orange, Andrew Pierson, Mario Piccinini, David Wilms, and John Germann, all 13, and John's first cousin, Timothy Germann, 11, were hiking in South Mountain Reservation at about 2 p.m. It had begun snowing. They had paused above Hemlock Falls for a rest, and were seated, talking, about 15 feet from the edge of the cliff. Timothy got up and started to walk around. He was about 10 feet from the edge, examining some ice formations, where he slipped and fell. The spot where he fell was icy and sloped toward the cliff. He began sliding, desperately trying to grasp anything solid. He slid the 10 feet to the precipice, and his momentum carried him over. He fell approximately 35 feet, apparently striking a protrusion in the cliff face on the way down.

The other boys scrambled down to Tim's side. They found him unconscious, lying face down on the ice that covered the pool at the base of the falls. The impact of the fall had forced his head through the ice and his face was down in the water. Although their hike was not an official Scout function, all five boys are members of Troop 10, BSA, sponsored by Our Lady of Sorrows Church. The four older boys put their first aid knowledge to work at once. Andrew was not even all the way to the bottom of the falls when it became obvious that Tim was seriously injured and would require medical assistance.

Andrew went immediately for help, taking the shorter cross-country route through the reservation in what were now near-blizzard conditions. He went to Gruning's restaurant, a distance of about a mile and a quarter, knowing there was a phone there. Marion helped the other two boys pull Tim out of the water and off the ice, then went back up to the cliff and to the road to try to flag down a car, hoping he could get a phone faster than Andrew. The two boys arrived at Gruning's at about the same time. They called the South Orange Police, who told them Maplewood took care of the reservation. They then called Maplewood and the first aid squad was soon on its way.

When David and John got Tim off the ice, they realized he was not breathing. Knowing this could lead to brain damage or even death, they instituted the correct procedures to get Tim's breathing started again, laying him down and hyperextending his neck by tilting his head back to open the airway. They found his jaws locked, so it would have been impossible to resuscitate him. After a few seconds, however, his jaws unlocked and he began to breath. The two rescuers took off their jackets and placed them over and under Tim to keep him warm and ward off shock. David put his golves on the injured boy. Tim regained consciousness after a little while, and the boys kept talking to him to keep him from slipping into unconsciousness again. During this entire time, snow continued to fall heavily.

By the time police, the Maplewood First Aid Squad, and the St. Barnabas Hospital paramedics arrived, almost an hour had elapsed since Tim fell. He was taken to St. Barnabas, where he was given emergency treatment, had surgery the next day, and proceeded to make a remarkable recovery. This past Monday, only a month and a day after his accident, he returned to school—though with a cast on his arm. Tim, by the way, is a sixth grader at South Orange Middle School. The other boys are in the eighth grade at OLS.

While Tim was in the emergency room, the paramedics from St. Barnabas told his mother, Mrs. Mary Jones, several times that the boys' timely application of their first aid skills was responsible for saving her son's life.

The medics also took the other boys to St. Barnabas to check them over. They found that David had incipient frostbite on his face from being out in the cold so long, but it was treated and found not to be serious. John Germann missed several days of school with a severe cold he caught during the episode.

I know Tim and his parents will always be grateful for the quick thinking of his friends. I was pleased to meet with Troop 10 recently and offer them my personal congratulations. Speaking for all New Jerseyites, I am also very proud of Troop 10 and want to bring their heroism to the attention of all my colleagues.●

ORDER FOR RECESS UNTIL TOMORROW

Mr. BAKER, Mr. President, I have one housekeeping matter. I ask unanimous consent that, when the Senate completes its business today, it stand in recess until the hour of 12 noon tomorrow.

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

ORDER FOR RECOGNITION OF CERTAIN SENATORS TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that on tomorrow, after the recognition of the two leaders under the standing order, three Senators be recognized on special order for not to exceed 15 minutes each in the following sequence: Senators GOLDWATER, BAKER, and MELCHER.

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

THE REGULATORY REFORM ACT OF 1983

Mr. BAKER. Mr. President, I believe the Senator from Iowa has a matter he wishes to address.

Mr. GRASSLEY. Mr. President, I send a bill to the desk and ask that it be read.

Mr. BYRD. Mr. President.

The PRESIDING OFFICER. The minority leader is recognized.

Mr. BYRD. What is the request, Mr. President?

Mr. GRASSLEY. I am going to have the bill read. Then I am going to ask unanimous consent that the bill be read a second time. I understood the Senator was going to object at that point.

Mr. BYRD. Yes, I shall. I hope that my objection will not be interpreted as meaning that I am against the bill.

Mr. GRASSLEY. No, I would consider it a friendly objection.

Mr. BYRD. I appreciate that, Mr. President.

The PRESIDING OFFICER. The clerk will read the bill the first time.

The assistant legislative clerk read as follows:

A bill (S. 1080) to amend the Administrative Procedure Act to require Federal agencies to analyze the effects of rules to improve their effectiveness and to decrease their compliance costs, to provide for a period review of regulations, and for other purposes.

Mr. GRASSLEY. I move that the reading thus far constitute the reading of the bill the first time.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. GRASSLEY. I ask unanimous consent that the bill be read now a second time.

Mr. BYRD. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. GRASSLEY. Mr. President, I am quite pleased to join Senator HEFLIN today in introducing S. 1080, the Regulatory Reform Act. This act is identical to the one which passed the Senate March 24, 1982, by a vote of 94 to 0. It is evidenced by this over-

whelming show of support that this bill is a bipartisan product, noncontroversial in nature and a totally necessary part in the effort to get our economy moving again.

The bill is designed to alleviate our society of overburdensome regulation and result in a more responsible rulemaking procedure. The major provisions of S. 1080 are as follows:

Requires agencies to evaluate on a nonmathematical basis the trade-offs of "major rules" and to determine that such rules are worth their costs and are cost-effective. Allows the President to oversee this procedure;

Allows oral presentations in major rulemaking, including cross-examination where needed to resolve factual issues;

Requires agencies to review major rules every 10 years to determine if they should be revised or withdrawn;

Prohibits the courts from presuming that agency interpretations of law are valid and require agency factual determinations in rulemaking to have substantial support;

Addresses the "race-to-the-courthouse" problem in review of agency action by assigning a case randomly where review proceedings have been instituted in different courts within 10 days of each other;

Requires agencies to publish a semiannual agency agenda of regulatory actions;

Allows Congress to veto all agency rules via a two-House resolution of disapproval;

Prohibits the use of appropriated funds to pay the expenses of persons participating or intervening in agency proceedings except where expressly authorized by statute.

The essence of this bill has been generated over many years going back to the 88th Congress when the Subcommittee on Administrative Practice and Procedure of the Senate Judiciary Committee held 3 days of hearings and heard from 36 witnesses on a bill intended to "update and improve the procedural rules that govern proceedings before the departments and agencies." Hearings continued in the 89th, 94th, and 95th Congresses culminating in an exhaustive review of regulatory reform in the 96th Congress. The issue received 10 days of treatment and over 100 witnesses testified.

The Committee on Governmental Affairs has also been involved in regulatory reform for a number of years. In 1975, the committee was directed by Senate Resolution 71 to conduct a comprehensive study of Federal regulation. This study was issued in six volumes over a 2-year period. In addition, in the 97th Congress, the subject's treatment in Governmental Affairs rivaled the Judiciary Committee's activities with 11 days of hearings eliciting testimony from 80 witnesses.

Though these hearings generated similar bills reported from both committees in the 96th Congress, some differences required reconciliation prior to floor consideration. Unfortunately, Congress adjourned before this work was completed.

In order to demonstrate the priority regulatory reform was to take with the Judiciary Committee in the 97th Congress, two subcommittees were established to examine the issue. The Subcommittee on Regulatory Reform, chaired by Senator PAUL LAXALT, and the Subcommittee on Agency Administration, chaired by myself, conducted a total of 3 days of hearings dealing with the key provisions of S. 1080. The Judiciary Committee worked closely with the Committee on Governmental Affairs in developing a consensus proposal and though some differences remained in the bills, these were worked out on the floor resulting in passage of the final vehicle by a vote previously mentioned of 94 to 0. The bill's introduction today follows on the heels of painstaking work by Senators LAXALT, LEAHY, ROTH, and EAGLETON, and it was due in large part to their efforts that the bill enjoyed such wide-based support.

Mr. President, the aforementioned history of Senate examination of regulatory reform in general and S. 1080 in specific, indicates that further hearings are unnecessary and would not only generate duplicative information on the need for revision of the Administrative Procedures Act, but would result in a waste of constrained committee resources which could be better spent in addressing particular problems in the regulatory area.

Senator HEFLIN and myself, as the ranking minority member and the chairman of the subcommittee of jurisdiction, feel that the Regulatory Reform Act has reached a state of legislative scrutiny that the bill can be treated as noncontroversially as last year's 94 to 0 vote indicates. Our preliminary discussions with other interested Senators reveals that our opinion is widely held. We realize, however, that this opinion might not be universal.

Therefore, Mr. President, today we will ask that the bill as introduced be placed on the calendar. We will take no further action on this matter for at least 30 days, and will use that time for further consultation with our colleagues. We also wish to use this occasion to invite the other Members of this body to share with us their opinions as to how we should procede.

Mr. President, I came to the Senate with a mind to help reform our domestic economy and I have felt a good return on the investment of time I have spent as a member of the Budget and Finance Committees.

However this bill, which has a history in the Government Affairs and Judiciary Committees, could have at least as much impact on our economy as ballooning budgets and tax cuts. Of course, I do not think that this bill is the complete answer to regulatory abuses heaped upon American business. But I do feel that it is a starting point in regaining control of the runaway bureaucracy and will go far in propelling American productivity upward again.

I now send the bill to the desk and ask unanimous consent that it be printed in the RECORD in its entirety.

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

S. 1080

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 "Regulatory Reform Act".

DEFINITION OF RULE

SEC. 2. Section 551(4) of title 5, United States Code, is amended by inserting before the semicolon at the end thereof a comma and the following: "except that the term 'rule' does not include agency statements involving a matter relating to public property or contracts or general statements of policy of the Tennessee Valley Authority except where an applicable statute requires notice and hearing pursuant to this chapter or the statement to be made on the record after opportunity for an agency hearing".

RULEMAKING

SEC. 3. Section 553 of title 5, United States Code, is amended to read as follows:

"§ 53. Rule making

"(a) This section applies to every rule making, according to the provisions thereof, except to the extent that there is involved—

"(1) a matter pertaining to a military or foreign affairs function of the United States;

"(2) a matter relating to the management and personnel practices of an agency;

"(3) an interpretive rule, general statement of policy, or rule of agency organization, procedure, or practice, unless such rule or statement has general applicability and substantially alters or creates rights or obligations of persons outside the agency; or

"(4) a rule relating to the acquisition, management, or disposal by an agency of real or personal property or of services that is promulgated in compliance with criteria and procedures established by the Administrator for Federal Procurement Policy or the Administrator of General Services.

"(b)(1) General notice of proposed rule making shall be published in the Federal Register, unless all persons subject thereto are named and either personally served or otherwise have actual notice thereof in accordance with law. Each notice of proposed rule making shall include—

"(A) a statement of the time, place, and nature of public rule making proceedings;

"(B) a succinct explanation of the need for and specific objectives of the proposed rule;

"(C) an explanation of the specific statutory authority under which the rule is proposed;

"(D) the proposed provisions of the rule;

"(E) a statement that the agency seeks proposals from the public and from State

and local governments for alternative methods to accomplish the objectives of the rule making that are more effective or less burdensome than the approach used in the proposed rule;

"(F) a description of any data, methodologies, reports, studies, scientific evaluations, or other similar information on which the agency plans to substantially rely in the rule making, including an identification of each author or source of such information and the purposes for which the agency plans to rely on such information; and

"(G) a statement specifying where the file of the rule making proceeding maintained pursuant to subsection (f) of this section may be inspected and how copies of the items in the file may be obtained.

"(2) Except when notice or hearing is required by statute, a final rule may be adopted and may become effective without prior compliance with the provisions of this subsection and subsections (c) and (f) of this section if—

"(A) the agency for good cause finds that providing notice and public procedure thereon before the rule becomes effective is impracticable or contrary to an important public interest;

"(B) the agency publishes the rule in the Federal Register with such finding and a succinct explanation of the reasons therefor; and

"(C) the agency complies with the provisions of this subsection and subsections (c) and (f) of this section to the maximum extent feasible prior to the promulgation of the final rule and fully complies with such provisions as soon as reasonably practicable after the promulgation of the rule.

"(3) Except when notice or hearing is required by statute, this subsection and subsections (c) and (f) of this section do not apply to a rule when the agency for good cause finds that notice and public procedure thereon are unnecessary due to the insignificant impact of the rule and publishes, at the time of publication of the final rule, such finding and a succinct explanation of the reason therefor.

"(4) Whenever the provisions of a final rule that an agency plans to adopt are so different from the provisions of the proposed rule that the original notice of proposed rule making did not fairly apprise the public of the issues ultimately to be resolved in the rule making or of the substance of the rule, the agency shall publish in the Federal Register a notice of the final rule the agency plans to adopt, together with the information relevant to such rule which is required by the applicable provisions of this section and which has not previously been published in the Federal Register. The agency shall allow a reasonable period for comment on such final rule.

"(c)(1) After providing the notice required by this section, the agency shall give interested persons at least sixty days to participate in the rule making through the submission of written data, views, or arguments.

"(2) In order to collect relevant information, and to identify and elicit full and representative public comment on the significant issues of a particular rule making, the agency may use such other procedures as the agency determines are appropriate, including—

"(A) the publication of an advance notice of proposed rule making;

"(B) the provision of notice, in forms which are more direct than notice published in the Federal Register, to persons who would be substantially affected by the proposed rule, but who are unlikely to receive notice of the proposed rule making through the Federal Register;

"(C) the provision of opportunities for oral presentation of data, views, information, or rebuttal arguments at informal public hearings, which may be held in the District of Columbia and other locations;

"(D) the provision of summaries, explanatory materials, or other technical information in response to public inquiries concerning the issues involved in the rule making; and

"(E) the adoption or modification of agency procedural rules to reduce the cost or complexity of participation in a rule making.

The decision of the agency to use or not to use such other procedures in a rule making pursuant to this paragraph shall not be subject to judicial review.

"(3)(A) The opportunity for participation in a rule making for a major rule (as defined in section 621(4) of this title) shall include the opportunity for oral presentation of data, views, and information at informal public hearings. Such public hearings—

"(i) may include an opportunity for oral rebuttal or argument where appropriate; and

"(ii) shall include an opportunity for direct and cross-examination of the principal agency employees or other persons who prepared for the agency data on which the agency substantially relied in formulating the rule, and of any other persons who present testimony, documents, or other information at such hearings, where other procedures, such as the convening of public meetings, conferences or panel discussions, or the presentation of staff arguments for comment and rebuttal, are determined to be inadequate for the resolution of significant issues of fact upon which the rule is based.

"(B) No court shall hold unlawful or set aside an agency rule because of a failure by the agency to use a particular procedure pursuant to subparagraph (A) of this paragraph unless—

"(i) an objection to the failure to use such procedure was presented to the agency in a timely fashion or there are extraordinary circumstances that excuse the failure to present a timely objection; and

"(ii) the court finds that such failure substantially precluded a fair consideration and informed resolution of a central issue of the rule making taken as a whole.

"(4) To ensure an orderly and expeditious proceeding, the agency may establish reasonable procedures to regulate the course of informal public hearings under paragraphs (2) and (3) of this subsection, including the designation of representatives to make oral presentations or engage in direct or cross-examination on behalf of several parties with a common interest in a rule making. Transcripts shall be made of all such public hearings.

"(5) An agency shall publish any final rule it adopts in the Federal Register, together with a concise statement of the basis and purpose of the rule and a statement of when the rule may become effective. The statement of basis and purpose shall include—

"(A) an explanation of the need for, objectives of, and statutory authority for the rule;

"(B) a discussion of any significant issues raised by the comments on the proposed rule, including a description of the reasonable alternatives to the rule proposed by the agency and by interested persons, and the reasons why each such alternative was rejected; and

"(C) an explanation of how the factual conclusions upon which the rule is based are substantially supported in the rule making file maintained pursuant to subsection (f) of this section.

"(6) When rules are required by statute to be made on the record after opportunity for an agency hearing, sections 556 and 557 of this title apply instead of this subsection.

"(d)(1) An agency shall publish the final rule adopted in the Federal Register at least thirty days before the effective date of the rule. An agency may make a rule effective in less than thirty days after publishing the final rule in the Federal Register in the case of a rule that grants or recognizes an exemption or relieves a restriction, or in the case of a rule for which the agency for good cause finds that such a delay in the effective date would be contrary to an important public interest and publishes such finding and an explanation of the reasons therefor, with the final rule.

"(2) In promulgating a final rule, the agency may not substantially rely on any factual or methodological material that was not placed in the rule making file maintained pursuant to subsection (f) of this section in time to afford an adequate opportunity for public comment thereon during the period for public participation in the rulemaking. Notwithstanding the preceding sentence, an agency may rely on such material—

"(A) if, in the case of material developed by or for the agency, such material was placed in the rule making file promptly upon its completion and, if such material is of central relevance to the rule making, was made available in time for interested persons to have an adequate opportunity to comment thereon;

"(B) if, in the case of material submitted by a person outside the agency, such material was placed in the rule making file promptly upon its receipt by the agency and, if such material is of central relevance to the rule making, the agency provided not less than fifteen days for interested persons to comment thereon in addition to the period for comment provided under paragraph (1) of subsection (c);

"(C) if such material is material of which the agency properly can take official notice; or

"(D) if such material is material referred to in subsection (f)(3) of this section and the agency has complied with the requirements of that subsection.

"(e) Each agency shall give an interested person the right to petition for the issuance, amendment, or repeal of a rule, for an interpretation regarding the meaning of a rule, and for a variance or exemption from the terms of a rule if the agency may grant such variance or exemption. The agency shall act on such petitions with reasonable promptness. The response of the agency to each such petition shall be in writing accompanied by a statement of reasons.

"(f)(1) The agency shall maintain a file for each rule making proceeding conducted pursuant to this section and shall maintain a current index to such file. The file and the material excluded from the file pursuant to paragraph (2) of this subsection shall constitute the rule making record for purposes of judicial review. Except as provided in paragraph (2) of this subsection, the file shall be made available to the public beginning on the date on which the agency

makes an initial publication concerning the rule. The file shall include—

"(A)(i) the notice of proposed rule making and any supplement to or modification or revision of such notice; and

"(ii) any advance notice of proposed rule making;

"(B) copies of all written comments received on the proposed rule;

"(C) a transcript of any public hearing conducted in the rule making;

"(D) copies, or an identification of the place at which copies may be obtained, of all material described by the agency pursuant to subsection (b)(1)(F) of this section and of other factual and methodological material not described by the agency pursuant to such subsection that pertains directly to the rule making and that the agency considered in connection with the rule making, or that was prepared by or for the agency in connection with the rule making;

"(E) any statement, description, analysis, or any other material that the agency is required to make public in connection with the rule making, including any preliminary or final regulatory analysis issued by the agency pursuant to chapter 6 of this title;

"(F) copies of all written material pertaining to the rule, including any drafts of the proposed and the final rule, submitted by the agency to the President or his designee directed by the President to review proposed or final rules for their regulatory impact; and

"(G) a written explanation of the specific reasons for any significant changes made by the agency in the drafts of the proposed or final rule which respond to any comment received by the agency on the draft proposed rule, the proposed rule, the draft final rule, or the final rule, made by the President or his designee directed by the President to review proposed or final rules for their regulatory impact.

"(2) The agency shall place the materials described in clauses (A) through (H) of the last sentence of paragraph (1) in the file required by such paragraph as soon as practicable after such materials become available to the agency.

"(3) The file required by paragraph (1) of this subsection need not include any material that need not be made available to the public under section 552 of this title if the agency includes in such file a statement that notes the existence of such material and the basis upon which the material is exempt from public disclosure under such section. The agency may not substantially rely on any such material in formulating a rule unless it makes the substance of such material available for adequate comment by interested persons. The agency may use summaries, aggregations of data, or other appropriate mechanisms so as to protect the confidentiality of such material to the maximum extent possible.

"(4) No court shall hold unlawful or set aside an agency rule because of a violation of paragraph (1) of this subsection unless the court finds that such violation has precluded fair public consideration of a material issue of the rule making taken as a whole. Judicial review of compliance or noncompliance with paragraph (1) of this subsection shall be limited to review of action or inaction on the part of an agency.

"(g) For a period of one year after the effective date of a final rule issued pursuant to this section, such rule shall not substantially change the requirements of any contract, cooperative agreement, or grant existing on such effective date between a Federal agency and a State or local government. The preceding sentence does not apply to any case in which the agency for good cause finds that a delay in the effect of the rule would be contrary to an important public interest and publishes such finding and an explanation of the reasons therefor, with the final rule.

"(h) Nothing in this section authorizes the use of appropriated funds available to any agency to pay the attorney's fees or other expenses of persons participating or intervening in agency proceedings.".

REGULATORY ACTIVITIES: ANALYSIS; PRIORITIES AND REVIEW; REPORT

SEC. 4. (a) Chapter 6 of title 5, United States Code, is amended by adding at the end thereof the following:

"SUBCHAPTER II—ANALYSIS OF AGENCY PROPOSALS

"§ 621. Definitions

"For purposes of this subchapter and subchapters III and IV of this chapter:

"(1) The term 'agency' has the same meaning as in section 551(1) of this title.

"(2) The term 'person' has the same meaning as in section 551(2) of this title.

"(3) The term 'rule' has the same meaning as in section 551(4) of this title, except that such term does not include—

"(A) a rule of particular applicability that approves or prescribes for the future rates, wages, prices, services, or allowances therefor, corporate or financial structures, reorganizations, mergers or acquisitions, or accounting practices or disclosures bearing on any of the foregoing;

"(B) a rule relating to monetary policy proposed or promulgated by the Board of Governors of the Federal Reserve System; or

"(C) a rule issued by the Federal Election Commission or a rule issued by the Federal Communications Commission pursuant to sections 312(a)(7) and 315 of the Communications Act of 1934.

"(4) The term 'major rule' means—

"(A) a rule or a group of closely related rules that the agency, the President, or the officer selected under section 624 of this title reasonably determines is likely to have an annual effect on the economy of $100,000,000 or more in reasonably quantifiable direct and indirect costs; and

"(B) a rule or a group of closely related rules that is otherwise designated a major rule by the agency proposing the rule, or is so designated by the President, or by the officer selected under section 624 of this title, on the ground that the rule is likely to result in—

"(i) a substantial increase in costs or prices for wage earners, consumers, individual industries, nonprofit organizations, Federal, State, or local government agencies, or geographic regions; or

"(ii) significant adverse effects on competition, employment, investment, productivity, innovation, the environment, public health or safety, or the ability of enterprises whose principal places of business are in the United States to compete in domestic or export markets.

For purposes of subparagraph (A) of this paragraph, the term 'rule' does not mean—

"(I) a rule that involves the internal revenue laws of the United States;

"(II) a rule that authorizes the introduction into commerce or recognizes the marketable status of a product, pursuant to sections 408, 409(c), and 706 of the Federal Food, Drug, and Cosmetic Act;

"(III) a rule exempt from notice and public procedure pursuant to section 553(a) of this title; or

"(IV) a rule relating to the viability, stability, asset powers, or categories of accounts of, or permissible interest rate ceilings applicable to, depository institutions the deposits or accounts of which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or the Share Insurance Fund of the National Credit Union Administration Board.

"(5) The term 'benefit' means the reasonably identifiable significant benefits and beneficial effects, including social and economic benefits and effects, that are expected to result directly or indirectly from implementation of a rule or an alternative to a rule.

"(6) The term 'cost' means the reasonably identifiable significant costs and adverse effects, including social and economic costs and effects, that are expected to result directly or indirectly from implementation of a rule or an alternative to a rule.

"§ 622. Regulatory analysis

"(a) Prior to publishing notice of proposed rule making for any rule, each agency shall determine whether the rule is or is not a major rule within the meaning of section 621(4)(A) of this title and, if it is not, whether it should be designated a major rule under section 621(4)(B) of this title. For the purpose of any such determination or designation, a group of closely related rules shall be considered as one rule. Every notice of proposed rule making shall include a succinct statement and explanation of the agency's determination of whether or not the rule is a major rule within the meaning of section 621(4)(A) of this title and, if applicable, of its designation as a major rule under section 621(4)(B) of this title.

"(b) The President or the officer selected by the President under section 624 of this title may determine that a rule is a major rule within the meaning of section 621(4)(A) of this title or may designate a rule as a major rule under section 621(4)(B) of this title not later than thirty days after the publication of the notice of proposed rule making for that rule. Such determination or designation shall be published in the Federal Register, together with a succinct statement of the basis for the determination or designation. The President or the officer selected by the President under section 624 of this title may designate not more than seventy-five rules as major rules under section 621(4)(B) of this title in any fiscal year.

"(c)(1) When the agency publishes a notice of proposed rule making for a major rule, the agency shall issue and place in the rule making file maintained under section 553(f) of this title a preliminary regulatory analysis and shall include in such notice of proposed rule making a summary of the analysis. When the President or the officer selected by the President under section 624 of this title has published a determination or designation that a rule is a major rule after the publication of the notice of proposed rule making for that rule, the agency shall promptly issue and place in the rule making file maintained under section 553(f) of this title a preliminary regulatory analysis for the rule and shall publish in the Federal Register a summary of such analysis. Following the issuance of a preliminary regulatory analysis under the preceding sentence, the agency shall give interested persons an opportunity to comment thereon

pursuant to section 553 of this title in the same manner as if the preliminary regulatory analysis had been issued with the notice of proposed rule making.

"(2) Each preliminary regulatory analysis shall contain—

"(A) a succinct description of the benefits of the proposed rule, including any beneficial effects that cannot be quantified, and an explanation of how the agency anticipates each benefit will be achieved by the proposed rule, including a description of the persons, classes of persons, or particular levels of Government likely to receive such benefits;

"(B) a succinct description of the costs of the proposed rule, including any costs that cannot be quantified, and an explanation of how the agency anticipates each such cost will result from the proposed rule, including a description of the persons, classes of persons, or particular levels of Government likely to incur such costs;

"(C) a succinct description of reasonable alternatives for achieving the identified benefits of the proposed rule, including alternatives that—

"(i) require no Government action;

"(ii) will accommodate differences between geographic regions; and

"(iii) employ performance or other standards which permit the greatest flexibility in achieving the identified benefits of the proposed rule;

"(D) a statement—

"(i) identifying any source of funds available from the Federal Government to pay State and local governments the costs incurred by such governments as a result of the proposed rule; or

"(ii) specifying that the agency does not know of any such source;

"(E) in any case in which the proposed rule is based on scientific evaluations or information, a description of action undertaken by the agency to verify the quality, reliability, and relevance of such scientific evaluations or scientific information; and

"(F) where it is not expressly or by necessary implication inconsistent with the provisions of the enabling statute pursuant to which the agency is proposing the rule, an explanation of how the identified benefits of the proposed rule are likely to justify the identified costs of the proposed rule, and an explanation of how the proposed rule is likely to substantially achieve the rule making objectives in a more cost-effective manner than the alternatives to the proposed rule.

"(d)(1) When the agency publishes a final major rule, the agency shall also issue and place in the rule making file maintained under section 553(f) of this title a final regulatory analysis, and shall include a summary of the analysis in the statement of basis and purpose required by section 553 (c)(6) of this title. Notwithstanding the preceding sentence, in any case in which an agency, under section 553(b)(2) of this title, is not required to comply with subsections (b) through (f) of section 553 of this title prior to the adoption of a final rule, an agency is not required to comply with the preceding sentence prior to the adoption of the final rule but shall comply with such sentence when complying with section 553(b)(2)(C) of this title.

"(2) Each final regulatory analysis shall contain—

"(A) a description and comparison of the benefits and costs of the rule and of the reasonable alternatives to the rule described in the rule making; and

"(B) where it is not expressly or by necessary implication inconsistent with the provisions of the enabling statute pursuant to which the agency is acting, a reasonable determination, based upon the rule making file considered as a whole, that the benefits of the rule justify the costs of the rule, and that the rule will substantially achieve the rule making objectives in a more cost-effective manner than the alternatives described in the rule making.

"(e)(1) An agency shall describe the nature and extent of the nonquantifiable benefits and costs of a proposed and a final rule pursuant to this section in as precise and succinct a manner as possible. The description of the benefits and costs of a proposed and a final rule required under this section shall include a quantification or numerical estimate of the quantifiable benefits and costs. Such quantification or numerical estimate shall be made in the most appropriate unit of measurement and shall specify the ranges of predictions and explain the margins of error involved in the quantification methods and in the estimates used.

"(2) In evaluating and comparing costs and benefits, the agency shall not rely on cost or benefit information submitted by any person that is not accompanied by data, analysis, or other supporting materials that would enable the agency and other persons interested in the rule making to assess the accuracy and reliability of such information. The agency evaluations of the relationships of the benefits of a proposed and final rule to its costs required by this section shall be clearly articulated in accordance with the provisions of this section. An agency is not required to make such evaluation primarily on a mathematical or numerical basis.

"(f) The preparation of the preliminary or final regulatory analysis required by this section shall only be performed by an officer or employee of the agency. The provisions of the preceding sentence do not preclude a person outside the agency from gathering data or information to be used by the agency in preparing any such regulatory analysis or from providing an explanation sufficient to permit the agency to analyze such data or information. If any such data or information is gathered or explained by a person outside the agency, the agency shall specifically identify in the preliminary or final regulatory analysis the data or information gathered or explained and the person who gathered or explained it, and shall describe the arrangement by which the information was procured by the agency, including the total amount of funds expended for such procurement.

"(g) The requirements of this section do not alter the criteria for rulemaking otherwise applicable under other statutes.

"§ 623. Judicial review

"(a) Compliance or noncompliance by an agency with the provisions of this subchapter shall not be subject to judicial review except according to the provisions of this section.

"(b) Any determination by the President or by the officer selected under section 624 of this title that a rule is a major rule within the meaning of section 621(4)(A) of this title, and any designation by the President or the officer selected under section 624 of this title that a rule is a major rule under section 621(4)(B) of this title, or any failure to make such a designation, shall not be subject to judicial review in any manner.

"(c) The determination of an agency of whether a rule is or is not a major rule within the meaning of section 621(4)(A) of this title shall be set aside by a reviewing court only upon a clear and convincing showing that the determination is erroneous in light of the information available to the agency at the time it made the determination. Any designation by an agency that a rule is a major rule under section 621(4)(B) of this title, or any failure to make such a designation, shall not be subject to judicial review in any manner.

"(d) Any regulatory analysis prepared under section 622 of this title shall not be subject to judicial consideration separate or apart from review of the rule to which it relates. When an action for judicial review of a rule is instituted, any regulatory analysis for such rule shall constitute part of the whole rulemaking record of agency action for the purpose of judicial review of the rule and shall, to the extent relevant, be considered by a court in determining the legality of the rule.

"§ 624. Executive oversight

"(a) The President shall have the authority to establish procedures for agency compliance with this subchapter and subchapter III of this chapter. The President shall have the authority to monitor, review, and ensure agency implementation of such procedures. The President shall report annually to the Congress on agency compliance or noncompliance with the requirements of this chapter.

"(b) Any procedures established pursuant to the authority granted under subsection (a) of this section shall be adopted after the public has been afforded an opportunity to comment thereon, and shall be consistent with the prompt completion of rulemaking proceedings. If such procedures include review of preliminary or final regulatory analyses to ensure that they comply with the procedures established pursuant to subsection (a), the time for any such review of a preliminary regulatory analysis shall not exceed thirty days following the receipt of that analysis by the President or by an officer to whom the authority granted under subsection (a) of this section has been delegated pursuant to subsection (c) of this section, and the time for such review of a final regulatory analysis shall not exceed thirty days following the receipt of that analysis by the President or such officer. The times for each such review may be extended for good cause by the President or such officer for an additional thirty days. Notice of any such extension, together with a succinct statement of the reasons therefor, shall be inserted in the rulemaking file.

"(c) The President may delegate the authority granted by subsection (a) of this section, in whole or in part, to the Vice President or to an officer within the Executive Office of the President whose appointment has been subject to the advice and consent of the Senate. Any such notice with respect to a delegation to the Vice President shall contain a statement by the Vice President that the Vice President will make every reasonable effort to respond to congressional inquiries concerning the exercise of the authority delegated under this subsection. Notice of any such delegation, or any revocation or modification thereof, shall be published in the Federal Register.

"(d) The authority granted under subsection (a) of this section shall not apply to rules issued by the Nuclear Regulatory Commission.

"(e) Any exercise of the authority granted under this section, or any failure to exercise such authority, by the President or by an

officer to whom such authority has been delegated under subsection (c) of this section, shall not be subject to judicial review in any manner under this Act.

"SUBCHAPTER III—REGULATORY PRIORITIES AND REVIEW

"§ 631. Review of agency rules

"(a)(1)(A) Not later than nine months after the effective date of this section, each agency shall prepare and publish in the Federal Register a proposed schedule for the review, in accordance with this section, of—

"(i) each rule of the agency which is in effect on such effective date and which, if adopted on such effective date, would be a major rule under section 621(4)(A) of this title, and

"(ii) each rule of the agency in effect on such effective date (in addition to the rules described in clause (i)) which the agency has selected for review.

"(B) Each proposed schedule required by subparagraph (A) shall include—

"(i) a brief explanation of the reasons the agency considers each rule on the schedule to be such a major rule under section 621(a)(4)(A) of this title or of the reasons why the agency selected the rule for review;

"(ii) a date set by the agency, in accordance with the provisions of subsection (b)(1) of this section, for the completion of the review of each such rule; and

"(iii) a statement that the agency requests comments from the public on the proposed schedule.

"(C) The agency shall set a date to initiate review of each rule on the schedule in a manner which will ensure the simultaneous review of related items and which will achieve a reasonable distribution of reviews over the period of time covered by the schedule.

"(2) At least ninety days before publishing in the Federal Register the proposed schedule required under paragraph (1), each agency shall make the proposed schedule available to the President, or to the Vice President or other officer to whom oversight authority has been delegated under section 624(b) of this title. The President or that officer may select for review in accordance with this section any additional rule that the President or such officer determines to be a major rule under section 621(4)(A) of this title.

"(3) Not later than one year after the effective date of this section, each agency shall publish in the Federal Register a final schedule for the review of the rules referred to in paragraphs (1) and (2) of this subsection. Each agency shall publish with the final schedule the response of the agency to comments received concerning the proposed schedule.

"(b)(1) Except where explicitly provided otherwise by statute, the agency shall, pursuant to subsections (c) through (e) of this section, review—

"(A) each rule on the schedule promulgated pursuant to subsection (a) of this section;

"(B) each major rule under section 621(4) of this title promulgated, amended, or otherwise renewed by an agency after the date of the enactment of this section; and

"(C) each rule promulgated after the date of enactment of this section which the President or the officer designated by the President pursuant to subsection (a)(2) of this section determines to be a major rule under section 621(4)(A) of this title.

Except where an extension has been granted pursuant to subsection (f) of this section, the review of a rule required by this section shall be completed within ten years after the effective date of this section or within ten years after the date on which the rule is promulgated, amended, or renewed, whichever is later.

"(2) A rule required to be reviewed under the preceding subsection on grounds that it is a major rule need not be reviewed if the agency determines that such rule, if adopted at the time of the planned review, would not be a major rule under the definition previously applied to it. When the agency makes such a determination, it shall publish a notice and explanation of the determination in the Federal Register.

"(c) An agency shall publish in the Federal Register a notice of its proposed action under this section with respect to a rule being reviewed. The notice shall include—

"(1) an identification of the specific statutory authority under which the rule was promulgated and a statement specifying the agency's determination of whether the rule continues to fulfill the intent of Congress in enacting that authority;

"(2) an assessment of the benefits and costs of the rule during the period in which it has been in effect;

"(3) an explanation of the proposed agency action with respect to the rule; and

"(4) a statement that the agency seeks proposals from the public for modifications or alternatives to the rule which may accomplish the objectives of the rule in a more effective or less burdensome manner.

"(d) If an agency proposes to repeal or amend a rule under review pursuant to this section, the agency shall, after issuing the notice required by subsection (c) of this section, comply with the provisions of this chapter and chapter 5 of this title or other applicable law. The requirements of such provisions and related requirements of law shall apply to the same extent and in the same manner as in the case of a proposed agency action to repeal or amend a rule which is not taken pursuant to the review required by this section.

"(e) If an agency proposes to renew without amendment a rule under review pursuant to this section, the agency shall—

"(1) give interested persons not less than sixty days after the publication of the notice required by subsection (c) of this section to comment on the proposed renewal; and

"(2) publish in the Federal Register notice of the renewal of such rule and an explanation of the continued need for the rule, and, if the renewed rule is a major rule under section 621(4) of this title, include with such notice an explanation of the reasonable determination of the agency that the rule complies with the provisions of section 622(d)(2)(B) of this title.

"(f)(1) Any agency, which for good cause finds compliance with this section with respect to a particular rule to be impracticable during the period provided in subsection (b) of this section, may request the President, or the officer designated by the President pursuant to subsection (a)(2) of this section, to establish a period longer than ten years for the completion of the review of such rule. The President or that officer may extend the period for review of a rule to a total period of not more than fifteen years. Such extension shall be published in the Federal Register with an explanation of the reasons therefor.

"(2) An agency may, with the concurrence of the President or the officer designated by the President pursuant to subsection (a)(2) of this section, or shall, at the direction of the President or that officer, alter the timing of review of rules under any schedule required by this section for the review of rules if an explanation of such alteration is published in the Federal Register at the time such alteration is made.

"(g) In any case in which an agency has not completed the review of a rule within the period prescribed by subsection (b) or (f) of this section, the agency shall immediately publish in the Federal Register a notice proposing to amend, repeal, or renew the rule under subsection (c) of this section, and shall complete proceedings pursuant to subsection (d) or (e) of this section within one hundred and eighty days after the date on which the review was required to be completed under subsection (b) or (f) of this section.

"(h)(1) Agency compliance or noncompliance with the provisions of subsection (a) of this section shall not be subject to judicial review in any manner.

"(2) Agency compliance or noncompliance with the provisions of subsections (b), (c), (e), (f), and (g) of this section shall be subject to judicial review only pursuant to section 706(a)(1) of this title.

"(i) Nothing in this section shall relieve any agency from its obligation to respond to a petition to issue, amend, or repeal a rule, for an interpretation regarding the meaning of a rule, or for a variance or exemption from the terms of a rule, submitted pursuant to section 553(e) of this title.

"§ 632. Regulatory agenda and calendar

"(a) Each agency shall publish in the Federal Register in April and October of each year an agenda of the rules that the agency expects to propose, promulgate, renew, or repeal in the succeeding twelve months. For each such rule, the agenda shall contain, at a minimum, and in addition to any other information required by law—

"(1) a general description of the rule, including a citation to the authority under which the action with respect to the rule is to be taken, or a specific explanation of the congressional intent to which the objectives of the rule respond;

"(2) a statement of whether or not the rule is or is expected to be a major rule;

"(3) an approximate schedule of the significant dates on which the agency will take action relating to the rule, including the dates for any notice of proposed rule making, hearing, and final action on the rule;

"(4) the name, address, and telephone number of an agency official responsible for answering questions from the public concerning the rule;

"(5) a statement specifying whether each rule listed on the previous agenda has been published as a proposed rule, has been published as a final rule, has become effective, has been repealed, or is pending in some other status; and

"(6) a cumulative summary of the status of the rules listed on the previous agenda in accordance with clause (5) of this subsection.

"(b) The President or an officer in the Executive Office of the President whose appointment has been subject to the advice and consent of the Senate shall publish in the Federal Register in May and November of each year a Calendar of Federal Regulations listing each of the major rules identified in the regulatory agendas published by agencies in the preceding month. Each rule listed in the calendar shall be accompanied

by a summary of the information relating to the rule that appeared in the most recent regulatory agenda in which the rule was identified.

"(c) An agency may propose or promulgate a major rule that was not listed in the regulatory agenda required by subsection (a) of this section only if the agency publishes with the rule an explanation of the omission of the rule from such agenda and otherwise complies with this section with respect to that rule.

"(d) Any compliance or noncompliance by the agency with the provisions of this section shall not be subject to judicial review.

"§ 633. Establishment of deadlines

"(a)(1) Whenever any agency publishes a notice of proposed rule making pursuant to section 553 of this title, the agency shall include in such notice an announcement of the date by which it intends to complete final agency action on the rule.

"(2) If any agency announcement under this section indicates that the proceeding relating to such rule will require more than one year to complete, the agency shall also indicate in the announcement the date by which the agency intends to complete each major portion of that proceeding. In carrying out the requirements of this subsection, the agency shall select dates for completing agency action which will assure the most expeditious consideration of the rule which is possible, consistent with the interests of fairness and other agency priorities.

"(3) The requirements of this subsection shall not apply to any rule on which the agency intends to complete action within one hundred and twenty days after providing notice of the proposed action.

"(b) If an agency fails to complete action in a proceeding, or a major portion of the proceeding, by the date announced pursuant to subsection (a) of this section, or, in the case of a proceeding described in paragraph (3) of such subsection, if an agency fails to complete action within one hundred and twenty days after providing notice of such proposed action, and the expected delay in completing action will exceed thirty days, the agency shall promptly announce the new date by which the agency intends to complete action in such proceeding and new dates by which the agency intends to complete action on each major portion of the proceeding.

"(c) Compliance or noncompliance by an agency with the provisions of this section shall not be subject to judicial review except in accordance with subsection (d).

"(d) In determining whether to compel agency action unreasonably delayed pursuant to section 706(a)(1) of this title, the reviewing court shall consider, in addition to any other relevant factors, the extent to which the agency has failed to comply with this section.

"SUBCHAPTER IV—REPORT TO THE CONGRESS

"§ 641. Annual report

"Not later than January 31 of each year, the President shall report to the Congress on the regulatory activities of the Government. The report shall include—

"(1) a description of the regulatory functions and activities of the Government, and the relationship of such functions and activities to national needs; and

"(2) an estimate, for the national economy and for each of the major sectors of the national economy, of the costs and benefits resulting from—

"(A) all major rules promulgated during the preceding fiscal year;

"(B) all major rules included on the regulatory agenda published under section 632 of this title during April and October of the year preceding the year in which the report is made; and

"(C) all major rules scheduled for review under section 631 of this title to the extent possible.".

(b) Such chapter is further amended—

(1) by inserting after the chapter analysis the following new subchapter heading:

"SUBCHAPTER I—REGULATORY FLEXIBILITY";

and

(2) by striking out "this chapter" each place it appears in subchapter I and inserting in lieu thereof in each such place "this subchapter".

(c) The chapter analysis of such chapter is amended—

(1) by inserting after the chapter heading the following new subchapter heading:

"SUBCHAPTER I—REGULATORY FLEXIBILITY";

and

(2) by adding at the end thereof the following:

"SUBCHAPTER II—ANALYSIS OF AGENCY PROPOSALS

"Sec.
"621. Definitions.
"622. Regulatory analysis.
"623. Judicial review.
"624. Executive oversight.

"SUBCHAPTER III—REGULATORY PRIORITIES AND REVIEW

"631. Review of agency rules.
"632. Regulatory agenda and calendar.
"633. Establishment of deadlines.

"SUBCHAPTER IV—REPORT TO THE CONGRESS

"641. Annual report.".

JUDICIAL REVIEW

SEC. 5. Section 706 of title 5, United States Code, is amended to read as follows:

"§ 706. Scope of review

"(a) To the extent necessary to decision and when presented, the reviewing court shall independently decide all relevant questions of law, interpret constitutional and statutory provisions, and determine the meaning or applicability of the terms of agency action. The reviewing court shall—

"(1) compel agency action unlawfully withheld or unreasonably delayed; and

"(2) hold unlawful and set aside agency action, findings, and conclusions found to be—

"(A) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law;

"(B) contrary to constitutional right, power, privilege, or immunity;

"(C) in excess of statutory jurisdiction, authority, or limitations, or short of statutory right;

"(D) without observance of procedure required by law;

"(E) unsupported by substantial evidence in a proceeding subject to sections 556 and 557 of this title or otherwise reviewed on the record of an agency hearing provided by statute; or

"(F) unwarranted by the facts to the extent that the facts are subject to trial de novo by the reviewing court.

"(b) In making the foregoing determinations, the court shall review the whole record or those parts of it cited by a party, and due account shall be taken of the rule of prejudicial error.

"(c) In making determinations concerning statutory jurisdiction or authority under subsection (a)(2)(C) of this section, the court shall require that action by the agency is within the scope of the agency jurisdiction or authority on the basis of the language of the statute or, in the event of ambiguity, other evidence of ascertainable legislative intent. In making determinations on other questions of law, the court shall not accord any presumption in favor of or against agency action, but in reaching its independent judgment concerning an agency's interpretation of a statutory provision, the court shall give the agency interpretation such weight as it warrants, taking into account the discretionary authority provided to the agency by law.

"(d) In making a finding under subsection (a)(2)(A) of this section, the court shall determine whether the factual basis of a rule adopted in a proceeding subject to section 553 of this title is without substantial support in the rule making file.".

VENUE

SEC. 6. (a) Section 2112 of title 28, United States Code, is amended—

(1) by striking out the last three sentences of subsection (a);

(2) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(3) by inserting after subsection (a) the following new subsection:

"(b)(1) If proceedings have been instituted in two or more courts of appeals with respect to the same agency action and the first such proceeding was instituted more than five days before the second, the record shall be filed in that court in which the proceeding was first instituted. If the first such proceeding was not instituted more than five days before the institution of a later proceeding with respect to the same agency action, and the agency, board, commission, or officer concerned has received written notice from the parties instituting each of these proceedings, the agency, board, commission, or officer concerned shall promptly advise in writing the Administrative Office of the United States Courts, with respect to the first proceeding and all proceedings initiated within five days of the first proceeding, that such multiple proceedings have been instituted and shall identify each court for which it has notice that such proceedings are pending. Pursuant to a system of random selection devised for this purpose, the Administrative Office thereupon shall select the court in which the record shall be filed from among those identified by the agency. Upon notification of such selection, the agency, board, commission, or officer concerned shall promptly file the record in such court. For the purpose of review of agency action which has previously been remanded to the agency, board, commission, or officer concerned, the record shall be filed in the court of appeals which remanded such order.

"(2) Where proceedings have been instituted in two or more courts of appeals with respect to the same agency action and the record has been filed in one of such courts pursuant to paragraph (1), the other courts in which such proceedings are pending shall promptly transfer such proceedings to the court of appeals in which the record has been filed. Pending selection of a court pursuant to subsection (1), any court in which a proceeding has been instituted may postpone the effective date of the agency action until fifteen days after the Administrative Office has selected the court in which the record shall be filed. Such postponement by the court may thereafter be modified, re-

voked, or extended by the court in which the record is to be filed.

"(3) Any court in which a proceeding with respect to any agency action is pending, including any court selected pursuant to paragraph (1), may transfer such proceeding to any other court of appeals for the convenience of the parties or otherwise in the interest of justice.".

(b) Section 604(a) of title 28, United States Code, is amended—

(1) by redesignating paragraphs (17) and (18) as paragraphs (18) and (19), respectively, and

(2) by inserting after paragraph (16) the following new paragraph:

"(17) Pursuant to section 2112 of this title, where proceedings with respect to action of any agency, board, commission, or officer have been instituted in two or more courts of appeals, administer a system of random selection to determine the appropriate court in which the record is to be filed.".

ADVISORY COMMITTEE

SEC. 7. Clause (iii) of section 3(2)(C) of the Federal Advisory Committee Act is amended to read as follows: "(iii) any committee which is composed wholly of full-time officers or employees of the Federal Government, or elected officials of State or local governments acting in their official capacities or their representatives or representatives of their national organizations.".

RESOLUTION OF AGENCY JURISDICTIONAL CONFLICT

SEC. 8. (a) Section 2201 of title 28, United States Code, is amended by inserting "(a)" before "In" and by adding at the end thereof the following new subsections:

"(b)(1) Except as provided in paragraph (3), upon the filing of an appropriate pleading by a regulatory agency or a public utility, the district courts shall have original jurisdiction of any civil action or proceeding to resolve a controversy between two or more regulatory agencies, with respect to jurisdiction to regulate any of the rates, services, or records relating thereto, of a public utility unless all of such agencies are agencies of the same State.

"(2) If any party shall apply to the court before whom the pleading is filed for leave to adduce additional evidence relevant to a finding of jurisdiction, and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for failure to adduce such additional evidence in proceedings before one or more of the regulatory agency parties to the action brought hereunder, the court may order such additional evidence to be taken before any of such regulatory agencies and to be adduced upon the hearing in such manner and upon such terms and conditions as the court deems proper.

"(3) If the courts of appeals have exclusive original jurisdiction to review agency action of a regulatory agency, then an action or proceeding under this subsection with respect to a controversy to which such regulatory agency is a party shall be brought in such court of appeals rather than in the district court.

"(c) The court may declare the rights and other legal relations of the parties to an action or proceeding brought under subsection (b) to the extent necessary to resolve the controversy with respect to jurisdiction and may take any action necessary to maintain the status quo pending such declaration, or pending appeal of such declaration, including staying any civil action or proceeding that might be affected by such declaration. Such action or declaration shall not be withheld—

"(1) on the ground that a controversy with respect to matters other than jurisdiction to regulate may exist between or among the parties,

"(2) due to failure to pursue or exhaust any administrative remedies, or

"(3) due to inconsistent provisions of other statutes providing for judicial review of such agency action, including the regulatory statutes under which the controversy has arisen.

Any such declaration shall have the force and effect of a final judgment or decree and shall be reviewable as such.

"(d) For purposes of this subsection—

"(1) the term 'State' includes the District of Columbia and any territory or possession of the United States;

"(2) the term 'public utility' is any entity which offers its services to the public or any segment thereof, and whose rates are subject to regulation on a cost of service or rate of return basis by one or more regulatory agencies;

"(3) the term 'regulatory agency' includes any agency having or exercising any regulatory function with respect to any public utility; and

"(4) the term 'agency' means the United States, a State or political subdivision of a State, or any agency or instrumentality of the United States or any such State subdivision or agency.".

(b)(1) Chapter 151 of title 28, United States Code, is amended by adding at the end thereof the following new section:

"§ 2203. Process and procedure

"In any civil action or proceeding under section 2201(b) of this title, (1) the United States or any agency of the United States may join or be joined as a party, (2) any State or State subdivision or agency thereof may join or, with its consent where necessary, be joined as a party, and a district court may issue its process for such purposes without regard to territorial limitations.".

(2) The table of sections for chapter 151 of title 28, United States Code, is amended by adding at the end thereof the following new item:

"2203. Process and procedure.".

(c)(1) Chapter 87 of title 28, United States Code, is amended by adding at the end thereof the following new section:

"§ 1409. Public utility jurisdictional controversies

"Any civil action or proceeding for a declaratory judgment under section 2201(b) of this title may be brought in any judicial district in which the public utility resides or has its principal office, or in the United States District Court for the District of Columbia, except that whenever one or more States or subdivisions thereof or the agencies of a State or a subdivision thereof are parties, the civil action or proceeding must be brought in a judicial district within one of such States.".

(2) The table of sections for chapter 87 of title 28, United States Code, is amended by adding at the end thereof the following new item:

"1409. Public utility jurisdictional controversies.".

PROHIBITION AGAINST INTERVENOR FUNDING

SEC. 9. (a) Subchapter II of chapter 5 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"§ 560. Prohibition against intervenor funding

"Except as provided in section 504 of this title, section 2412 of title 28, section 319 of the Federal Power Act, section 18(h) of the Federal Trade Commission Act, section 7(c) of the Consumer Product Safety Act, section 22 of the Act entitled 'An Act to provide certain basic authority for the Department of State', approved August 1, 1956, and paragraphs (4) and (5) of section 6(c) of the Toxic Substances Control Act, and except as otherwise expressly authorized by statute, no appropriated funds available to any agency may be used to pay the expenses of persons participating or intervening in agency proceedings.".

(b) The table of sections for such chapter is amended by adding at the end thereof the following:

"560. Prohibition against intervenor funding.".

USE OF STATE AND LOCAL REQUIREMENTS

SEC. 10. (a) Subchapter II of chapter 5 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"§ 561. Use of duplicative State or local requirements

"(a) Except as otherwise provided by law, the head of each Federal agency is authorized, in the administration of a Federal statute with respect to any State or locality, to adopt as a Federal rule a regulation of that State or local government or use as a Federal recordkeeping or reporting requirement or implementation procedure a recordkeeping or reporting requirement or implementation procedure of that State or locality if the head of the agency determines—

"(1) that such State or local government regulation, implementation procedure, recordkeeping requirement, or reporting requirement duplicates a Federal regulation, procedure, recordkeeping requirement, or reporting requirement; and

"(2) that such State or local government regulation, implementation procedure, recordkeeping requirement, or reporting requirement is substantively equivalent to or more stringent than the Federal regulation, procedure, recordkeeping requirement, or reporting requirement.

"(b) When the head of an agency determines to use a State or local recordkeeping or reporting requirement, or implementation procedure, as a Federal recordkeeping or reporting requirement or implementation procedure in that State or locality, the head of the agency shall prepare, at a minimum, a written statement of the reasons for any determination made under subsection (a), and shall make such statement available to the public.

"(c) This section does not limit the authority or responsibility of the head of any agency to enforce Federal law.".

(b) Section 551(5) of title 5, United States Code, is amended by inserting a comma and "or the adoption of a rule pursuant to section 561 of this title" before the semicolon.

(c) The table of sections for chapter 5 of such title is amended by inserting after the item relating to section 560 the following new item:

"561. Use of duplicative State or local requirements.".

PRESIDENTIAL AUTHORITY

SEC. 11. Nothing in this Act (1) limits the exercise by the President of the authority and responsibility that the President other-

wise possesses under the Constitution and other laws of the United States with respect to regulatory policies, procedures, and programs of departments, agencies, and offices, or (2) alters in any manner rulemaking authority vested by law in an agency to initiate or complete a rule making proceeding, or to issue, modify, or rescind a rule.

CONFORMING AMENDMENTS

SEC. 12. (a) Section 33(c) of the Federal Energy Administration Act of 1974 (15 U.S.C. 789(c)) is amended by striking out "(without regard to subsection (a)(2) thereof)" and inserting in lieu thereof "(without regard to clauses (2) and (4) of subsection (a) of such section)".

(b)(1) Section 3(e)(1) of the Federal Hazardous Substances Labeling Act (15 U.S.C. 1262(e)(1)) is amended by striking out "(other than clause (B) of the last sentence of subsection (b) of such section)" and inserting in lieu thereof "(other than paragraphs (2)(A) and (3) of subsection (b) of such section)".

(2) Section 3(e)(3)(C) of such Act (15 U.S.C. 1262(e)(3)(C)) is amended by inserting "(a)" after "section 706".

(c)(1) Section 5(a) of the Poison Prevention Packaging Act of 1970 (15 U.S.C. 1474(a)) is amended by striking out "(other than paragraph (3)(B) of the last sentence of subsection (b) of such section)" and inserting in lieu thereof "(other than paragraphs (2)(A) and (3) of subsection (b) of such section)".

(2) Section 5(b)(3) of such Act (15 U.S.C. 1474(b)(3)) is amended by inserting "(a)" after "section 706".

(d) Section 19(c)(1)(B)(iii)(II) of the Toxic Substances Control Act (15 U.S.C. 2618(c)(1)(B)(iii)(II)) is amended by striking out "section 553(c)" and inserting in lieu thereof "section 553(c)(6)".

(e) Section 4218(b) of title 18, United States Code, is amended—

(1) by striking out "section 553(b)(3)(A)" and inserting in lieu thereof "section 553(a)(3)"; and

(2) by striking out "statements" and inserting in lieu thereof "statement".

(f) Section 409 of the General Education Provisions Act (20 U.S.C. 1221e-4) is amended by striking out "exception provided under section 553(b)" and inserting in lieu thereof "exceptions provided under subsection (a)(3) and paragraphs (2)(A) and (3) of subsection (b) of section 553".

(g)(1) Section 508 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 358) is amended—

(A) by striking out "section 4 of the Administrative Procedure Act (5 U.S.C. 1003)" in subsection (c) and inserting in lieu thereof "section 553"; and

(B) by striking out "section 4 of the Administrative Procedure Act (5 U.S.C. 1003)" in subsection (e) and inserting in lieu thereof "section 553".

(2) Section 514(e)(4) of such Act (21 U.S.C. 360d(e)(4)) is amended by striking out "subsection (b)(A)" and inserting in lieu thereof "subsection (a)(3)".

(h) Section 426(a) of the Federal Coal Mine Health and Safety Act of 1969 (30 U.S.C. 936(a)) is amended by striking out "subsection (a) thereof" and inserting in lieu thereof "subsection (a) (1), (2), and (4) of such section".

(i) Section 5(a) of the Deepwater Port Act of 1974 (33 U.S.C. 1504(a)) is amended by striking out "without regard to subsection (a) thereof" and inserting in lieu thereof "without regard to clauses (1), (2), and (4) of subsection (a) of such section".

(j) Section 10(a) of the Act of June 30, 1936 (49 Stat. 2036, as amended; 41 U.S.C. 43a(a)) is amended by striking out "section 4 of the Administrative Procedure Act, such Act" and inserting in lieu thereof "section 553 of title 5, United States Code, the provisions of chapters 5, 6, and 7 of such title".

(k) Section 2(a)(2) of the Act of June 25, 1936 (52 Stat. 1196; 41 U.S.C. 47(a)(2)) is amended by striking out "subsections (b), (c), (d), and (e) of section 553 of title 5, United States Code," and inserting in lieu thereof "section 553 of title 5, United States Code (without regard to clauses (1), (2), and (4) of subsection (a) of such section)".

(l) Section 170A(c) of the Atomic Energy Act of 1954 (42 U.S.C. 2210a(c)) is amended by striking out "(without regard to subsection (a)(2) thereof)" and inserting in lieu thereof "(without regard to clauses (2) and (4) of subsection (a) of such section)".

(m) Section 6(c)(2) of the Noise Control Act of 1972 (42 U.S.C. 4905(c)(2)) is amended by striking out "the first sentence of".

(n) Section 501(b)(3) of the Department of Energy Organization Act (42 U.S.C. 7191(b)(3)) is amended by striking out "subsection (a)(2) of such section with respect to public property, loans, grants, or contracts" and inserting in lieu thereof "subsection (a)(4) of such section".

(o) Section 307(d) of the Clean Air Act (42 U.S.C. 7607(d)) is amended by striking out "subparagraphs (A) or (B) of subsection 553(b)" in paragraph (1)(N) and inserting in lieu thereof "subsection (a)(3) and paragraphs (2)(A) and (3) of subsection (b) of section 553".

(p) Section 102(a) of the Ocean Thermal Energy Conversion Act of 1980 (42 U.S.C. 9112(a)) is amended by striking out "without regard to subsection (a) thereof" and inserting in lieu thereof "without regard to clauses (1), (2), and (4) of subsection (a) of such section".

(q) Section 310 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1740) is amended by striking out "section 553(a)(2)" and inserting in lieu thereof "clauses (2) and (4) of section 553(a)".

CONGRESSIONAL REVIEW

SEC. 13. (a) Title 5, United States Code, is amended by inserting immediately after chapter 7 the following new chapter:

"CHAPTER 8—CONGRESSIONAL REVIEW OF AGENCY RULE MAKING

"Sec.
"801. Definitions.
"802. Congressional review of agency rules.
"803. Procedures for consideration of resolutions of disapproval.

"§ 801. Definitions

"For purposes of this chapter—

"(1) the term 'agency' has the same meaning as in section 551(1) of this title;

"(2) the term 'rule' means any rule which is subject to section 553 of this title;

"(3) the term 'resolution of disapproval' means a concurrent resolution of the Congress, the matter after the resolving clause of which is as follows: 'That the Congress disapproves the recommended final rule issued by dealing with the matter of , which rule was transmitted to the Congress on .', the first blank being filled with the name of the agency issuing the rule, the second blank being filled with the title of the rule and such further description as may be necessary to identify it, and the third blank being filled with the date of transmittal of the rule to the Congress; and

"(4) the term 'appropriate committee' means the committee of the House of Representatives and the committee of the Senate which has primary legislative jurisdiction over the statute pursuant to which an agency issues a rule.

"§ 802. Congressional review of agency rules

"(a)(1) The provisions of this section do not apply to—

"(A) any rule for which an agency makes a finding under section 553(b)(3) of this title;

"(B) any rule of particular applicability that approves or prescribes for the future rates, wages, prices, services, or allowances therefor, corporate or financial structures, reorganizations, mergers, or acquisitions thereof, or accounting practices or disclosures bearing on any of the foregoing; and

"(C) any rule if—

"(i) the agency made a finding with respect to such rule under section 553(b)(2) of this title; or

"(ii) the head of the agency determines that the rule is being issued in response to an emergency situation or other exceptional circumstances requiring immediate agency action in the public interest; and

"(iii) on the date on which the agency issues the rule, the head of the agency submits to the chairman and ranking minority member of the appropriate committees a written notice specifying the reasons for the determination of the agency under clause (i) or (ii) of this subparagraph.

"(2) Notwithstanding any other provision of law, unless earlier withdrawn by the agency or earlier set aside by judicial action, a rule to which paragraph (1)(C) of this subsection applies shall terminate one hundred and twenty days after the date on which it is issued.

"(b)(1) Notwithstanding any other provision of law, any final rule subject to this section shall be considered a recommendation of the agency to the Congress and shall have no force and effect as a rule unless such rule has become effective in accordance with this section.

"(2)(A) Notwithstanding any other provision of law, no recommended final rule of an agency may become effective until the expiration of a period of forty-five days of continuous session of Congress after the date on which the rule is received by the Congress under paragraph (4) of this subsection. If before the expiration of such forty-five-day period, either appropriate committee orders reported or is discharged from consideration of a resolution of disapproval with respect to such rule, such rule may not become effective if within thirty days of continuous session of Congress after the date on which such committee orders reported or is discharged from further consideration of such resolution, one House of Congress agrees to such resolution of disapproval of the rule and within thirty additional days of continuous session of Congress after the date of transmittal of the resolution of disapproval to the other House, such other House agrees to such resolution of disapproval.

"(B) Whenever an appropriate committee reports a resolution of disapproval pursuant to this paragraph, the resolution shall be accompanied by a committee report specifying the reasons for the committee's action.

"(C) Notwithstanding subparagraph (A) of this paragraph, a recommended final rule may become effective at any time after the day on which either House of Congress defeats a resolution of disapproval, and, in the

case of the Senate, a motion to reconsider such resolution is disposed of.

"(3)(A) Except as provided in subparagraph (B) of this paragraph, if Congress adjourns sine die at the end of a Congress prior to the expiration of the periods specified in paragraph (2)(A) of this subsection with respect to a recommended final rule, the rule shall not become effective during that Congress. The agency which issued such recommended final rule may transmit such rule at any time after the first day of the following Congress in accordance with paragraph (4) of this subsection, and the periods specified in paragraph (2)(A) of this subsection with respect to any such rule shall begin on the date such rule is transmitted to the Congress.

"(B) If—

"(i) Congress adjourns sine die at the end of a Congress prior to the expiration of the periods specified in paragraph (2)(A) of this subsection with respect to a recommended final rule;

"(ii) an agency transmits such recommended final rule to the Congress at least forty-five days of continuous session of Congress prior to the day on which Congress adjourns sine die at the end of a Congress; and

"(iii) either House of Congress does not adopt a resolution of disapproval with respect to such recommended final rule prior to the day on which Congress adjourns sine die at the end of a Congress,

such rule may become effective at any time after the day on which Congress adjourns sine die at the end of a Congress.

"(4)(A) On the day on which a recommended final rule is transmitted for publication to the Federal Register, an agency shall transmit to the Secretary of the Senate and the Clerk of the House of Representatives a copy of the complete text of such recommended final rule and a copy of any other materials transmitted to the Federal Register with such rule.

"(B)(i) If either House of Congress is not in session on the day on which a recommended final rule is transmitted for publication to the Federal Register, the periods specified in paragraph (2)(A) of this subsection with respect to such rule shall begin on the first day thereafter when both Houses of Congress are in session.

"(ii) The Secretary of the Senate and the Clerk of the House of Representatives are authorized to receive recommended final rules and materials transmitted under this paragraph on days when the Senate or the House of Representatives, as the case may be, is not in session.

"(C) On the day on which the Secretary of the Senate and the Clerk of the House of Representatives receive a recommended final rule and the materials transmitted with such rule, the Secretary and the Clerk shall transmit a copy of such rule and such materials to the appropriate committees.

"(c)(1) If a recommended final rule of an agency is disapproved under this section, the agency may issue a recommended final rule which relates to the same acts or practices as the disapproved rule. Such recommended final rule—

"(A) shall be based upon—

"(i) the rule making record of the recommended final rule disapproved by the Congress; or

"(ii) such rule making record and the record established in supplemental rule making proceedings conducted by the agency in accordance with section 553 of this title, in any case in which the agency determines that it is necessary to supplement the existing rule making record; and

"(B) may reflect such changes as the agency considers necessary or appropriate including such changes as may be appropriate in light of congressional debate and consideration of the resolution of disapproval with respect to the rule.

"(2) An agency, after issuing a recommended final rule under this subsection, shall transmit such rule to the Secretary of the Senate and the Clerk of the House of Representatives in accordance with subsection (b) of this section, and such rule shall only become effective in accordance with such subsection.

"(d) Congressional inaction on or rejection of a resolution of disapproval with respect to a recommended final rule shall not be deemed an expression of approval of such rule.

"§ 803. Procedures for consideration of resolutions of disapproval

"(a) The provisions of this section, paragraphs (3) and (4) of section 801, and paragraphs (2)(B) and (4)(C) of section 802(b) are enacted by Congress—

"(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions of disapproval; and they supersede other rules only to the extent that they are inconsistent therewith; and

"(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

"(b) Except as provided in subsection (e) of this section, resolutions of disapproval shall, upon introduction or receipt from the other House of Congress, be immediately referred by the presiding officer of the Senate or the House of Representatives to the appropriate committee of the Senate or the House of Representatives, as the case may be.

"(c)(1)(A) Except as provided in subparagraph (B) of this paragraph, if the committee to which a resolution of disapproval has been referred does not report such resolution within thirty days of continuous session of Congress after the date of transmittal to the Congress of the recommended final rule to which such resolution relates, it shall be in order to move to discharge the committee from further consideration of such resolution.

"(B) If the committee to which a resolution of disapproval transmitted from the other House has been referred does not report such resolution within twenty days after the date of transmittal of such resolution from the other House, it shall be in order to move to discharge such committee from further consideration of such resolution.

"(2) Any motion to discharge under paragraph (1) of this subsection must be supported in writing by one-fifth of the Members, duly chosen and sworn, of the House of Congress involved, and is highly privileged in the House and privileged in the Senate (except that it may not be made after a resolution of disapproval has been reported with respect to the same rule); and debate thereon shall be limited to not more than one hour, the time to be divided in the House of Representatives equally between those favoring and those opposing the motion to discharge and to be divided in the Senate equally between, and controlled, by the majority leader and the minority leader or their designees. An amendment to the motion is not in order.

"(d)(1) Except as provided in paragraphs (2) and (3) of this subsection, consideration of a resolution of disapproval shall be in accord with the rules of the Senate and of the House of Representatives, respectively.

"(2) When a committee has reported or has been discharged from further consideration of a resolution of disapproval, or when the companion resolution from the other House has been placed on the calendar of the first House, it shall be in order, notwithstanding the provisions of rule XXII of the Standing Rules of the Senate or any other rule of the Senate or the House of Representatives, at any time thereafter (even though a previous motion to the same effect has been disagreed to) to move to proceed to the immediate consideration of either such resolution. The motion is highly privileged in the House and privileged in the Senate and is not debatable. An amendment to the motion is not in order.

"(3) Debate on a resolution of disapproval shall be limited to not more than two hours (except that when one House has debated its resolution of disapproval, the companion resolution shall not be debatable), which shall be divided in the House of Representatives equally between those favoring and those opposing the resolution and which shall be divided in the Senate equally between, and controlled, by the majority leader and the minority leader or their designees. A motion further to limit debate is not in order. An amendment to, or motion to recommit the resolution is not in order. A motion to reconsider shall be in order only on the day on which occurs the vote on adoption of the resolution of disapproval, and shall not be debatable. Any other motions shall be decided without debate.

"(e) If a resolution of disapproval has been ordered reported or discharged from the committee of the House to which it was referred, and that House receives a resolution of disapproval with respect to the same rule from the other House, the resolution of disapproval of the other House shall be placed on the appropriate calendar of the first House. If prior to the disposition of a resolution of disapproval of one House, that House receives the companion resolution of disapproval from the other House, the vote in the first House shall occur on the resolution of disapproval of the other House.

"(f) The provisions of this chapter supersede any other provision of law requiring action by both Houses of Congress for congressional review or disapproval of agency rules to the extent such other provisions are inconsistent with this chapter. The provisions of this chapter do not supersede any other provisions of law requiring action by only one House of Congress for congressional review or disapproval of agency rules.

"(g) For the purposes of this chapter—

"(1) continuity of session is broken only by an adjournment sine die at the end of a Congress; and

"(2) the days on which either House is not in session because of an adjournment or recess of more than fifteen days are excluded in the computation of days of continuous session.".

(b) The table of chapters for part I of title 5, United States Code, is amended by inserting immediately after the item relating to chapter 7 the following:

"8. Congressional Review of Agency Rule Making.....801".

SEVERABILITY

SEC. 14. If the provisions of any part of this Act or the amendments made by this Act, or the application thereof, to any person or circumstances is held invalid, the provisions of the other parts of this Act or the amendments made by this Act and their application to other persons or circumstances shall not be affected.

OPEN MEETINGS

SEC. 15. Section 552b(a)(1) of title 5, United States Code, is amended by inserting before the semicolon a comma and "and also means the Chrysler Corporation Loan Guarantee Board".

EFFECTIVE DATES

SEC. 16. (a)(1) The provisions of sections 2, 3, 5, and 12 of this Act and the amendments made by such sections, and the provisions of subchapter II of chapter 6 of title 5, United States Code (as added by section 4 of this Act), shall take effect on January 1, 1985, and shall not apply to any proceeding for which a notice of proposed rule making was issued before such effective date or to any other agency action initiated before such effective date.

(2) The provisions of section 621(4)(IV) of title 5, United States Code (as added by section 4 of this Act) shall not be in effect after June 30, 1985, unless the President certifies that the extension or reinstitution of such provisions is necessary to allow the Federal agencies authorized to issue rules identified in that section to take expeditious and appropriate action to preserve the viability, safety, or soundness of federally insured depository institutions. Any certification by the President under this subsection may only be made for a single one-year period beginning after June 30, 1985.

(b) The provisions of subchapter III of chapter 6 of title 5, United States Code (as added by section 4 of this Act) shall take effect six months after the date of enactment of this Act.

(c) The provisions of section 6 of this Act shall take effect three months after the date of enactment of this Act and shall apply, according to the provisions thereof, to review proceedings instituted after such date.

(d) The provisions of subchapter IV of chapter 6 of title 5, United States Code (as added by section 4 of this Act), and the provisions of sections 7, 9, 10, 11, and 15 of this Act and the amendments made by such sections shall take effect on the date of enactment of this Act.

(e) The amendments made by section 8 of this Act shall take effect on the date of enactment of this Act, and shall not apply to any civil action commenced prior to such date.

(f) The provisions of section 13 of this Act and the amendments made by such section shall take effect on the first day of the Ninety-ninth Congress.

● Mr. HEFLIN. Mr. President, today, I join with my distinguished colleague, Senator CHARLES GRASSLEY, in support of Senate bill 1080, the Grassley/Heflin Regulatory Reform Act of 1983.

I would like to commend Senator GRASSLEY, the chairman of the Subcommittee on Administrative Practice and Procedure, for his dynamic leadership and guidance in this legislative effort.

This bill is designed to make a long overdue comprehensive reform of the process by which Federal agencies carry out their functions. This measure is identical to Senate bill 1080 which was passed by the Senate in the 97th Congress by a vote of 94 to 0.

In the past quarter century, we have witnessed a rapid increase in the growth of Federal regulations. We, as legislators, again have the opportunity to limit the role of unelected officials in dispensing economic and social regulation. I believe we have a mandate to perform this task. Where regulation is unnecessary and stifles competition, we should eliminate it. And even where regulation is necessary in protecting the public trust, we must make it work more efficiently.

Federal regulations have mushroomed into a massive web only to ensnarl both business and consumers in its mighty grip. It feeds off of taxpayers moneys while spawning more and more expensive and time-consuming litigation, even amongst its own various agencies.

Federal expenditures for regulatory activities in fiscal year 1982 were nearly $7½ billion, but the ultimate costs to the American taxpayer is at least 10 times this amount. We have allowed free enterprise to become subservient to a complex bureaucratic monolith consisting of 58 regulatory agencies issuing 7,000 new rules every year. Mr. President, we simply must free the American economy and the citizens of this country of this burden.

Mr. President, today we consider how we may minimize Government regulation which in so many areas has proved ineffective and costly. If we are successful we will enhance the economic health of our country and reduce the inflationary impact caused from nonessential Government intervention. But if we fail, America's chances for economic recovery will be jeopardized. I am hopeful that commonsense will guide us in this arduous task. Therefore, I urge my colleagues to support and act favorably on Senate bill 1080 with the hope that these new reforms will unshackle business, industry, and consumers from the burdens imposed by unnecessary regulations.

I thank the Chair.●

ORDER OF PROCEDURE TOMORROW

Mr. BAKER. Mr. President, on tomorrow, a vote on cloture pursuant to the provisions of rule XXII will occur 1 hour after the Senate convenes, which will be at 1 p.m., or as soon as a quorum is established thereafter. I point out to Senators that there are three special orders for tomorrow and that those three special orders, together with leadership time, will consume the entire hour before the vote will occur. That hardly seems to be the appropriate way to address a controversial issue. It is too late this evening, in my opinion, to try to negotiate clearances for a unanimous consent request to change that time for a cloture vote.

I say to my friend, the minority leader, that tomorrow, when we convene, I shall confer with him and perhaps my cloakroom will check with Senators to see if we cannot establish a time that will give at least a minimum amount of time for debate on any compromise proposal that may result from the negotiations over that period of time.

Mr. BYRD. Mr. President, will the distinguished majority leader yield?

Mr. BAKER. Yes, I yield.

Mr. BYRD. I would be willing on my part to vitiate the standing order for the two leaders tomorrow insofar as I am concerned. This would be one way of picking up a little time in which Senators could give an explanation of this bill.

Mr. BAKER. I thank the Senator.

Mr. BYRD. I am glad that the majority leader does intend to make the effort to get additional time because many Senators who voted tonight went home without knowledge of the details of the compromise. They may or may not know that there has been an explanation of this compromise in the RECORD, and I should think that they ought to know the details of the compromise before they agree to vitiate cloture tomorrow or vote for or against cloture. I myself might be agreeable to vitiating it tomorrow; I may not be. I may vote for the compromise; I may not. But at least Senators should have an opportunity to learn what the details of this compromise are, especially those on this side of the aisle who were not involved in the compromise. I appreciate what the majority leader has just said.

Mr. BAKER. I thank the Senator.

ORDER REDUCING LEADERSHIP TIME TOMORROW

Mr. BAKER. Mr. President, I think the suggestion of the Senator is a good one. I ask unanimous consent, if he thinks well of the idea, that the time for the two leaders under the standing order tomorrow be reduced to 1 minute each.

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

Mr. BAKER. I thank the Chair.

SENATE SCHEDULE TOMORROW

Mr. BAKER. Mr. President, tomorrow at noon the Senate will reconvene. After the recognition of the two leaders under the abbreviated order, three Senators will be recognized on special order. Unless the time for the cloture vote is changed, it will occur as soon

after 1 p.m., as a quorum can be established.

It would be my hope, however, that tomorrow we could clear on both sides a unanimous-consent that would let us adjust that time to provide for a cloture vote at 2 or 2:15 p.m. instead. I do not now make that request, Mr. President.

Mr. BYRD. Mr. President, will the majority leader put a request that the time be equally divided between the closure of the last special order tomorrow and the beginning of the quorum call, which is automatic under the rule, between himself and myself or our designees?

Mr. BAKER. Yes. Mr. President, I think that also is a good suggestion.

ORDER FOR TIME BETWEEN LAST SPECIAL ORDER AND THE QUORUM CALL BE EQUALLY DIVIDED

Mr. BAKER. Mr. President, I ask unanimous consent that, in any event, the time measured from the expiration of the time of the last special order until the time for the quorum call prior to the cloture vote, if indeed there is a quorum call, be divided equally between the majority and minority leaders or their designees.

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

Mr. BYRD. I thank the majority leader.

Mr. BAKER. I thank the Senator.

RECESS UNTIL 12 NOON TOMORROW

Mr. BAKER. Mr. President, I see no Senator seeking recognition. I move in accordance with the order previously entered that the Senate stand in recess until 12 noon tomorrow.

The motion was agreed to; and, at 8:13 p.m., the Senate recessed until Wednesday, April 20, 1983, at 12 noon.

EXTENSIONS OF REMARKS

EXPORT-IMPORT BANK SMALL BUSINESS AMENDMENTS OF 1983

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. IRELAND. Mr. Speaker, today I am introducing the Export-Import Bank Small Business Amendments of 1983. This legislation is a result of over 4 years of comprehensive analysis of the American export market by me while serving as the chairman of the House Subcommittee on Export Opportunities and Special Small Business Problems. It will, I believe, contribute greatly to the economic revitalization so dearly needed in this country, and to the future development of America's export potential.

In the course of the last 4 years I have had the privilege to meet personally and speak with scores of small business exporters in meetings and hearings in Washington and across this country. These businessmen and women represent thousands of small businesses and their employees. Organizations I have heard from represent still hundreds of thousands more. The Chamber of Commerce of the United States, for example, a body that has worked with my subcommittee, has over 250,000 members and, of these, 90 percent have fewer than 100 employees. This nationwide grassroots effort has led me to some startling conclusions about the nature and direction of the U.S. economy.

The economies of the industrialized and nonindustrialized world increasingly are becoming economically interdependent;

Exports are becoming more important to all nations, and particularly to the United States;

Foreign governments play a critical role in the promotion and development of the trade of our foreign competitors;

Of the businesses of this Nation that export, or have the potential to export, small business offers the most promise for America to realize its economic potential;

And yet, it is in this very sector in which the export promotion efforts of the Federal Government have been least successful.

Mr. Speaker, what I am talking about today is jobs. Jobs across this Nation both in our small towns and in our large urban areas. I am talking about expanding our industrial base, about better husbanding our economic potential, and about developing new markets. I am talking about the future, and about what this Nation can and should do to plan for tomorrow.

More specifically, I would like to share with you some of the more important conclusions from my 4 years of work:

One out of every seven jobs in the United States is now derived from export sales;

Only 1 percent of American manufacturers export over 80 percent of our exports;

Ninety-two percent of all American firms sell only in the United States while 93 percent of the world's populations is outside the United States;

Effective export promotion could result in $4.2 billion in annual exports from some 11,000 manufacturing firms with less than 250 employees;

Such exports could account for over 200,000 high-quality private-sector jobs;

An aggressively promoted small business short-term export loan guarantee program secured by receivables and new orders could be self-financing in perhaps 18 months;

Such a program would result in $900 million to $2.5 billion in new exports, $1.5 to $4.5 billion added to GNP, 45,000 to 130,000 more employment years, and $370 million to $1.1 billion in new Federal revenues for every $1 billion invested;

Yet, between 1980 and 1982 the manufactured exports of small business fell off twice as much as did all U.S. manufactured exports;

In this past year, overall U.S. exports have fallen dramatically. Conservative estimates put the 1983 U.S. merchandise trade deficit at $60 billion, the largest ever. As of March 1983, less than halfway through the fiscal year, the Export-Import Bank of the United States had used but 6 percent of its direct loans and 30 percent of its guarantees and insurance;

Worse, in the program so far most beneficial to small business, the discount loan program, Eximbank officials have testified that only 15 percent of its total authorization has been utilized.

This leads me to believe that immediate action is necessary. While America's export potential has gone unrealized, business and Government leaders also have been highlighting the contrasting but improved export performance of America's trade competitors. Citing just one example, the merchandise export growth rate of West Germany, averaging 6.5 percent annually between 1976 and 1979, rose to 8.8 percent average for the following 2 years. This means that 35 percent or over two-thirds of all jobs in the West German manufacturing industry were dependent on export business in 1981 as compared with 31 percent 5 years before.

At this point, allow me to make my position clear. I do not wish to see our Government become still more involved in the economic affairs of this country. On the contrary, I prefer less Government and free trade. Also, we need strong international agreements that put limits on Government interference, especially of our trade competitors. This way we will not have to ask the U.S. taxpayer to continue to pay the price of allowing our exporters to compete fairly. To strengthen our negotiating position, therefore, we need to utilize our existing resources more efficiently and in a context that will maximize impact.

For this reason I am today introducing these small business amendments to the charter of the Export-Import Bank of the United States. I believe a more competitive bank will help small business, and I believe small business is the best way to help our export marketplace.

Business people across this Nation have told me that a lack of competitive export financing is a very real problem resulting in lost sales and unemployment. Eximbank financing appears to be inadequate, untimely or unavailable. Executives believe that Federal officials are either unaware of or are unconcerned with their problems and that there exists a communication gap between business and Government on this issue.

At the same time, I am aware of the genuine and effective efforts of Eximbank officials to be more responsive to small business. I applaud Chairman William Draper's recent improvements in the discount loan program and in extensions of small business insurance and guarantees. Given that the charter of the Bank is likely to be extended for 5 years, however, I believe that it is necessary to make amendments to the law to insure that the efforts on behalf of the present chairman and of the board continue. Our Nation cannot go on the way we have for another 5 years.

What is more, I believe that budgeting 20 percent of the Bank's loans guarantees and insurance for small business would be the best way in the

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

long run to promote export expansion in the United States. Small business will respond to this. I have thought long and hard about how to promote American exports, and with our export potential and the consequent job creating benefits greatest among small business, I believe this is the best way to help America realize its export potential.

Certain special interests and their spokesmen in Government will claim that I am asking for a giveaway to small business. To this I can only respond that small business is the last through the Eximbank door, not the first. Small business only asks for equality. To qualify for this 20 percent budgeted authority, small business applicants to Eximbank will not have had to be turned down by other Federal programs. Quite the contrary, those small businesses that will apply will do so because they are innovative, farsighted and sound businesses.

Equally important, I believe it is necessary for Eximbank to extend its outreach capacity. Of the 15,000 banks in this country, Eximbank does business primarily with only 300. Likewise, Eximbank does not have representatives in the field, in our small towns, or even in our large cities.

Let me be very candid, I am concerned that Eximbank's activities are not in keeping with its mandate. For a bank that has been created and enjoined to reach the entire American Business Community, I cannot see that it is doing so.

For these reasons I am also asking for the Eximbank to be more responsive in its reporting to Congress in its transactions with all business in this country, small, medium, and large. I have asked for changes in Eximbank's annual and competitive reports, to make them more timely and more comprehensive. With the new information provided to the Congress and with the cooperation of other members of our small business committees, I plan to be more active in the oversight of Eximbank's activities.

Mr. Speaker, I recognize that these proposals could result in dramatic changes in the direction of U.S. exports. If I were a small business person I would see it as an opportunity. If I were a large corporation I would welcome it as an opportunity to broaden the constituency for export promotion. If I were an Eximbank official I would interpret it as an acknowledgment of recent and sincere efforts. As an American, I see it for the good of the Nation.

Mr. Speaker, what I ask is that we expend no more than we otherwise would have. What I ask is that we expend it wisely and reach out and include the thousands of small businesses that are capable of entering the export arena and increasing both American production and employment.

Finally, allow me to quote from a President's state of the Union message:

One of the gravest of the problems which appeal to the wisdom of Congress for solution is the ascertainment of the most effective means for increasing our foreign trade and thus relieving the depression under which our industries are now languishing. The Secretary of the Treasury advises that the duty of investigating this subject be entrusted in the first instance to a competent commission. While fully recognizing the considerations that may be urged against this course, I am nevertheless of the opinion that upon the whole no other would be likely to effect speedier or better results.

Mr. Speaker, those were the words or President Chester A. Arthur uttered on December 1, 1884. It is time to act. I welcome any of you who care to join the battle.●

REAGAN SHOULD TURN FROM "APPEASEMENT" TO A FREEZE

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. MARKEY. Mr. Speaker, it is clear that the United States and the Soviet Union must halt and reverse the arms race before it is too late. It is also clear that the freeze proposal now before the House is a commonsense measure that can be implemented. It is also clear that the opportunities for reaching a freeze agreement with the Soviet Union far outweigh any technical problems.

And as William Colby, former Director of the CIA, makes perfectly clear in the article that follows, a freeze would be in the best security interests of the United States. I commend Mr. Colby's article in the April 19 issue of the Washington Post to my colleagues. It shows that the only missing ingredient for achieving a mutual and verifiable freeze with the Soviets is political will.

REAGAN SHOULD TURN FROM "APPEASEMENT" TO A FREEZE

(By William E. Colby)

To use language meaningful to those of President Reagan's generation (and my own), appeasement doesn't work. I am sure the president would agree with that statement, but in fact, he is engaged in a program of appeasement. NATO's first resolute decision to deploy 108 Pershing II missiles and 464 cruise missiles to meet the Soviet SS20 buildup has been followed by the president's proposal of a zero option on both sides, rejected by the Soviets, and then a suggestion for an interim solution, also rejected by the Soviets.

The president's proposal to supplant the SALT II treaty by the START proposal to reduce strategic launchers to 850 on each side and warheads to 5,000, no more than half of which would be land-based, has been rejected by the Soviets. The U.S.S.R. made a minimal move in our direction by suggesting an 1,800-launcher limit. The administration now considers means by which it could move off its original proposal toward the Soviet position.

Another appeasement being attempted is of the anti-nuclear and nuclear freeze movements in the West. The political force of these movements led the administration to soften its previous positions, in hopes of diluting the impatience of millions of Europeans and Americans over their governments' inability to reduce the nuclear terror to which they are exposed. Minor variations of the degree of terror certainly are not going to appease these movements, particularly when these gestures are matched by plans to bring in new weapons systems like the MX, the D5, the B1, and a whole new dimension of space warfare.

The real requirement is for a bold move to halt the arms race, as a clear indication of resolution to reduce the nuclear terror to which all our populations are subjected. This is the basis for the call for a mutual and verifiable freeze on the testing, production and deployment of nuclear weapons and their delivery systems. A recitation of what this freeze will produce in benefits to the safety of the United States is a compelling argument for Reagan to leapfrog the obstructionists who urge him to oppose it and instead take leadership of it.

A simple projection of current weapons plans that would be obviated by a freeze demonstrates its value to the safety of our country.

(1) A freeze on new types of land-based missiles permitted under SALT II would halt the present Soviet testing of two new types. It would also halt the MX. The prime characteristic of these new weapons is an increase in accuracy and consequent targeting of the land-based missile systems of the other side. While the so-called "first-strike" scenario is discussed as a theoretical possibility today, the advent of these new weapons systems will bring it remarkably closer. Both sides will be convinced that the other will soon have the potential for a single devastating blow, requiring that it keep itself on hair-trigger alert for an equally devastating response. The decision time in such circumstances will be reduced so that automatic, not human, decisions will have to be programmed, offering the sickening prospect of mutual destruction through machine error.

(2) A freeze would bar the development of cruise missile armadas on both sides. While the United States is technologically ahead with this new device to date, it is predictable that the Soviets will develop their own capability within the next decade. They did just that with respect to the MIRV, after it was left out of SALT I in 1972 because the United States had no incentive to bar itself from something the Soviets did not then have. At the end of this decade, we can confidently expect a national debate over the need for a comprehensive air defense system to protect the United States from a Soviet cruise missile armada. This whole development would be eliminated by a freeze today.

(3) A freeze would bar the further development and deployment of the Blackjack bomber on the Soviet side and of the B1 on the American side. This would have to be clarified in the discussions leading to the freeze agreement, but it seems clear that the strategic arms negotiating history considers intercontinental aircraft to be launchers rather than platforms. Again, this would prevent the buildup of a large Soviet intercontinental nuclear air force requiring the

kind of air defense system the Soviets are now hoping can hold off at least some of our B52s.

(4) The freeze would bar the development of the D5 missile by the United States, with its improvements in accuracy leading to the danger of first strike from the sea. Similarly, it would bar a more accurate Soviet submarine-launched missile. It would not bar the replacement of Polaris submarines by Tridents because the negotiating history has considered submarines as platforms rather than as launchers. The Soviets are currently considerably behind the United States in submarine technology, but again it can be confidently expected that they will improve over the next decades through a combination of espionage, allocation of resources and talent, and plain competitive determination. A freeze on launchers would limit the application of those improvements in the nuclear dimension.

Each of the arguments against the freeze collapses under careful examination:

(1) The Soviets are certainly not "superior" to the United States in any meaningful way today. If they were, we would see them using that superiority, rather than indicating concern over the technological superiority of the United States and its ability to leap ahead in technology in the coming years at a pace beyond that possible for the Soviet Union. The present American retaliation potential is absolute, and with a modicum of maintenance, its components will not vanish from old age.

The Soviets restrict their adventurism these days to the safer techniques of proxy war, subversion and attempts to encourage weakness of American will and separation from European opinion. This is not the bluster of someone convinced that he has the power to dominate. It is the wiliness of someone operating from a position of weakness, trying to slow the opponent down without direct confrontation.

(2) Could we verify whether the Soviets would abide by such an agreement? The administration's own reports show that we are doing exactly that in our attention to potential violations of SALT II and the steady buildup of Soviet power. The fact is that our intelligence system will cover the Soviet Union's nuclear weaponry whether there is a freeze between us or not, a freeze treaty would merely make it easier to do so because of the numerous elements included in recent treaties to facilitate the process. Even in areas of ambiguity, of which there will certainly be some, such as the current indications of Soviet violation of the chemical and biological treaty, it is plain that our intelligence systems have picked up these activities. They have not occurred without being exposed to outside scrutiny.

The fact that the Soviets might violate a treaty is not the determinant. No one should "trust" them not to do so. The real point is whether we would catch them at it and be able to act upon that information. The evidence today indicates that this is clearly the case. Any violation that would be extensive enough to have an impact on the strategic balance would certainly be noticed by us.

The real question is what we propose to do about a violation rather than whether we would know of it. In this respect, there are improvements that can be made in procedures, such as third-party investigations and decisions, interim sanctions and greater visibility upon challenge. The Soviets have shown themselves in recent treaties to be willing to yield some of their long-held phobias against exposure of their affairs, provided that the result is specifically in their interest.

(3) A freeze would certainly be of advantage to the Soviet Union, halting the major American nuclear buildup now planned. As with any successful treaty, however, the question is whether it would be in the equal interest of the United States, halting a certain further Soviet buildup of nuclear weaponry, which, of course, it would. We can protect the United States better by convincing the Soviet Union not to develop new weapons systems than by developing the defensive systems to shoot them down if they are used against us.

Thus appeasement is not the answer. It does not satisfy the nuclear priesthood, which thinks only of building new and more complex weapons systems. It does not satisfy the Soviets, as every indication of yielding is taken as a weakening of will to achieve a mutual solution to the arms race. It does not satisfy the opponents of nuclear warfare among the broad populations of Europe and the United States, who believe their leadership has failed to protect them against potential annihilation as a result of the inexorable march of technology.

Only a bold, firm call for a mutual stop in the arms race could cut through the present tangled political and diplomatic negotiations and produce a result worthy of an American president.●

A CALL TO CONSCIENCE

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. MAVROULES. Mr. Speaker, I am compelled to issue a call of conscience on behalf of Dr. Michael Fuchs-Rabinovich, and through him, on behalf of all Soviet Jewry.

The unhappy history of Dr. Fuchs-Rabinovich and his family is tragically all too familiar.

Dr. Michael Fuchs-Rabinovich lives in Moscow with his wife, Marina, and their young son, Michael. The family applied for exit visas to Israel in June 1979, and then waited for more than a year for an answer: a refusal.

With a Ph. D. in mathematics, Dr. Fuchs-Rabinovich was employed as a meterologist at the Moscow Hydro-Meterological Center. He served as the director of the Laboratory for Numerical Methods of Weather Forecasting. As his job carried no security clearance, and as he was not involved in classified work, he feels the Government's claim in February of 1981 that his post at the Hydro-Meteorological Center gave him access to secret information was unjustified.

In fact, the U.S.S.R. has shared this so-called secret information with the meteorological bureaus of the 35 nations that signed the Helsinki accord. The Soviet Union agreed at Helsinki that the work of the Hydro-Meteorological Center was an area of international cooperation. Furthermore there is an international agreement to the effect that all weather forecasting positions are completely unclassified.

Nevertheless, this scientist, whose work is well known and highly respected in the West, was refused a visa on the grounds that his work involved, again, "secret information."

After submitting this visa application, Dr. Fuchs-Rabinovich was stripped of his credentials and harassed at work. He was deprived of his Ph. D. in mathematics, and shifted from his position of manager to that of a simple engineer. His salary was reduced three times. Now his family is in a very difficult financial situation, with an average income per capita of only 50 rubles per month. To compound the family's hardship, I learned recently that Dr. Fuchs-Rabinovich was removed from his position.

He now faces the very real prospect of being prosecuted under the Soviet Union's revised and toughened "parasitism" law.

So the Rabinovich family sits in Moscow, wondering how much more harassment they will suffer, and how much longer they will have to wait for their precious exit visas.

Dr. Fuchs-Rabinovich, his wife, Marina, and their son are the human faces on a human rights issue of grave international consequence. The plight of the Rabinovich's is representative of the problems facing all Soviet Jewry.

A World Conference on Soviet Jewry was held in Jerusalem last month, as a manifestation for concern for the numbers trapped behind the Iron Curtain attempting to exercise their basic human rights. But that conference also bespoke of a far greater peril facing the third largest Jewish community in the world, and that is that the Soviet Jew is threatened with cultural and religious genocide. The prospects of physical harm to this community have increased, as well.

After plentiful testimony about violence, harassment, and discrimination—involving passive Jews as well as those like Dr. Fuchs-Rabinovich, who have applied for exit visas, and others, who want to study or teach Jewish culture—the conference concluded that "there is no future for the Jews" in the U.S.S.R.

British historian Martin Gilbert, who visited the Soviet Union only a few days before the start of the Jerusalem convention, stated that a refusenik told him that, should the West fall silent, "we will end up hanging on the trees."

I fervently hope that the constant monitoring and publicizing of every case, such as this exposition today of Dr. Fuchs-Rabinovich's sorry treatment at the hands of Soviet officialdom, will alleviate the anguish of these individuals. These prisoners of conscience want and need the noise all

of us can make on their behalf, no matter what the personal consequences. They have no other protection but efforts such as this one, aimed at creating controversy for the Soviet Union in the world community by keeping the names of these victims of Soviet repression before us all.

So I will continue to call out on behalf of all those who live in a cruel no man's land of refusal—Dr. Fuchs-Rabinovich, the refuseniks, the prisoners of conscience and to all of Soviet Jewry. For each time there is a plea from us for compassion, their cause is well served.

In order to further advance that cause, Mr. Speaker, I would also like to submit at this time a letter I wrote to the Jerusalem conference:

THIRD INTERNATIONAL
CONFERENCE ON SOVIET JEWRY,
Jersualem, Israel, March 15, 1983.

DEAR CONFERENCE MEMBERS: Sounding a clear and insistent note that calls out for the Soviet government to respect the civil and human rights of its citizens, I readily lend my voice to the resounding chorus of support on behalf of Soviet Jewry.

Today, "prisoners of conscience" suffer from the imposition of a cruel and repressive Soviet policy that severely restricts Soviet Jewish emigration.

As a direct result of that restrictive policy, only 2,688 Jews were permitted to emigrate from the U.S.S.R. in 1982. This figure not only represents a 95 percent drop from 1979 but also the lowest level of Soviet Jewish emigration in twelve years.

Today, too many innocent people stand indicted by a Soviet state that treats a demand for freedom as a crime to be punished rather than as a fundamental right to be protected.

As a result of their brave struggle against a cold and heartless regime, Soviet Jewry has become a symbol of the grave crisis in International human rights.

We are all of us subject to a moral imperative that demands we speak out and express our solidarity with the hundreds of thousands of Soviet Jews who have been denied religious freedom and their rights to emigrate.

And today, here in the city of peace, in this land of redemption, we fulfill our obligation and tell the world of the painful plight of Soviet Jewry.

Sincerely,

NICHOLAS MAVROULES,
Member of Congress.

I say that their cause is a just cause. These men and women who struggle so valiantly for their freedom uplift us by their courage and faith. Most assuredly, they should make us all tremble at the thought of failing them.

No matter the obstacles, we dare not remain silent and we must dare to continue the fight to liberate Soviet Jewry until it is won.●

"THE LAWMAKERS" FEATURES JIM WRIGHT

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. FROST. Mr. Speaker, some of our colleagues may not be aware that JIM WRIGHT was recently featured on a segment of "The Lawmakers," so I am inserting a transcript of the program into the RECORD for their benefit.

Cokie Roberts and Jim Lehrer, two of "The Lawmakers" reporters, did a good job of profiling the personal side of JIM WRIGHT, including his outlook on his work, on being a House Democrat, and on the general nature of life in the House of Representatives. This is a unique look at one of the standard bearers of the Democratic Party and I would recommend it to Members from both sides of the aisle.

"THE LAWMAKERS" FEATURES JIM WRIGHT

COKIE ROBERTS. Jim Wright is a familiar face on the House floor these days. To show you why, we have spent some time looking at what the majority leader does and how he does it.

The Texas barbecue, complete with country music and cowboy boots, comes annually to Washington, thanks to Jim Wright and Fort Worth contractors. The majority leader takes the opportunity every year to extend some Texas friendship and exude some Texas folklore.

REPRESENTATIVE JIM WRIGHT (D-Tex.). Well, the barbecue is a typically Texas invention, I guess. It has its origins, I think, on the trail rides where they would dig a long trench and build a fire and cook beef over the coals, the smoldering coals, until finally the smoke permeated the beef and gave it its flavor, and they tried various other things such as a little bit of sauce made of tomatoes, if they had tomatoes that they could pick along the way, and peppers, Mexican peppers that give it a little authority and a little spice to the zestful flavor of it. Every now and then they might pour in a little tequila, if they found some tequila.

COKIE ROBERTS. Jim Wright's recipe comes with that mix of history and hyperbole that's typical of the majority leader's style. So is his role as host and handshaker, something even Republican colleagues are forced to admire.

JAMES COLLINS, FORMER REPRESENTATIVE. Well, Jim Wright's the host. Have you ever seen anybody work a crowd the way Jim works a crowd? He has worked everybody here. I've been watching him. And Betty's just as good. They shake every hand in the crowd. And with about two thousand people here, how he's managed to have a friendly word for everyone, I don't know.

COKIE ROBERTS. A good word and a good story, like the one about learning to play the harmonica from depression era hobos.

REPRESENTATIVE JIM WRIGHT (D-Tex.). I followed one of them to a place that he called Hooverville, and it was a place of lean-to shanties and rudimentary shelters that were thrown together there near the railroad track, and they had their little fires going, and the plaintive wail as I stood up on a little hill that can overlook this scene of a lonesome fellow playing the "Red River Valley," and it kind of went like this, you know (Representative Wright playing the harmonica).

A MAN. If we could call on the honorable Jim Wright to come forward.

COKIE ROBERTS. The honorable Jim Wright is delighted to come forward; here or in the House, he's ready to perform.

(Visual: Representative Wright playing the harmonica.)

COKIE ROBERTS. These occasions in Washington are never simply social. A colleague remembers the congeniality the next time the majority leader comes to cajole, and even the youngest guest understands the task of his host.

YOUNG BOY. Mostly he runs the Democratic House for the Congressmen.

REPRESENTATIVE THOMAS P. O'NEILL, JR. (D-Mass.). The majority leader is going to announce the program for the remainder of the week.

REPRESENTATIVE JIM WRIGHT (D-Tex.). Mr. Speaker, I ask unanimous consent that I may proceed out of order for the purpose of discussing the program for the—today and the . . .

COKIE ROBERTS. Running the Democratic House means setting the legislative schedule, filling in for the Speaker when he's away, serving as a sort of Speaker-in-waiting all the while campaigning for the top job itself, something Jim Wright does often and well.

REPRESENTATIVE JIM WRIGHT (D-Tex.). I came where the notion that a majority leader ought to be part parish priest, part evangelist, and every now and then part prophet. You have to heal the wounds that afflict the body politic, you have to salve the sore spots, you have to make peace, you have to keep the flock reasonably well together, you have to—and that's a parish priest.

REPRESENTATIVE JIM WRIGHT (D-Tex.). (December 4, 1980) The two biggest decisions confronting you right now are your staff and the committee on which you'll serve.

COKIE ROBERTS. The parish priest makes a habit of indoctrinating the new souls in his flock. The freshmen members get a good look at their majority leader as soon as they arrive on the scene.

REPRESENTATIVE MICKEY LELAND (D-Tex.). When you come to Congress fresh, as you will, the members—I felt this way—you know, they look at the leadership in awe and of a somewhat untouchable character, and so when the leader of the House of Representatives goes to speak to freshmen, works with them as he does, you know, has a dinner for them, then, you know, treats them as equals, then they tend to lose those barriers and begin to feel as if they are seasoned members of Congress and, thus, they act with greater ease and communicate with greater ease with the leadership.

COKIE ROBERTS. The leadership of the House Democratic party is always a balanced ticket, drawing from all regions of the country and generally it works as a ladder with the whip moving up to majority leader and majority leader to Speaker, if he can keep all factions of the party happy.

REPRESENTATIVE JIM WRIGHT (D-Tex.). It means to be a kind of a split personality, not just two ways but many ways. It means to be run by your colleagues as much as you run them. It means to be tolerant of dissent and disagreement. It means to be patient, and that's the toughest part for me, I guess,

and it means that you've got to have a sense of humor, because the Democratic party is a heterogeneous mass of opinionated individualists.

COKIE ROBERTS. Trying to make everyone happy, says one conservative Texas critic, can have just the opposite effect.

REPRESENTATIVE CHARLES STENHOLM (D-Tex.). Well, it manages to keep everybody mad at him most of the time, and I think that's one of the real challenges which I guess a lot of people wonder why he would want the job.

REPRESENTATIVE JIM WRIGHT (D-Tex.). I'm not aware that I've ever made everybody mad, but there have been occasions when I have had the feeling that in trying to be the dove of peace, you are getting shot at from both sides of the hedge-row. But that's part of the job.

Once when I was very young, I started to raise pheasants, I bought some pheasants and put them in a cage but they won't set in captivity, that's part of their instincts not to do so. Therefore, you have to gather the eggs and set them under a bantam hen. The little pheasant comes out in 21 days just like a chicken, about as big as your thumbnail and looking like a drop of sorghum molasses and in three days he can fly. And they drove that little bantam hen crazy. She did her best to try to corral them and cluck and spread her wings and bring them all under the tent, and she had a terrible time. And sometimes I know now just how that little bantam hen felt.

COKIE ROBERTS. The pheasants who flew out from under Jim Wright's tent in the last Congress were members of his own region, southern conservatives who joined with Republicans to pass the Reagan economic program over the protest of the majority leader.

REPRESENTATIVE JIM WRIGHT. (D-Tex.). (June 25, 1981) No President, no President in the history of the United States, not Franklin Roosevelt, not Lyndon Johnson, not George Washington or Thomas Jefferson, ever demanded of Congress that we lie down submissively and give him every last scintilla . . .

COKIE ROBERTS. Vote after vote in the first year of the Reagan Presidency registered loses for the Democratic leadership.

REPRESENTATIVE JIM WRIGHT. (D-Tex.). I guess 1981 was the most frustrating year I've had in Congress. If they were all going to be like that one, I think I would just excuse myself and allow some other unfortunate fellow to try to take over this job.

COKIE ROBERTS. It was the Republican leader Bob Michel who chalked up victories. He says the Democratic failure wasn't Wright's fault.

REPRESENTATIVE ROBERT MICHEL (R-Ill.). It was a scrap all the way. So one really never knows when you come out in a vote that just goes three or four one way, then you've got to assume you've really stretched her all she'll go and nobody else will give, and there comes that point, as I indicated, had he not done anything, shucks, it would have been a wider margin, probably.

COKIE ROBERTS. After a year of frustration, Wright came back in 1982 to try to reconvert his wayward flock.

REPRESENTATIVE JIM WRIGHT. (D-Tex.). We're going to open the door and invite them back in. We're just going to love them to death.

COKIE ROBERTS. But Jim Wright's worst headache continued to cause him pain. Texas Democrat Phil Gramm used his privileged seat on the budget committee, a seat he won with Wright's assistance, to work with Republicans to shape a budget. This year, the Democratic caucus refused to reappoint Gramm to the committee and the conservative Texan responded by switching his allegiance to the Republican party, raising the question did Gramm's defection hurt Jim Wright's chances to move up to Speaker.

RICHARD BOLLING, FORMER REPRESENTATIVE. Oh, sure it hurts. I don't think there's any question about that. I think a great many people were unfair in the way they assessed his role, but there is a fair and legitimate—he has to carry the burden of the people that he deals with and can or can't influence.

REPRESENTATIVE ROBERT MICHEL (R-Ill.). Putting myself in Jim's shoes, how would that be if I had that same kind of situation in my home state delegation. It would be very kind of an uncomfortable thing to have to deal with, but Jim accommodated that all right, and of course now he won't have that problem.

COKIE ROBERTS. Has the fact that you sponsored Phil Gramm hurt you politically here in the House?

REPRESENTATIVE JIM WRIGHT (D-Tex.). Maybe it was a case of bad judgment on my part for having sponsored and supported him in the first place. Maybe it reflected on my capacity for leadership in having made the judgment to do so. I'm willing to suffer that if that's the case.

I tend to believe, though, that I make fewer mistakes by believing in people than I do by mistrusting people.

REPRESENTATIVE JIM WRIGHT (D-Tex.). (Greeting citizens) It's a beautiful day, isn't it?

A MAN. How are you?

REPRESENTATIVE JIM WRIGHT (D-Tex.). How are you?

A MAN. Fine.

REPRESENTATIVE JIM WRIGHT (D-Tex.). I think this is a good omen.

COKIE ROBERTS. Jim Wright's not made many mistakes in his political career and the people of the 12th district of Texas have sent him back to Washington with healthy margins for 28 years.

(Visual: Courtesy KXAS-TV, Fort Worth, November 4, 1980.)

COKIE ROBERTS. His toughest race came in 1980 when Republicans poured money into the war chest of a conservative challenger, arguing that Jim Wright's leadership position had made him too liberal for his district.

REPRESENTATIVE JIM WRIGHT (D-Tex.). Well, a leader has to be from somewhere. I don't know why Fort Worth isn't as good as anywhere else.

COKIE ROBERTS. Fort Worth, Texas is where the west is supposed to begin, but in representing this area, which has become increasingly urban in Wright's years in Congress, it's more important to worry about airplanes than horses. The home of the General Dynamics Corporation, Jim Wright's district, gets as much defense money as any other in the nation. And no Texas Congressman is far removed from the interest of oil. But his colleagues think the majority leader has done a pretty good job of walking that fine line, staying in touch with the district while staying in tune with the national party, especially on civil rights and labor issues.

RICHARD BOLLING, FORMER REPRESENTATIVE. Well, I think Jim has done a good job. He has very great difficulty in the job. He has all the difficulties that a great Speaker, Sam Rayburn, had because he represents Texas and Texas has its own peculiarities and one of its peculiarities is the amount of oil it produces and the vital role that that oil plays, and the taxes that come from it play in Texas' economy, Texas' politics.

COKIE ROBERTS. Texas' politics couldn't be more curious. Considered a moderate in Washington, Jim Wright's a liberal in the lone star state.

REPRESENTATIVE CHARLES STENHOLM (D-Tex.). Jim's not a popular man in the 17th district of Texas that I represent, and it is a perception that is very negative, extremely negative.

COKIE ROBERTS. How is he viewed in the 18th district?

REPRESENTATIVE MICKEY LELAND (D-Tex.). He's well loved there. As a matter of fact, I've talked a lot about Jim, he's been in my district and the people like him very much because they recognize that while he can't vote with them on every issue, or vote like me on every issue, they recognize that he is a strong leader and they appreciate his leadership.

REPRESENTATIVE JIM WRIGHT (D-Tex.). Texas has all the elements that abide and abound in the democratic party. We have the entire political rainbow of ideological coloration, people as liberal as Mickey Leland and as conservative as Charley Stenholm call the Democratic party home.

COKIE ROBERTS. Coming from an area with a diverse Democratic party served the Texan in good stead when he made the run for majority leader in 1976.

JIM LEHRER. (The Robert MacNeil Report, June 16, 1976.) Three of the four major contenders for that House majority leader's job are with us tonight. John J. McFall of California, Richard Bolling of Missouri and Jim Wright of Texas. The fourth, Phillip Burton of California, Chairman of the House Democratic caucus, could not be with us.

COKIE ROBERTS. John McFall, the party whip, didn't move up the natural line of succession; he was under investigation by the Justice department. Richard Bolling and Phil Burton split the liberal vote in a heated contest, leaving Jim Wright with victory and few battle scars.

JIM LEHRER. I mean, how do you actually, how do you actually lead those 434 other members of the House, get them to do something?

REPRESENTATIVE JIM WRIGHT (D-Tex.). You lead them by example, by inspiration, by exhortation, and by painful, tireless, one-on-one confrontation.

COKIE ROBERTS. Exhortation turned out to be an understated description of Jim Wright's oratory.

REPRESENTATIVE JIM WRIGHT (D-Tex.). In other words, we're not going to stand for a gag rule of any sort. We're going to let the members——

(Applause.)

REPRESENTATIVE JIM WRIGHT (D-Tex.). Members of this House are not cattle to be herded around. Members of this House are individuals who have the privilege and the right to make up their own minds.

REPRESENTATIVE ROBERT MICHEL (R-Ill.). You knew you were in for the syrup and the eyebrows and all the rest out there, and I think, you know, it's a little bit of theater but that's, you know, we got to have a little of that once in a while.

REPRESENTATIVE JIM WRIGHT (D-Tex.). The question here is whether we get to vote on the merits out in the sunlight, out in the open, where the public can see exactly what

we're for and exactly what we're against, or whether we get to package all of it under some nebulous euphonious title such as "President Reagan's Program."

REPRESENTATIVE MICKEY LELAND (D-Tex.). If you know him, you know that though he in his elocution is rather dramatic, that's not a sales pitch. It's coming from his heart and his artistic ability to illustrate what it is that his issues represent, or his position represents.

REPRESENATIVE JIM WRIGHT (D-Tex.). In the nature, as we said a few days ago, of Kipling's "Old Men" who, the poet said, peck out, dissect and extrude to the mind the flaccid tissues of long dead issues, offensive to God and mankind, like vultures over an ox which the army has left behind.

I used to like to read poetry. I love Kipling, and other poets, some other poets. My father had a great influence on me in that regard. He was a man who had the benefit of very little formal education. His mother had polio and was an invalid. His father had died when he was just an infant. Therefore, he had to quit school in the fourth grade and was almost totally self-educated but he glorified education, and the passion of his life was to see that his kids got the benefits of opportunities that had been denied him.

COKIE ROBERTS. Jim Wright spent his childhood in Weatherford, Texas, where he was born 60 years ago. After a career at the University of Texas, and a decorated fighter pilot in World War II, the young Wright returned to Weatherford, served as mayor, went to the legislature, and came to Washington in 1955 as a young member of a distinguished Texas delegation, which included the newly elected majority leader of the Senate, Lyndon Johnson, and the long-time Speaker of the House, Sam Rayburn.

REPRESENATIVE JIM WRIGHT (D-Tex.). I remember one occasion in particular, the first civil rights bill had passed the House, you can imagine the bitterness that still lingered and existed in much of the south, including parts of Texas. Mr. Rayburn said, "Jim"—this was the way he would approach you.

He said, "Jim, I think you want to vote for this bill." He said, "I expect you've been getting a lot of letters imploring you to vote against it, but I just kind of think you want to vote for it, and I believe that you're strong enough to endure it and to take whatever criticism comes with it, and I believe that you'll be proud in future years that you did."

That was the kind of appeal that he would make to you.

COKIE ROBERTS. Jim Wright wants the chance to emulate Sam Rayburn not just as a man but as Speaker, to move up when 70 year old Tip O'Neill decides to retire. That means a constant compaign, and Jim Wright keeps a busy travel schedule helping House members in their home districts. His biggest opposition is likely to come from the liberal wing of the party where the Phil Gramm incident could especially hurt. But Wright will have some help in those quarters.

REPRESENTATIVE MICKEY LELAND (D-Tex.). I will do everything in my power to see to it that Jim Wright becomes Speaker of the House.

COKIE ROBERTS. He'll get some help from conservatives as well.

REPRESENTATIVE CHARLES STENHOLM (D-Tex.). I believe that Jim Wright will be the next Speaker, and I think he has worked his way up, he's earned a shot at it and will get it.

COKIE ROBERTS. The last four Speakers worked their way up from majority leader, but not everyone thinks Jim Wright should necessarily get the job.

RICHARD BOLLING, FORMER REPRESENTATIVE. I'm not sure. I'm not going to be dishonest enough to say yes, he should, or no, he shouldn't. I'm not the least bit sure. I think it depends on the kind of people who can put their efforts together and decide, because I happen to believe that we need something new in the leadership. I'm not criticizing anything in the past or any individual, and I mean that, I'm not ducking the question, but I think we desperately need, the Democratic party in the House of Representatives, a leadership team. I don't think it's a good idea for us to have a Speaker, a Speaker-in-waiting, and a Speaker-Speaker-in-waiting.

REPRESENTATIVE ROBERT MICHEL (R-Ill.). He's been around a long enough time to know what you got to do to be a Speaker. As a matter of fact, I suspect that if Jim were to succeed, talking in current terms, with the Speaker, who can be pretty dog gone partisan, you know, yes, Jim Wright can be partisan, I think he might be even a little bit more inclined to try and emulate Sam Rayburn who, in my judgment, you know, was one who really submerged his partisanship and became Speaker of the House in a very nonpartisan sort of way.

COKIE ROBERTS. And for Jim Wright five years down the road, six years down the road, do you want to be Speaker of the House?

REPRESENTATIVE JIM WRIGHT (D-Tex.). Oh, well, if my colleagues want me to be and if I am able to do a good job in the job I have, and if Tip should decide to retire, sure, I'd like to do that, I guess. Well, I know I would. After all, that's the apex of a lawmaker's profession, it is the pinnacle of our particular line of work, and I guess anybody would like to get to the top in whatever line of work he or she is in.

So if that lies over the horizon, fine. If it doesn't, I'm not going to feel that my life has been unfulfilled.

PAUL DUKE. Jim Wright's best laid dreams may be a ways over the horizon because Speaker O'Neill indicates he's not ready to quit any time soon.

COKIE ROBERTS. He had good news and bad news for Jim Wright this week. The bad news was the Speaker did announce, he put some rumors to rest by saying that he was definitely running again, which means as Speaker as well as Congress.

But he had good news as well, because he essentially annointed Jim Wright for the job when the time comes, so that he got the Speaker's endorsement in a way.

Waiting could be a little bit tough for the majority leader. The biggest knock against him is that his temper is bad and he'll have to be on his good behavior for the next few years.

LINDA WERTHEIMER. But still if he does get to be Speaker, Cokie, he will have had a fairly peaceful time of it, which is not always the case in leadership battles. Those can be some of the nastiest fights in the House, fights members never forget.

PAUL DUKE. Well, politics figures in the choice of Congressional leaders just as it does almost everything else in Congress.

Someone said a politician always thinks of the next election; a statesman, of the next generation. But our Commentator Charles McDowell believes the country has been generally well served by the politicians, all the jokes notwithstanding.

CHARLES MCDOWELL. Jim Wright would pardon me, I suspect, for saying he is the quintessential politician. For some of us, politician is an honorable word. Some of us even think the best hope of the country is politicians practicing politics.

But others look to people who profess to rise above politics. These are the anti-politicians, often the idealogues of right and left, the truthgivers who disparage mere politicians as slickers, trickers and compromisers.

There are good politicians and bad ones, of course. Congress has many more good ones than most people realize, really good ones like Jim Wright, the Democratic leader of the House, are crucial to the system.

Howard Baker, the Republican leader of the Senate, is another one. They rally their colleagues to broad principles, reminding them of traditions and goals larger than provincial concerns.

But they also negotiate, conciliate and compromise to put together majorities that make things work. To do that effectively you have to understand that different pressures and aspirations arise in different constituencies. And you have to be able to concede that on a given issue your opponents might have a point or two on their side.

It helps in all this if you're as good an orator as Jim Wright is. If you're able to catch an issue in a phrase, to persuade, to dare to inspire, sometimes to touch the true glory of being a politician.

Otis Pike, our colleague on this program, doesn't get as carried away as I do but he's written that there is a quality in Wright's voice that cuts through the normal background fuzz and demands attention. There is an inflection, a skillful use of the dynamics of high and low, loud and soft, that guarantees people will hear his words. And I'd say that's what matters, that over the clutter of ideology and anti-politics, the voice of the real politicians be heard.

PAUL DUKE. So much for this week, we'll be back next week to cover the Lawmakers, real politicians and otherwise. For Cokie Roberts and Linda Wertheimer, I'm Paul Duke, we'll see you then.●

MEETING THE CHALLENGE: A BUDGET COMPARISON

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. BROWN of California. Mr. Speaker, over the last few months, the House has worked diligently to formulate a budget acceptable to a majority of its membership. The diversity of views within this body did not make that an easy task. But I believe that the budget which passed this House at the end of March is superior to that which the President submitted 2 months earlier. I encourage the other body, which is presently working on its version, to closely review the differences.

The primary theme of the House budget is to reaffirm the responsibility of Government to provide short-, intermediate-, and long-term stimuli to the economy. Conversely, the President continues to emphasize the need to reduce inflation when depressed economic conditions and lower oil

prices have already brought the inflation rate down to around 5 percent. He places great faith in an early economic recovery and relies heavily upon the private sector and on State and local governments to provide economic development and prosperity. But these segments of society cannot do it on their own; the stress of the last 2 years has been more than some States and communities can bear.

My own State of California best epitomizes this economic dilemma. In 1980, California boasted a budget surplus of $2.5 billion. Today, its budget deficit, despite a State constitutional balanced budget amendment, it is anticipated to be $1.5 billion, due to State-tax cuts, shrinking Federal aid, and the deepening recession. Under the President's proposal, the State could face a reduction of $982.7 million in Federal funds from fiscal year 1983, but if the House budget recommendations are enacted, California and its citizens would be eligible to receive at least $1.6 billion over the President's budget proposals.

The recent passage of $4.65 billion for the emergency jobs bill also reflects the inadequacies of past budgets to properly respond to the economic needs of our Nation. The thrust of the legislation was directed at our most crucial problems. The bill provided $1.333 billion for local development and services, primarily composed of $1 billion in community development block grants (CDBG) and $100 million for the Economic Development Administration (EDA). Urban parks, older American employment, and handicapped education are also in this category. Some of the other programs include: $1.125 billion for improvements in our transportation and water systems; $766 million for public building and facilities repair; $361 million for training of the unemployed and displaced workers; and $182 million in youth aid and employment, including Job Corps, summer jobs, and student aid.

Still, the administration continues to propose the same basic, unworkable solutions. It requests outlays of $7 billion for community and regional development, down $0.4 billion from fiscal year 1983. The community development block grants (CDBG) program would continue its slow, but steady decline, with added responsibility for new housing construction; and the Economic Development Agency (EDA) would continue to be phased out under the administration's proposals. The President has proposed establishing enterprise zones to help in the most blighted areas. However, under his proposal only 75 areas would be designated over 3 years, too few to deal with our current difficulties. Even if successful, this program would have little impact upon the economy as a whole.

The House budget restores to local governments a role in the economic decisionmaking process. It sets aside $1.2 billion for CDBG and a variety of urban and rural development and assistance grant and loan programs. EDA programs, successful in the past, would be funded at $0.4 billion. I have observed firsthand how EDA has helped to restore an historic landmark, the Mission Inn, in Riverside, Calif. I have had my office and an apartment there and have watched with pleasure as the inn has become the central focus for a revitalized downtown area.

Other proposals in the House budget include an infrastructure initiative directed to meet both immediate and long-term needs, and a National Industrial Development Bank initiative to provide leverage for private sector investment in critical areas. The bank would work in tandem with an Economic Cooperation Council comprised of representatives of government, business, labor, and others to implement an industrial strategy to revitalize the American economy. Becuase they must help to lay the foundation for our future, I recommend including educational leaders on that council.

Both short-term and long-term efforts are needed to promote economic development. Recent decreases in unemployment are encouraging, but despite these figures, the number of jobs available has not risen significantly. The drop in unemployment reflects large numbers of Americans who are too discouraged to continue to look for work and are thus no longer counted.

Economists are now cautiously optimistic about the future, with the general consensus being that the GNP will grow by 4 percent this year, after having declined by 1.7 percent in 1982. This modest growth would be able to absorb only new entrants to the work force, keeping the unemployment figure stable, but high. We must begin to work with the private sector, labor, and our educational institutions to provide for the new and increased opportunities in our economy.

Perhaps more than any other segment, the private sector is aware that a serviceable and intricate transportation network is essential to economic development. The passage of the Surface Transportation Assistance Act of 1982 (gas and truck tax increases) reflected this importance. But the administration continues to try to force the direct beneficiaries of the best transportation network in the world to bear more of the costs, not recognizing that many others reap the benefits of a growing and prosperous economy. The administration proposes outlays which are $3.3 billion over fiscal year 1983, but only $1.8 billion over fiscal year 1981, a mere 7.5-percent increase. In addition, the administration proposes to abolish Federal mass transit operating subsidies, again expecting State and local government to pick up the burden of improved mobility and a cleaner environment.

Conversely, the House budget assumes full funding for the capital and operating assistance block grant for mass transit at $867 million, compared with the $275 requested by the President. The House also assumes funding of $1 billion for fiscal year 1984 for Federal Aviation Administration facilities and equipment.

The Job Training Partnership Act (JTPA), passed last fall, will help some to cope with the immediate and short-term economic problems. But the JTPA, and the emergency jobs bill passed in March, will not correct all of the deficiencies in our system. Despite the post-Great Depression unemployment records, employment and training services have actually declined a full 49 percent since fiscal year 1981, the last year of the Carter administration. The House budget called for $2.4 billion in additional funding for job training and employment; $500 million would be provided for retraining displaced workers, twice what was recommended in the President's budget.

Our educational institutions must also be included in any sustained economic recovery. They provide our entrepreneurs, our labor force, our educators, and our political leaders. Only a long-term commitment to improving our educational system can insure a prosperous economic future. Student financial assistance, guaranteed student loans (GSL), and other postsecondary education programs would be strengthened under the House budget. The education block grants would be allocated $606 million, $127 million more than the President's request, and $78 million more than the fiscal year 1983 level. In contrast, the President has proposed abolishing the Education Department, requiring students to take on more financial responsibility, tightening Federal grants, and folding such programs as the supplemental educational opportunity grants and State student incentive grants into the already over-burdened education block grant. Students are our future; we have a responsibility to provide opportunities for everyone to reach his or her potential—not just the rich or the very poor, but also the middle class and the working poor.

The administration has also proposed tuition tax credits, allowing credits of up to $300 per year for students attending private or parochial schools, and a voucher system for low-income parents which could be used at any private or public school they choose. These proposals do not deal with the need to upgrade our entire education structure, but instead threaten to hasten the decay of our public school system. We should be

making every effort to strengthen and broaden our educational system, enabling everyone, without regard to race or income, to receive a quality education. Of course our system is imperfect, but we have made great strides in education and we cannot revert to the past. It is simple: quality education cannot be limited to a select few.

The science education problem is one that I have been especially concerned with while serving on the Science and Technology Committee. The critical shortage of mathematics and science teachers is one of the most severe problems facing educational institutions today. California and 42 other States report serious teacher shortages in math and science. The House budget requests $425 million for a new science education initiative involving the National Science Foundation (NSF) and the Department of Education (DOE). The President's request, on the other hand, calls for $50 million to be administered by DOE. Both budget requests include $39 million for ongoing science education programs at NSF.

If we are to sustain our economic recovery, we must as in the past stimulate innovative and productive skills. From our beginning, the United States has been in the forefront of productivity gains. The cotton gin, the steam engine, the railroad, the telegraph, the electric generator, the electric light, the automobile, refrigerators, jet engines, computers, transistors—the list goes on—all were innovations which improved our productivity and our economy. I am convinced we have yet to reach our full potential, but without an adequate research and development (R&D) program, many of the newest innovations will simply not emerge.

I am distressed at the new direction our research and development programs have taken. Since 1981, military R&D has increased a staggering 80 percent, and in the Reagan fiscal year 1984 budget would comprise 70 percent of the entire Federal R&D budget. Civilian R&D, the very programs which may provide keys to improved productivity and new technologies, has been reduced. Research and development is presently being conducted in such areas as biotechnology to produce better plant and animal varieties, improving agriculture throughout the world; bioengineering to produce commercial synthetic insulin for diabetics; and new crops such as guayule to provide a new source of rubber and other materials. Information technology got its biggest boost from the NASA program, but we have yet to realize the potentials of this still developing field. R&D, rather than being superfluous, is essential to our long-term economic stability and growth. The House budget provides an additional $1.2 billion for civilian research and development.

Research and development are also essential to our health and well-being. The budget for the National Institutes of Health (NIH) would remain essentially the same under the President's budget, but would actually lose buying power due to inflation. The House budget increases the NIH budget by $200 million.

The House also proposes a 25-percent increase, to $1.24 billion, for the Environmental Protection Agency (EPA), compared to the President's $929 million. This includes $250 million for R&D, a $50 million increase above fiscal year 1983. The Superfund program would be funded above the President's request by about $100 million to allow for cleanup of hazardous waste sites such as the Stringfellow Acid Pits in Glen Avon, Calif. Even with the 25-percent increase, funding for EPA would be below the fiscal year 1981 level.

Before I end, I would like to say a few words regarding defense appropriations. By now we have all heard the arguments for and against the President's proposal to increase defense by 10 percent this year. The President maintains that the House budget's real growth rate for defense of 4 percent is not enough. But if one removes the 4 percent pay raise for military personnel, which would merely keep up with inflation, all other defense related programs rise by 6.8 percent. This increase is far more in line with what the military can absorb efficiently, avoiding waste and abuse. Even this smaller increase will not eliminate the costs in future years when the bills for programs such as the MX, B-1, and the aircraft carriers come due. And with the 4-percent increase, the rate of growth since fiscal year 1980 will amount to over 80 percent, far above the 3 percent per year we promised our NATO allies.

Our national defense must remain strong and secure, but it should not defend an impoverished Nation. This is not an either/or situation; we do not have to choose between security and economic well-being. Instead, we must balance our priorities, and look for new approaches to our dilemmas. In this critical time, we must beware of quick solutions, which merely lead to more problems. Without a long-term, comprehensive approach to these issues, we cannot be internationally competitive, and instead of growing, we will become stagnant and insular, and more and more submerged in economic difficulties.

One budget resolution will not resolve our dilemmas, but I believe that the House budget will provide the flexibility and impetus to overcome our economic problems. It will not be easy, but our Nation is rich and vibrant. When we have provided the resources and created the opportunities, we have met the most difficult challenges. With this House budget, let us begin to meet our latest, and perhaps most important, economic challenge.●

REAGAN SHOULD TURN FROM "APPEASEMENT" TO A FREEZE

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. AuCOIN. Mr. Speaker, a timely article appeared in today's Washington Post written by William E. Colby, former director of the CIA. I want to call it to the attention of my colleagues as we approach final debate on the nuclear freeze resolution. He makes an excellent case for why this House should pass the nuclear freeze resolution and why the President should support it.

To my knowledge, Mr. Colby is not a "dupe" of the Kremlin—nor does he advocate "unilateral disarmament."

REAGAN SHOULD TURN FROM "APPEASEMENT" TO A FREEZE

To use language meaningful to those of President Reagan's generation (and my own), appeasement doesn't work. I am sure the president would agree with that statement, but in fact, he is engaged in a program of appeasement, NATO's first resolute decision to deploy 108 Pershing II missiles and 464 cruise missiles to meet the Soviet SS-20 buildup has been followed by the president's proposal of a zero option on both sides, rejected by the Soviets, and then a suggestion for an interim solution, also rejected by the Soviets.

The president's proposal to supplant the SALT II treaty by the START proposal to reduce strategic launchers to 850 on each side and warheads to 5,000, no more than half of which would be land-based, has been rejected by the Soviets. The U.S.S.R. made a minimal move in our direction by suggesting an 1,800-launchers limit. The administration now considers means by which it could move off its original proposal toward the Soviet position.

Another appeasement being attempted is of the anti-nuclear and nuclear freeze movements in the West. The political force of these movements led the administration to soften its previous positions, in hopes of diluting the impatience of millions of Europeans and Americans over their governments' inability to reduce the nuclear terror to which they are exposed. Minor variations of the degree of terror certainly are not going to appease these movements, particularly when these gestures are matched by plans to bring in new weapons systems like the MX, the D5, the B1, and a whole new dimension of space warfare.

The real requirements is for a bold move to halt the arms race, as a clear indication of resolution to reduce the nuclear terror to which all our populations are subjected. This is the basis for the call for a mutual and verifiable freeze on the testing, production and deployment of nuclear weapons and their delivery systems. A recitation of what this freeze will produce in benefits to the safety of the United States is a compel-

ling argument for Reagan to leapfrog the obstructionists who urge him to oppose it and instead take leadership of it.

A simple projection of current weapons plans that would be obviated by a freeze demonstrates its value to the safety of our country:

(1) A freeze on new types of land-based missiles permitted under SALT II would halt the present Soviet testing of two new types. It would also halt the MX. The prime characteristic of these new weapons is an increase in accuracy and consequent targeting of the land-based missile systems of the other side. While the so-called "first-strike" scenario is discussed as a theoretical possibility today, the advent of these new weapons systems will bring it remarkably closer. Both sides will be convinced that the other will soon have the potential for a single devastating blow, requiring that it keep itself on hair-trigger alert for an equally devastating response. The decision time in such circumstances will be reduced so that automatic, not human, decisions will have to be programmed, offering the sickening prospect of mutual destruction through machine error.

(2) A freeze would bar the development of cruise missile armadas on both sides. While the United States is technologically ahead with this new device to date, it is predictable that the Soviets will develop their own capability within the next decade. They did just that with respect to the MIRV, after it was left out of SALT I in 1972 because the United States had no incentive to bar itself from something the Soviets did not then have. At the end of this decade, we can confidently expect a national debate over the need for a comprehensive air defense system to protect the United States from a Soviet cruise missile armada. This whole development would be eliminated by a freeze today.

(3) A freeze would bar the further development and deployment of the Blackjack bomber on the Soviet side and of the B1 on the American side. This would have to be clarified in the discussions leading to the freeze agreement, but it seems clear that the strategic arms negotiating history considers intercontinental aircraft to be launchers rather than platforms. Again, this would prevent the buildup of a large Soviet intercontinental nuclear air force requiring the kind of air defense system the Soviets are now hoping can hold off at least some of our B52s.

(4) The freeze would bar the development of the D5 missile by the United States, with its improvements in accuracy leading to the danger of first strike from the sea. Similarly, it would bar a more accurate Soviet submarine-launched missile. It would not bar the replacement of Polaris submarines by Tridents because the negotiating history has considered submarines as platforms rather than as launchers. The Soviets are currently considerably behind the United States in submarine technology, but again it can be confidently expected that they will improve over the next decades through a combination of espionage, allocation of resources and talent, and plain competitive determination. A freeze on launchers would limit the application of those improvements in the nuclear dimension.

Each of the arguments against the freeze collapses under careful examination:

(1) The Soviets are certainly not "superior" to the United States in any meaningful way today. If they were, we would see them using that superiority, rather than indicating concern over the technological superiority of the United States and its ability to leap ahead in technology in the coming years at a pace beyond that possible for the Soviet Union. The present American retaliation potential is absolute, and with a modicum of maintenance, its components will not vanish from old age.

The Soviets restrict their adventurism these days to the safer techniques of proxy war, subversion and attempts to encourage weakness of American will and separation from European opinion. This is not the bluster of someone convinced that he has the power to dominate. It is the wiliness of someone operating from a position of weakness, trying to slow the opponent down without direct confrontation.

(2) Could we verify whether the Soviets would abide by such an agreement? The administration's own reports show that we are doing exactly that in our attention to potential violations of SALT II and the steady buildup of Soviet power. The fact is that our intelligence system will cover the Soviet Union's nuclear weaponry whether there is a freeze between us or not; a freeze treaty would merely make it easier to do so because of the numerous elements included in recent treaties to facilitate the process. Even in areas of ambiguity, of which there will certainly be some, such as the current indications of Soviet violation of the chemical and biological treaty, it is plain that our intelligence systems have picked up these activities. They have not occurred without being exposed to outside scrutiny.

The fact that the Soviets might violate a treaty is not the determinant. No one should "trust" them not to do so. The real point is whether we would catch them at it and be able to act upon that information. The evidence today indicates that this is clearly the case. Any violation that would be extensive enough to have an impact on the strategic balance would certainly be noticed by us.

The real question is what we propose to do about a violation rather than whether we would know of it. In this respect, there are improvements that can be made in procedures, such as third-party investigations and decisions, interim sanctions and greater visibility upon challenge. The Soviets have shown themselves in recent treaties to be willing to yield some of their long-held phobias against exposure of their affairs, provided that the result is specifically in their interest.

(3) A freeze would certainly be of advantage to the Soviet Union, halting the major American nuclear buildup now planned. As with any successful treaty, however, the question is whether it would be in the equal interest of the United States, halting a certain further Soviet buildup of nuclear weaponry, which, of course, it would. We can protect the United States better by convincing the Soviet Union not to develop new weapons systems than by developing the defensive systems to shoot them down if they are used against us.

Thus appeasement is not the answer. It does not satisfy the nuclear priesthood, which thinks only of building new and more complex weapons systems. It does not satisfy the Soviets, as every indication of yielding is taken as a weakening of will to achieve a mutual solution to the arms race. It does not satisfy the opponents of nuclear warfare among the broad populations of Europe and the United States, who believe their leadership has failed to protect them against potential annihilation as a result of the inexorable march of technology.

Only a bold, firm call for a mutual stop in the arms race could cut through the present tangled political and diplomatic negotiations and produce a result worthy of an American president.●

THE HIGH FRONTIER PROPOSAL: A CDI CRITIQUE

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. MOAKLEY. Mr. Speaker, there has been a great deal of discussion generated concerning the feasibility and desirability of a space-based antimissile system as a result of President Reagan's March 23 speech. One such plan, which has gained wide attention, is called High Frontier. It is my opinion that this concept is extremely shortsighted and has many flaws. The costs together with the many strategic and technical drawbacks make High Frontier impractical—and an idea which should be soundly rejected.

For the benefit of my colleagues, I submit in the RECORD a brief—but concise—critique of the High Frontier proposal which has been prepared by the Center for Defense Information. It is an excellent summary which deserves careful attention.

THE HIGH FRONTIER PROPOSAL: A CDI CRITIQUE

The Center for Defense Information has completed an analysis of the High Frontier concept of space-based defense against ballistic missiles. The results of the study are set forth in the following critique:

The High Frontier proposal for a Global Ballistic Missile Defense (GBMD) system claims that it would (1) negate the Soviet nuclear threat; (2) assure the survival of the U.S. population; and (3) secure space for commercial development.

The High Frontier project initially calls for space-based missile defense and ground-based point defense (a short-range defense of missile silos), to be augmented by a second tier or space-based defense (possibly employing laser weaponry), an extensive civil defense program, advanced manned military space vehicles, and more.

The architect of High Frontier, Lt. General Daniel Graham (USA-Ret.), former Director of the Defense Intelligence Agency, claims that the initial system can be deployed using "off the shelf technology", within 5-6 years, and at a "reasonable cost" of $40 billion.

These High Frontier claims are evaluated as follows:

TECHNOLOGY

Technology for a space-based ballistic missile defense deployment does not exist. Despite decades of U.S. efforts, there are serious doubts that the simpler task of ground-based point defense of ICBMs can be achieved, especially against relatively cheap and easy Soviet countermeasures. The High Frontier's claims of existing "off the shelf technology" have been debunked by Reagan administration officials. Dr. Robert Cooper, Assistant Secretary of Defense for Research and Engineering, said of the High Frontier

proposals: "We have conducted several in-house analyses and have experienced some difficulties in ratifying the existence of 'off the shelf components or technologies' to provide the required surveillance, command and control and actually perform the intercepts. . . .we are somewhat skeptical of the particular (High Frontier) GBMD concept design." He has concluded that the "enormous complexity of such a system is unmanageable today in our judgment and we need basic, I would call them, breakthroughs in the ability to manage complex systems before any such system might be feasible in the future."

TIME AND COST

The High Frontier project claims that the initial system will be ready within 5 or 6 years at the total cost of $40 billion. However, Dr. Richard D. DeLauer, Undersecretary of Defense for Research and Engineering, has testified that the time frame and cost of the High Frontier proposal "are both grossly underestimated". Dr. Cooper concurs. He told Congress that the "DOD has worked with the High Frontier analysts . . . we do not share their optimism in being able to develop and field such a capability within their time frame and cost projections. Our understandings of systems implications and costs would lead us to project expenditures on the order of $200 to $300 billion in acquisition costs alone for the proposed systems." These DOD projections are $160 to $260 billion higher than the High Frontier estimates.

VULNERABILITY

Space-based defense systems are flawed due to their inherent vulnerability, especially in the initial stages of deployment. Space mines could shadow each GBMD satellite (called a "truck") and be exploded upon command. Anti-satellite weapons could overwhelm the truck's defenses using decoys or tiny pellets too small to target. Any satellite can be destroyed by a nearby nuclear detonation. GBMD is vulnerable to any determined attacker.

ABROGATION OF ABM TREATY

GBMD is presently illegal. Testing or deployment of a GBMD would break the 1972 Anti-Ballistic Missile Treaty, perhaps our most valuable arms control agreement to date. Choosing an illusory technological advantage, while sacrificing such an important and stabilizing treaty, would be extremely short-sighted.

RESTRICTING PEACEFUL USES OF SPACE

A GBMD would inhibit the civilian and commerical uses of space. By inviting attack, a GBMD would, in Graham's own words, "move the arena of initial engagement in a nuclaar war from the earth's surface to space." Peaceful development of space will then be more costly and risky. Satellites which serve positive functions such as arms control verification will be jeopardized. Weapons in space will not make space secure—space without weaponry is both possible and far more secure.

DANGEROUS CONSEQUENCES

Assume that the U.S. decided to deploy a GBMD to threaten the Soviet nuclear capability. The U.S. would therefore—in Soviet eyes—be in a position to launch a first strike. The Soviets might then feel impelled to launch a pre-emptive strike to prevent the deployment of our GBMD. Were the situation reversed, would we stand idly by while the Soviets deployed a system reputedly able to negate our nuclear deterrent?

NO PANACEA

Ultimately, GBMD would serve only to defend our missile silos. A GBMD cannot alter the reality of mutual assured destruction; it cannot provide mutual—or unilateral—assured survival. Even if one accepts that GBMD could work as claimed, it could not defend our population against attacks by such weapons as cruise missiles, bombers, or "depressed trajectory" missiles launched from submarines. GBMD could not assure the survival of our citizens. General Graham clearly recognizes the limitations of High Frontier. While proclaiming that it would shift the U.S. from attack to defense (from destruction to survival) Graham simultaneously urges the modernization of U.S. nuclear forces with new offensive weapons with greater destructive capability. The two positions are completely inconsistent. He is not presenting an alternative to the Administration's effort to create nuclear war fighting capability; instead, Graham is promoting a dangerous expansion of the arms race into a new dimension: space. Assuming the U.S. were to deploy a GBMD, so would the Soviets. Consequently, both sides would feel compelled to pursue the development of those weapons which can evade GBMD. Instead of providing a final defense or a "technological end-run on the Soviets", GBMD would only redirect and complicate the arms race.

CONCLUSION

Weapons in space will not enhance our national security or secure space for peaceful purposes. Space is not an arena into which man can transfer his vices and ignore the consequences on earth.

Already 4,800 objects (most of which are non-functional space "trash") are circling the earth. Weapons competition would soon multiply that figure many times. Ultimately, we on earth could trap ourselves inside a belt of orbiting garbage.

By placing weapons in space, we create a situation in which any internal satellite malfunction, or malfunction caused by impact of space trash, could be misinterpreted as an enemy attack. Weapons in space increase the chances of accidental war. Furthermore, the intertwined nature of space and earth-based military forces assures that any hostilities in space would be merely a prelude to war on earth.

We must not delude ourselves—weapons in space cannot make us more secure. The alternative is clear: the international community must outlaw weapons in space. One relatively simple route would be to expand the 1967 Outer Space Treaty, which prohibits the stationing of nuclear weapons or other weapons of mass destruction in orbit. An amendment to ban all weapons in space would be a great achievement.

Last year at the U.N., the Soviet Union presented a "draft treaty on the prohibition of the stationing of weapons of any kind in outer space". There is much support within the U.N. for such an agreement. The U.S. has yet to respond to the Soviet proposal, however, or to take significant steps toward eliminating weapons in space. Future generations will suffer unless we act now, before the opportunity evaporates.●

MEXICO'S ECONOMIC CRISIS AND ITS IMPACT ON THE UNITED STATES

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. COLEMAN of Texas. Mr. Speaker, today I am submitting for the CONGRESSIONAL RECORD a copy of a newspaper article which appeared recently in the Washington Post concerning the implications of Mexico's economic crisis on the United States. As a Member representing a district along our southern international border, I have long recognized the interdependence between these two Nations, and I urge my colleagues to take special note of the issues raised in this article so that we might work together in addressing these matters.

The article follows:

[From the Washington Post, Apr. 16, 1983]

MEXICO'S FINANCIAL CRISIS RAISES POLITICAL CONCERNS IN THE UNITED STATES

(By John M. Goshko)

Mexico's 73 million people make it the world's largest Spanish-speaking nation. It shares a 2,000-mile border with the United States. And, as it is struggling to stave off bankruptcy, there is increasing debate here about whether Mexico might bring revolutionary violence besetting Central America to the U.S. doorstep.

Fanning the debate has been the administration's tendency to argue its case for U.S. involvement in El Salvador in terms that recall the southeast Asia "domino theory" of the Vietnam war era.

President Reagan, in his speech March 10 asking for increased military aid to El Salvador, called that tiny nation "the first target" of a Soviet and Cuban campaign to spread communist "revolution without frontiers" through Central America to the U.S. border.

In a television interview last month, Sen. Henry M. Jackson (D-Wash.) said that "the ultimate primary target [of communist activity in Central America] is the destabilization of Mexico.... If a Castro-type government should come to power in Mexico, the demand on the part of the American people to bring our troops home [from Europe] would be overwhelming, and they would insist that we defend America first."

Despite occasionally overheated rhetoric, there is no evidence to suggest that U.S. officials foresee a situation that would permit Castroite guerrillas to return the U.S. border with Mexico to the days when marauders such as Pancho Villa struck from across the Rio Grande.

In fact, although administration policymakers are very careful not to say so publicly, many are known to feel that the most immediate effects of Mexico's need to grapple with financial problems are likely to mean far greater cooperation with the United States.

Specifically, Mexico, because of its desperate need to generate more earnings, is expected to increase its role as the biggest source of U.S. oil imports under terms more favorable to the United States.

In Central America, where Mexico's support for leftist movements has caused frequent friction with Washington, its new president, Miguel de la Madrid Hurtado, could limit his government to rhetoric rather than actual attempts to influence events substantially.

U.S. officials dealing with Latin America are keenly aware that the financial crisis into which Mexico was thrown by collapse of the world oil market could have far-reaching implications for U.S. interests in areas as diverse as trade, immigration and narcotics control.

They are aware, too, that the crisis could take on political overtones if de la Madrid cannot navigate successfully between fiscal austerity demanded by foreign creditors and his countrymen's economic and social aspirations. Such a failure could undermine the de facto one-party rule that has kept Mexico politically stable for almost 50 years and push it toward extremes that worry domino-theory advocates.

Secretary of State George P. Shultz, who last August teamed with Treasury Secretary Donald T. Regan to work out an emergency loan of nearly $3 billion to stave off default of Mexico's debts, noted recently that Mexico's problems are financial rather than political, and said, "I believe they can be handled with good work."

Shultz and Regan are to travel to Mexico City Sunday for two days of meetings. The main emphasis will be on mapping a campaign to deal with the debt problem, but U.S. officials have said privately that the entire range of relations will be covered. They expect that the meetings will set the tone of the relationship while Reagan is in office.

Even those U.S. officials who place little credence in the worst-case domino-theory scenarios agree that the United States has a strong vested interest in helping Mexico out of its financial predicament. U.S. banks hold the largest part of Mexico's $80 billion foreign debt, and a default would have seismic effects on the U.S. banking structure.

Mexico also is the third-largest customer for U.S. exports. Its purchases of U.S. goods fell from $18 billion in 1981 to $11.8 billion during 1982, throwing U.S. border merchants dependent on Mexican customers into vitual depression.

A large increase in Mexico's chronic unemployment raises the threat of even greater illegal immigation as the Reagan administration presses for legislation to restrict entry of illegal aliens, which increased 20 percent between October and February.

While U.S. interests point toward greater cooperation and help for de la Madrid, there is implicit a strong suggestion that Washington is not unhappy that Mexico will be increasingly dependent on U.S. financial backing and good will.

Administration officials, diplomatically aware of Mexican sensitivities, strongly deny that they plan to use such dependence as leverage to reassert U.S. dominance. However, there seems to be a sense within the administration that Mexico's troubles will make it more difficult for de la Madrid to emulate predecessors Luis Echeverria and Jose Lopez Portillo in pursuing policies that Washington frequently regarded as nose-thumbing defiance.

Friction began in the 1970s, when discovery of enormous oil reserves triggered a feeling among Mexicans that, after a long history of relative poverty, they would be able to carry out rapid internal development and make Mexico a major force in world affairs.

That led to a boom in public spending and expansion of private industry, built mostly on foreign loans from banks eager to advance large sums on the expectation of steadily climbing oil revenues. Mexico's external debt soared from about $3 billion in 1970 to its present $80 billion.

This overextended position, aggravated by high inflation and an imbalance that saw imports rise at a far faster rate than exports, sent Mexico to the edge of bankruptcy when last year's oil glut and falling prices reduced Mexico's basic earning power.

The oil boom also had a major impact on the foreign policy of a nation controlled for decades by the Institutional Revolutionary Party. Until the 1970s, its most powerful leaders were noted for using radical-sounding, ultranationalistic language to mask basic conservatism that included generally close cooperation with the United States on most issues.

But Echeverria, then Lopez Portillo, apparently believing that oil wealth would make Mexico a major influence with Latin America and the nonaligned movement, turned increasingly to Third World-oriented policies that, in some cases, were viewed here as gratuitous exercises in Yankee-baiting.

Under Lopez Portillo, the United States became the biggest customer for Mexican oil, currently obtaining 685,000 barrels a day or about 14 percent of its crude imports. That is 49 percent of all oil exported by Mexico.

Even establishment of this highly important energy supply relationship was accompanied by bitter haggling over prices and the tendency of the Lopez Portillo government to flirt with the idea that oil could be used to force the United States into major concessions on immigration and greater access to the U.S. market for Mexican agricultural products.

Greatest tension arose in Central American affairs as the result of several factors: Lopez Portillo's desire to become the most influential leader of the region, the need to placate leftist elements of his party by striking militant postures in foreign policy and most important, the Mexican conviction that the way to handle Central American leftists is to co-opt them through friendship and aid rather than by following the Reagan administration's militant approach.

Shultz' predecessor, Alexander M. Haig Jr., used to sum up Washington's exasperation with Lopez Portillo by remarking in private conversation: "The Mexicans are feeding the alligators."

That was a reference to Mexico's efforts to act as advocate and protector of the radical Sandinista regime in Nicaragua, its provision of a base for activities of exiled Salvadoran politicians allied to guerrillas in their country, its advocacy of negotiations between the Salvadoran government and insurgents along lines that the United States says it believes would give a share of power to communist elements and its ostentatious displays of friendship for Cuban President Fidel Castro.

A year ago, the United States bailed out of a Mexican-proposed initiative to seek a U.S. dialogue with Cuba and Nicaragua because the administration had become convinced that the Mexicans were so tilted in their sympathies that they could not be trusted to act impartially.

U.S. officals generally agree that the practical exigencies of Mexican politics will not allow de la Madrid to depart very publicly from his predecessor's policies. But, as one senior U.S. official said, "There can be a difference between what you say and what you actually do.

"Even under Lopez Portillo, the Mexicans demonstrated that they could be very helpful to us on issues like Reagan's Caribbean Basin Initiative, and we now are hopeful that, in a quiet way, they will be willing to play a more balanced and constructive role in looking for approaches to Central America on which we both can agree."●

INDOCTRINATION OF AMERICAN CHILDREN

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. MICHEL. Mr. Speaker, Albert Shanker, president of the American Federation of Teachers has recently written about the attempted ideological indoctrination of American students by the National Education Association and Union of Concerned Scientists. What he says should be known by our colleagues and by all Americans interested in the education of American children.

At this point I wish to insert in the RECORD, "NEA Trying To Teach—Or Indoctrinate?" from the New York Times, April 17, 1983.

NEA TRYING TO TEACH—OR INDOCTRINATE?

(By Albert Shanker)

What would happen if the Moral Majority circulated lesson plans prepared by Jerry Falwell on political, moral and economic issues and asked public school teachers to use these plans? Or lesson plans by the Heritage Foundation which supported its views on economics and defense? There would be an uproar. The public schools, we would say, should not be used to propagandize for particular points of view. As a society, we place public school teachers, agents of the public, in charge of the schooling of the vast majority of our children . . . and the children are expected to accept teachers not as equals but as authority figures, having superior knowledge and wisdom. Teachers, therefore, have a special responsibility to be balanced and fair—and not to press their private opinions, politics, values or religious views on children. Of course, teachers have the same free speech rights as other people, and I am not suggesting they can't ever express their own views. But expressing a viewpoint is very different from indoctrinating the kids in it.

Is indoctrination actually happening in the schools? Unfortunately, it is. But it's not the Moral Majority or the Heritage Foundation trying to impose views on kids in public schools across the country. It's the National Education Association. The NEA, in cooperation with the Massachusetts Education Association and the Union of Concerned Scientists, has published a 144-page lesson plan, Choices: A Unit on Conflict and Nuclear War. Now, there's nothing wrong with the idea of helping teachers by making lesson plans available. Nor is it wrong to devote classroom time to conflict and nuclear war. What is wrong is a teacher union which has its own political views on these issues asking its members to fill their kids'

heads with lopsided propaganda for its view, rather than helping the students come to understand a number of different points of view in this complex area.

It is not a question of being for or against nuclear war. Everybody in his right mind wants to avert the horror and devastation of nuclear conflict, the potential destruction of the plant. The issue . . . perhaps the most important issue of our age . . . is *how* we manage to do that. And on this critical and controversial question, the NEA wants teachers to press one viewpoint. Almost every one of the 144 pages cries out for analysis and criticism. For want of space, here's just a sample of what's wrong:

The lesson plan is loaded with moving accounts by survivors of Hiroshima and Nagasaki, themselves students when the bombs were dropped. A few lines describing why President Truman decided to drop them are inadequate. The stage is set. Then many more pages are given over to the destruction of nuclear war, the effects of a direct hit, the greater power of current weapons, etc. The United States is shown throughout as way ahead of the Soviet Union in nuclear arms—and this is presented as fact, not as an issue now under sharp debate. Moreover, in an effective section designed to surprise students (by first having them guess and then giving them supposedly accurate information), the students are presented with inflated "facts" on the proportion of the U.S. budget to be spent on national defense.

Various games are proposed for students to play, intended to show that compromise and conciliation help, while conflict hurts everyone. There is no mention in the main text of the huge Soviet arms buildup, and no historic background. Nothing is said about the 1930s, when the democracies compromised and neglected their own defense while Hitler armed. In that era the failure to arm led to war, not to peace. Likewise, there is almost no discussion of the near-universally accepted concept of deterrence . . . of Winston Churchill's idea that the best way to prevent war is to "gather such an aggregation of force on the side of peace that the aggressor, whoever he may be, will not dare to challenge."

Students are presented with optical illusions and other such devices to show that what we perceive is sometimes a product of our own minds. Soviet-U.S. (NATO) conflict, the kids are led to believe, comes from irrational fear and suspicion. If we get rid of these, everything will be okay. The NEA believes both sides have these fears—but the U.S.S.R. is more justified because it actually lost 31 million lives in war and has a million hostile Chinese troops on its borders. The United States, by contrast, says the curriculum has friendly neighbors and suffered only a million deaths since the Civil War. There is no discussion of the Soviet takeover of other countries, no treatment of Soviet aid to Communists around the world to help overthrow other governments, no facts on the Soviet political system . . . the Gulags, the psychiatric tortures, etc. What the NEA lesson plans see as irrational fears many of us feel justified in viewing as not only rational but prudent.

The NEA protects itself from the charge of bias by including 20 lines of copy from the President's office and three and a half pages (out of 144) from the Committee on the Present Danger. But there's no question that instead of helping students understand the complexity of the issue, the NEA tries to impose its own views on students who are not yet able to distinguish fact from opinion.

I have to agree with what The Washington Post said on the matter in a recent editorial: "At the conclusion of the course, children are urged to write their elected representatives about nuclear war, to ascertain and publish the location of defense plants, research and development facilities and military bases in their area (why?) and to collect signatures to place a referendum question on the ballot concerning nuclear policy. This is not teaching in any normally accepted—or for that matter, acceptable—sense. It is political indoctrination."

The NEA action will further undermine public confidence in public education—and it has seriously damaged the NEA's ability to prevent the schools from being used for indoctrination by other groups.●

EDEL-BROWN CO. RECEIVES AWARD

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. MARKEY. Mr. Speaker, I would like to take this opportunity to call to the attention of my colleagues one of the finest small businesses in my district. Today, the Edel-Brown Co. of Everett, Mass., will be receiving an award from the Defense Logistics Agency, the most recent of many honors bestowed on this firm. Thirty-two years ago, Mr. Hans Edel and Mr. Ken Brown formed a small two-person company in Boston. They later moved this component manufacturing firm to Chelsea, another city in my district. In 1973 the General Electric Corp., citing Edel-Brown's outstanding level of quality control, offered the company an opportunity to continue production after an unfortunate fire. Edel-Brown, which is now located in Everett, today employs 85 persons. Mr. Edel and Mr. Brown have been cited numerous times for the extraordinary quality of their company's work. In 1980, the Small Business Administration awarded Edel-Brown its Small Business Private Contractor of the Year Award. In 1982, the Massachusetts Department of Labor recognized the company's excellence in apprenticeship training. In addition, the city of Everett awarded Edel-Brown a commendation for excellence in community development programs. And today, the Department of Defense Logistics Agency will award Edel-Brown its contractors assessment program award for quality excellence. I ask my colleagues to join with me in congratulating Mr. Hans Edel and Mr. Ken Brown, as well as the entire work force at Edel-Brown Co., for their long and exemplary record of performance. I am proud to say that I represent this firm here in the House of Representatives.●

DEREGULATION OF NATURAL GAS

HON. JIM MOODY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. MOODY. Mr. Speaker, soaring natural gas prices have seriously hurt my constituents and prolonged the recession for residential consumers in Wisconsin, where nearly all energy must be imported.

When deregulation of natural gas prices was approved by Congress, the deregulation was intended to be phased in, with the market price determined through competitive supply and demand rather than through artificially set prices. Deregulation of natural gas in practice, however, has not worked as intended. The law of supply and demand has not had an opportunity to prevail. We have the spectacle of cheaply produced gas selling for more than expensively produced gas. We have the spectacle of monopoly profits by gas and pipeline companies which exceed the wildest hopes of those monopolists. Clearly, changes are needed. But a pell-mell acceleration of decontrol phase in—as proposed by the President—is not one of those needed changes.

The administration has proposed to decontrol all natural gas by 1986, although most of the cheaper old gas would be decontrolled in 1985 since the proposal allows producers to break contracts after January 1, 1985. This proposal is disguised as a consumer-oriented measure. Accelerated decontrol is, in fact, a windfall for the owners of old gas—primarily the large major energy companies.

Mr. Reagan's supporters may have sufficient incomes not to worry too much about the effects of rapid gas deregulation on their household budgets. Fixed, modest-income people in Milwaukee and across the Nation are not so lucky. They have to worry. They know that ever-increasing energy costs mean sacrificing other essentials in their household budgets. In fact, Mr. Speaker, in the difficult times which now confront so many Americans, sharply rising energy costs force the simple but sad decision of "heating or eating."

This is a problem that is not going to experience relief without assistance. Without our urgent consideration of an alternative to the President's proposal, this winter will represent just the beginning of longer term suffering for consumers, particularly for the unemployed, the elderly, and those receiving minimal incomes. The recently concluded study by the Citizen/Labor Energy Coalition on the effect of the administration's proposal shows that between 1982 and 1986, accelerated de-

control would double the wellhead gas costs, increase residential gas bills by 67 percent, and cost consumers $50 billion.

I, therefore, encourage my fellow Members of Congress to reject the administration's proposal. Instead, we should support legislation carefully designed to protect the consumer, while at the same time harnessing market forces to insure only a reasonable and just profit for natural gas producers and shippers. In my judgment, the Natural Gas Consumer Relief Act, H.R. 2154, meets this dual requirement, and therefore benefits not only my constituents, but all people of this Nation.●

A MEMORIAL TO WORLD WAR I

HON. ROBERT E. WISE, JR.

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. WISE. Mr. Speaker, it is with great pride that I have today introduced a resolution to commemorate the city of Nitro, W. Va., as a living memorial to World War I. It is a distinct privilege to represent the more than 8,000 citizens of Nitro in Congress. Their city commemorates the national commitment early in this century to defending the cause of freedom around the world.

America's call to arms during the First World War meant our Nation had to provide for the production of munitions. Eighteen hundred acres of farmland on the Kanawha River, where Kanawha and Putnam counties converge, were chosen as the site where this production capacity would be concentrated. Almost overnight, what was soon to be the municipality of Nitro, became one of the half-dozen largest cities in the State of West Virginia.

Nitro took pride in its role during that war. While elated that peace had been realized and victory claimed, the transition to a peacetime economy was difficult. The boom that built Nitro had eased and the city converted its leftover stocks of raw materials to manufacture of chemicals and synthetic fibers. Today, with several major companies doing business in Nitro, the town is thriving, though an upturn in the economy would be certainly welcome in helping to revive the work force.

Under the leadership of Mayor Arden Ashley, Nitro has taken great strides providing a comfortable environment for all of its citizens. There are excellent recreation facilities, services for the elderly, a city government committed to efficient management, and a preservation of the historical significance of the community.

So that this heritage will be recognized for its contribution to America's participation in World War I, I am pleased to offer this resolution for approval by the Congress.●

FORMER GOV. JERRY BROWN'S TRIBUTE TO WILSON AYRES CLARK

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. OTTINGER. Mr. Speaker, I would like to call to the attention of my colleagues a tribute to our mutual friend Wilson Ayres Clark by former California Gov. Jerry Brown. In Governor Brown's administration, Wilson served as his chief energy advisor, instituting great reforms in the field of energy conservation and alternative energy use. Wilson's tragic death represents the loss of one of the true leaders and innovators in the field of alternative energy use. Governor Brown's tribute follows:

Wilson died in a tragic automobile accident on January 31, 1983, when he lost control of his car. I speak for many of his friends and associates in California in expressing my deepest sympathies to his parents and his sister.

Wilson served as my energy advisor from 1976 to 1981. Prior to joining my staff he had already established himself as one of the most articulate thinkers in the energy field in the country. Wilson was born in North Carolina on October 14, 1946. After leaving the University of North Carolina in 1968, he want to Washington where he was one of the founders of Earth Day. He was an editor of Energy Digest and published numerous articles on nuclear power before he became the Energy Policy Coordinator for the Environmental Policy Center. While at EPC, Wilson gained nationwide recognition for his series of energy articles that appeared in Smithsonian Magazine where he popularized the concept of net energy and brought to a sophisticated and wide audience the ideas and technologies of renewable energy development. With the publication of Energy for Survival in 1974, Wilson established himself not only as one of the few at that time who fully comprehended the political and social gravity of the energy crisis, but also as one who foresaw the range of alternative energy solutions available.

In addition, many of the people who shared Wilson's vision and later came to California to help make that vision a reality have told me of their appreciation for his ability to articulate for them and for the emerging community of alternative energy advocates the vital importance of decentralized, renewable energy sources.

I am proud that during my administration, California became the acknowledged leader in energy policies and programs that emphasized alternative energy sources and increased efficiency of energy use. I owe a great debt to Wilson Clark for being one of the people who helped me understand the importance of these new energy ideas both for California and the rest of the nation's well being.

Wilson sought a wide range of thinkers to develop and shape his own ideas and drew what he felt to be the best from many different traditions. He had an engineer's fascination for technology, a humanist's cynicism about the limits of engineering, and an idealist's commitment to social justice. But perhaps most important, these were combined with a populist's passion for empowering people with the skills to control their own lives and destinies. Wilson recognized that we live in an era of change—that we must not only adapt to that change but be a part of it, and consciously direct it. Without this active involvement in creating our future, we fall victim to the errors of the past. Wilson was tireless in his efforts to create a better, more ecologically sound democratic world.

Wilson was known for his eclectic gathering of ideas, the range of sources from which he drew, and for his animated sharing of his discoveries. He had an extraordinary way of reaching across boundaries, combining seemingly unlike ideas in a way that gave a new perspective to problems and solutions. One of the joys in his life and to those of us around him was how openly and freely he shared his ideas and his enthusiasm for them. Many of us have fond memories of Wilson roaring through our offices like a whirlwind with some new passion. He was not manipulative with nor did he hoard his ideas—the more people knew the better—which made him a genuine and refreshing participant in the political world which is so often characterized by meanness of spirit.

Wilson's parents and friends can take pride that he did something in his life that many wish they could do: he left an important legacy for us to remember him by. Wilson helped spark and create a landmark shift in the way California and the nation uses and thinks about energy. In that sense, every wind generating turbine, small hydroelectric plant, solar water heating system or solar home is part of Wilson's monument.

I take pride that during my term of governor, California made great strides in developing and commercializing alternative energy technologies and cutting unnecessary energy waste. Wilson deserves credit for the important role he played in those successes which have much to do with inspiring me as well as others around him.

I considered Wilson a friend. I will miss him and his personal energy and enthusiasm. but we will press on toward his vision of a safe and democratic world powered by renewable energy sources because that is what he would have wished. He deserves no less of us, and it is the greatest tribute that we can pay him.●

RECOGNITION OF "DIFF'RENT STROKES"

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. BROWN of California. Mr. Speaker, the Congress declared April 1983 National Child Abuse Prevention Month. Unfortunately, child abuse has reached near-epidemic proportions. Estimates by child-protection organizations of how many American children are sexually abused each year range from 100,000 to 1 million, but most of the incidents are unreported.

According to the National Center for the Prevention and Treatment of Child Abuse and Neglect, reports of sexual mistreatment of children have been rising. This increase may be due to more instances of abuse, or more reporting of abuses, or both. Children and parents must be aware that any act of molestation should be reported. The first step is for children to learn to recognize abuse; the next is to report any unusual adult behavior to a parent or other responsible adult. Too many children do not know which adult behaviors are inappropriate; too few children are assured of the legitimacy of reporting abuse.

A recent presentation on the series "Diff'rent Strokes" made huge strides toward educating children about molestation. "Diff'rent Strokes," one of the most watched prime-time network programs among 6- to 12-year-olds, aired a two-part episode entitled, "The Bicycle Man" on February 5 and 12, 1983.

The bicycle man is the proprietor of a bicycle shop where Arnold, Gary Coleman, takes his father to look at a bicycle. The store owner, played by Gordon Jump, makes friends with Arnold and his friend Dudley. As part of being "friendly," the store owner gives the boys wine, shows them adult films, and encourages them to pose partially clad for photos. Arnold begins to feel uneasy and runs home, and his father calls the police.

After intervening at the bicycle shop, a police detective discusses child molestation with the family. His discussion includes the facts that child molesters are never interested in adults and are not homosexuals; children are never to blame in these cases; parents should teach their children what kind of behavior is harmful; children should always report to their parents, who should alert the police. Before the show, actor Conrad Bain advised families to watch the program together and discuss it afterward.

Writer Blake Hunter, director Gerren Keith, producer Norman Lear, the actors, the production staff, and the sponsors of "Diff'rent Strokes" should all be highly commended for a valuable contribution to the prevention of child abuse. As a result of watching this episode, children in Long Beach and Milwaukee reported instances of abuse, and two child molesters were apprehended. I applaud the work of the staff of "Diff'rent Strokes." Our First Lady, who actively concerns herself with children's welfare issues, appeared as herself in a March 19 episode on teenage drug abuse. But a national profile is not required to be a children's advocate. As parents, relatives, teachers, and friends, we can all help prevent child abuse by educating children about dangerous situations, and listening to their reports of encounters with dangerous adults. Together, we can work toward our goal of the prevention of child abuse, not only during this special time, but year round.●

DIANE M. MACK, COLORADO WINNER, 1982-83 VFW VOICE OF DEMOCRACY SCHOLARSHIP PROGRAM

HON. RAY KOGOVSEK

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. KOGOVSEK. Mr. Speaker, Diane Mack of Canon City, Colo., was recently named Colorado's winner in the voice of democracy program.

In honor of this outstanding program, and in recognition of the poignant message of Miss Mack's speech, I would like to have it inserted in the CONGRESSIONAL RECORD so that others may have the privilege of reading her thoughtful presentation.

Hello, Grandpa. I just wanted to call and congratulate you on your retirement. You must be really proud, having been with the company for 45 years. What do you and Grandma plan to do now that you have retired? Oh, you're going to travel around the United States? That sounds so exciting. It will be so special to you since you came to America as a young man. I know that you love our country and our democracy more than most people because of that.

You say that you are worried about the democracy of our country now that your generation is retiring. Well, Grandpa, I know that your feelings would change if you could meet some of my classmates. Take Jan, for example. She's our student council president. She has gone through a campaign and an election and she really tries to represent the entire student body. She cares about what we think and feel. Isn't that what democracy is all about, Grandpa? Did I tell you we held a presidential election in our school before President Reagan was elected? We had amost 100% turnout in voting, and the students really got involved in the election and the issues. Because of this, some students even became active young Democrats and Republicans. A couple of my classmates have the goal of becoming pages in the United States Congress to see what the legislative process is all about.

You wonder if today's youth would go to war like you did to fight for our country's democracy? They would, Grandpa, if they felt our way of life or our country's freedom was threatened. But we also realize that World War III could be a nuclear war that might destroy all types of government. So, Grandpa, I feel today's youth will work harder to promote peace. I think we realize we need to be world citizens. We have to get involved in what is going on in the world and promote peace among nations. Grandpa, did you know our national debate topic this year is about the sale of weapons to foreign countries. This shows our concern with being world citizens. We realize that this is a small world, and we have to do all we can to promote peace. One way I feel we promote peace among countries is our student exchange program. I know I have gained a greater understanding about people of other cultures from the exchange students I have met and from our students who have visited other countries.

Yes, Grandpa, I know that there are some kids who don't seem to care about others, but most aren't like that. Just as you have helped so many people and even served as chairman of United Way, I see my classmates showing the same kind of concern. There are many groups of students at my school that care very much about others. One group raises money for the animal shelter each year, and others give Christmas parties for the elderly and the under-privileged. Many of my classmates participated in the March of Dimes Walk-a-thon and the Jerry Lewis Telethon for Muscular Dystrophy. The concern is also on a more personal level, Grandpa. Peer counselors show their classmates they really care, volunteers serve in hospitals and nursing homes, and many come to the aid of families when they are faced with a tragedy.

Really, Grandpa, you and Grandma are going to come visit my school to meet some of my classmates? Well, I'm sure you will find the youth all around the country the same—they care about America. You don't have to worry about retiring Grandpa, because I know America's strength lies in its youth, thanks to the example and leadership of Americans like you.

Goodbye, Grandpa, see you soon!●

ORANGE COUNTY'S VERY SPECIAL ARTS FESTIVAL

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. PATTERSON. Mr. Speaker, I invite my colleagues to join me in recognizing Orange County's seventh annual "Very Special Arts Festival," to be held April 30, 1983. The festival, sponsored by the Orange County Department of Education, is designed to display the capabilities and creativity of the disabled community and to offer a showcase for their artistic talents in a noncompetitive event.

This remarkable festival, dedicated to eliminating the segregation to the handicapped from the mainstream of society, is held on behalf of more than 16,000 handicapped children and adults in the community. It is made possible by the hard work of many dedicated volunteers from all walks of life.

In addition to the Orange County Department of Education and the many involved volunteers, this year's festival is sponsored by the Arts for the Handicapped, National Committee; Arts for the Handicapped, Orange County Committee; California Alliance for Arts Education; and the Council for Exceptional Children, Chapter 188.

The "Very Special Arts Festival" serves as a valuable experience for the handicapped and nonhandicapped alike. It works to develop self-awareness and a sense of pride in the handi-

capped, and underscores the importance of beauty in the lives of disabled persons.

As the Representative for the 38th Congressional District, I strongly support the stated goals of the "Very Special Arts Festival." Mr. Speaker, I again ask my colleagues to join me in commending the Orange County Department of Education, the festival cosponsors and the many participants for their commitment to the needs of handicapped persons in Orange County.●

SOVIET JEWISH ACTIVIST, LEV ELBERT

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. GARCIA. Mr. Speaker, I would like to call the attention of my colleagues to a Jewish activist from Kiev, Lev Elbert, who has been denied permission to emigrate to Israel, and who may face imprisonment.

Mr. Elbert first sought to emigrate in 1974. His application was rejected and his long-suffering efforts to leave the country since then have been futile. Recently, Elbert was summoned for 60 days of reserve army duty although he is not even a member of the service. Aware that if he were given access to "state secrets" he would never be permitted to emigrate, Elbert requested assurance that he not be involved in classified work. Soviet officials rejected this request, and the military commission has informed him he will be prosecuted for "draft evasion." The punishment for Mr. Elbert's "crime" is up to 1 year in prison.

I have written letters to Soviet Ambassador Dobrynin and Procurator General Alexander Rekunov asking them to intercede on Mr. Elbert's behalf. I urge you and my colleagues to contact these officials, thereby alerting the Soviet Union that the plight of this man is of concern to the U.S. Congress. The influence that our Government can have on internal policy decision in the U.S.S.R. is unclear. I feel, however, that we must make our feelings known when and where we can to reverse the present downward trend in Soviet Jewish emigration. The hopes of many thousands of refuseniks facing harassment, exile, and imprisonment rest in no small measure on our efforts.●

THE LIFE OF PHILLIP BURTON

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. UDALL. Mr. Speaker, last Thursday at Phil Burton's memorial service in San Francisco I was particularly struck by the wide representation of people present. Not only were there over 100 Members and former Members of Congress present—a remarkable tribute to Phil—but there were many people from his congressional district, and from all around the Nation—even from the distant islands of the Western Pacific. Phil had been special to all of them.

Phil Burton devoted his life and great and unique talents to the welfare of all Americans, and he especially worked to better the lot of the poor, the sick and disabled, the senior citizens, and the victims of intolerance and discrimination.

As a member of the Committee on Interior and Insular Affairs, Phil championed legislation that nearly doubled the size of the Wild and Scenic Rivers Service, more than doubled the wilderness acreage in the National Park Service, and tripled the size of the National Trails System.

Phil was particularly proud to be the author of legislation that created the Golden Gate National Recreation Area. It was, indeed, fitting that his memorial service was held there in the Great Meadow.

But perhaps no greater memorial befits this giant of a man then do the majestic redwood trees which will stand forever, because Phil was their champion too.

His commitment over the years to those with little political power inspired him to champion causes for the people of American Samoa, Guam, the Northern Marianas, the Virgin Islands, the Trust Territory of the Pacific Islands, and Puerto Rico. He began the process by which they could ultimately determine their own political destinies, by seeing that they began to be represented in the Congress, and by encouraging them to begin to write their own constitutions.

For all of us who served with Phil, he will always hold a very special place in our hearts, and in our memories of the days we shared together in this great institution.

To fully capture with words Phil's legacy to us is most difficult. But the following biography of Phil Burton provides an overview of the enormous achievements this good man attained for the benefit of all of us. I would like, therefore, to submit it for the RECORD in order that all may know of his great contributions to our Nation.

BIOGRAPHY OF PHILLIP BURTON, FIFTH DISTRICT, CALIF.

Born: June 1, 1926 in Cincinnati, Ohio.

Education: 1944—George Washington High School, San Francisco, California; 1947—University of Southern California (B.A.—political science); 1952—Golden Gate Law School, San Francisco, California (L.L.B.).

Military: World War II (Navy—V-12) and Korean War (U.S. Air Force—1st Lieutenant, Assistant Staff Judge Advocate).

Family: Wife, Sala; daughter, Joy.

Career: 1952—Attorney at Law (admitted to practice before U.S. Supreme Court, 1956); 1956—Elected Member, California State Assembly; 1964—to present, Member, United States House of Representatives.

Committees: Education and Labor: Subcommittee on Labor-Management Relations (Chair); Subcommittee on Labor Standards.

Interior and Insular Affairs; Subcommittee on Public Lands and National Parks; Subcommittee on Insular Affairs.

Democratic Steering and Policy Committee.

Other positions

1974 to present—Democratic Study Group, Executive Committee.

1977 to present—Chair, United States House of Representatives Delegation to the North Atlantic Assembly (NAA).

1978 to present—President, Political Committee (NAA).

1971 to 1977—Chair, Insular Areas Subcommittee.

1971 to 1973—Chair, Democratic Study Group.

1974 to 1976—Chair, House Democratic Caucus.

1977 thru 1980—Chair, Interior Subcommittee on National Parks and Insular Affairs.

1979 and 1980—Chair, Committee on Organization, Study and Review (Democratic Caucus Reform Committee).

1979 and 1980—Democratic Congressional Campaign Committee and Chair, United States House of Representatives Delegation to the U.N. Trusteeship Coucil.

PROFILE

An articulate spokesperson for the liberal position, Congressman Phillip Burton was first elected to the House of Representatives in a special election on February 18, 1964. A master legislative tactician, he is a forceful advocate and champion of the nation's underprivileged and has long been in the forefront of the struggle to protect civil rights and civil liberties. He is nationally recognized as a leader in the areas of environmental protection and labor law.

In 1976, he received all but one of the votes necessary to become one of the youngest House Majority Leaders in the history of the U.S. House of Representatives. He is acknowledged to be one of the nation's foremost Members of Congress.

Congressman Burton has a reputation for legislative skill that is recognized by both sides of the aisle. He is known for his hard work and unique ability to work with and reconcile diverse views to accomplish a desirable legislative goal.

LEGISLATIVE CAREER ACHIEVEMENT HIGHLIGHTS

Key leader in enactment of the Coal Mine Health & Safety Act providing the strongest health and welfare protection to workers in this most dangerous job occupation.

Authored the Black Lung compensation provisions of the 1970 Coal Mine Health and Safety Act (the first national industrial dis-

ease-related workers' compensation program that has benefited more than half a million workers to date).

Authored the Supplemental Security Income Act (SSI), a nationally guaranteed income maintenance program providing help to 4.1 million aged, disabled and blind persons.

Opposed the war in Vietnam from the onset and opposed all appropriations for the conduct of that war, including the first supplemental appropriations in May, 1965.

Key figure in reform of U.S. House of Representatives. Probably more responsible than any other single person for the reforms that have made the House an open, responsive institution.

Authored legislation in 1966 extending the minimum wage to 6.5 million previously uncovered workers, including farmworkers, service employees (such as hospital, restaurant and laundry workers) and Federal blue collar workers not under civil service protection.

Managed legislation in 1978 extending the minimum wage and increasing the minimum rate from $2.30 to $3.35/hr. (largest single increase in history—$1.05/hr.

Personally responsible for legislative provisions including more workers under minimum wage and overtime protection (since first enactment of the minimum wage law) than any other Member in the history of the U.S. Congress.

ENVIRONMENT

As Chair of the Subcommittee on National Parks in the 95th and 96th Congresses, set an unprecedented record for establishing and protecting parks, wilderness areas, trails and wild and scenic rivers, including the Omnibus Parks Act of 1978—the most sweeping piece of environmental legislation ever to pass the Congress:

Tripled the size of the National Trails system; Almost doubled the size of the Wild and Scenic Rivers system; More than doubled the Wilderness acreage in the National Park system.

Key figure in passage of Alaska Lands bill, protecting over 100 million acres of land, including the largest designated wilderness area in the nation.

Introduced and ensured enactment of a bill adding 45,000 acres to the limits of the Boundary Waters Canoe Area in Minnesota. This law restricted both mining activities in the wilderness and motorized use of lakes in the area.

Sponsored legislation enacted to authorize $725 million to renovate existing park and recreation facilities in urban areas.

Authored major amendment to the Historic Preservation Act that extended authorization of appropriations under the Historic Preservation Fund and expanded the responsibilities of Federal programs affecting preservation efforts.

Increased authorizations (for over 50 units of the National Park system) to provide for long overdue acquisitions of state/national park and related outdoor areas across the nation.

Authored and enacted into law proposals ensuring more adequate representation in the national park system of our diverse ethnic and minority elements, including these new additions:

American Memorial Park Saipan.

Kalaupapa National Historical Park (leper colony), Hawaii.

Kaloko-Honokohau National Historical Park, Hawaii.

War in the Pacific National Historical Park, Guam.

Boston African American National Historical Site, Massachusetts.

Maggie L. Walker National Historical Site, (first Black female bank president), Virginia.

Martin Luther King, Jr., National Historical Park and Preservation Site, Georgia.

Chaco Culture National Historical Park (to protect ancient Indian dwellings and artifacts), New Mexico.

Salinas National Monument (archeological protection), New Mexico.

David Berger Memorial (Jewish Olympic athlete assassinated in Munich), Ohio.

Thaddeus Kosciuzsko Home National Historical Site (recognition of Polish General in U.S. service), Pennsylvania.

Women's Rights National Historical Park (in recognition of the contributions of Elizabeth Cady Stanton), Seneca Falls, New York.

Improvements in these existing areas of the park system: Frederick Douglass Home (commemoration of Black abolitionist), D.C.; Hawaii Volcanoes National Park, Hawaii; and Piscataway Park (to permit burial of Chief Tayac), Maryland.

Sponsored and enacted legislation to establish the Holocaust Memorial Council, the Native Hawaiian Study Commission and a National Center for the Study of Afro-American History and Culture in Ohio.

Instrumental in prohibiting entrance fees in almost 270 of the 327 units of the national park system and providing free admission to the blind and disabled.

Authored legislation adding three Members to the U.S. House of Representatives by extending representation to Guam, the Virgin Islands and American Samoa. A concurrent resolution of commendation was passed by the Samoan legislature for "a political and historical milestone and achievement."

Authored legislation extending Land Grant College Status (and aid) to colleges in Guam, the Virgin Islands and American Samoa.

Authored and enacted into law the purchase or construction of modern hospital and health care facilities in Guam, the Virgin Islands and the Northern Mariana Islands.

Enacted legislation to include $15 million for the Bikini people to cover relocation costs incurred by having to move some of them from their homes on the nuclear contaminated island of Bikini. This measure also provided for the lifetime health evaluation and care for these victims of U.S. nuclear testing, and established a $6,000,000 trust fund to be used exclusively for the benefit of the Bikini people and their descendants.

ENVIRONMENTAL LEGISLATION CONCERNING CALIFORNIA

Authored legislation which expanded the Redwood National Park and provided the first environmentally-related workers' compensation program.

Authored legislation (Burton-Santini bill) protecting Lake Tahoe from future deterioration by development on its shore.

Authored legislation and was the architect of the enactment of the bill to create the magnificent Golden Gate National Recreation Area in San Francisco, Marin and San Mateo Counties.

Sponsored the California Wilderness bill (passed House in 1981). Protects more wilderness acreage, 3.5 million acres, than in any state in the continental U.S.

Authored legislation enacted to establish the Channel Islands National Park. This law expanded the previously designated national monument by more than 100,000 acres.

Authored legislation enacted to establish the Santa Monica Mountains National Recreation Area.

Authored legislation enacted to establish the Mineral King Area (addition to Sequoia National Park).

Other legislation enacted

Pt. Reyes National Seashore—significant expansion of the national seashore.

Ft. Point National Historic Site—established the site.

Old San Francisco Mint—preserved as historic building.

Farallon Islands—extended wilderness protection to the islands.

American River—designated as wild and scenic.

Kern River—proposed for study as wild and scenic river.

Pacific Crest Trail—protection of national scenic trail.

Pinnacles National Monument—increased acreage.

Whiskeytown Shasta-Trinity National Recreation Area—increased development ceiling by $2,000,000.

John Muir National Historic Site—increased funds for protection of resource.

Leader in the effort to protect the Big Sur Area.●

LEGISLATION TO AID THE PROMOTION OF FILBERTS

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. AuCOIN. Mr. Speaker, today, I am introducing legislation to aid the promotion of filberts. This is identical to legislation I introduced in the last two Congresses.

This bill amends the Agricultural Adjustment Act to authorize marketing research and promotion projects including paid advertising for filberts. It gives the Filbert Marketing Order Committee the authority it needs to amend the marketing order so it is then permitted to levy an assessment on handlers to generate funds for research, promotion, and advertising.

This legislation provides an excellent opportunity for the promotion of filberts. U.S. filberts are produced on 25,000 acres in Oregon and Washington, and the industry will soon be capable of producing all the filberts needed for domestic consumption.

The industry has doubled their production ability in the last decade and will probably double it again in the next 10 years. It needs this legislation to further the promotion of filberts.●

RECOGNITION OF DR. FRANCES BERDAN

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. BROWN of California. Mr. Speaker, I would like to take this opportunity to recognize Dr. Frances Berdan, professor of anthropology at California State, San Bernardino. Dr. Berdan has been chosen as one of two outstanding professors of the year by California State University trustees for her work at the university, both in research and as a teacher.

Dr. Berdan certainly deserves this much sought after honor. Having taught at the university for approximately 10 years, she is chairman of the Anthropology Department. Student evaluations consistently rate her as an effective teacher. In addition, as one of few existing experts, she has written three books about the Aztecs and their language.

I congratulate Dr. Berdan for her achievements, and for being honored by California State University. With teachers like her in our educational system, today's young people will become tomorrow's well-educated, concerned citizens and leaders.●

TRIBUTE TO THE GERMANIA MAENNERCHOR

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. OTTINGER. Mr. Speaker, I would like to take this opportunity to commend the Germania Maennerchor of Port Chester, N.Y. These enthusiastic singers have been responsible for preserving the traditions of their German ancestry, including the folk lore, but most importantly, German choir singing.

Throughout the choir's 115-year history it has added a rich and unique flavor to many sports and cultural events in Port Chester. The German Maennerchor's outstanding performances has earned it many awards as well.

I ask my colleagues to join me in wishing the Germania Maennerchor continued success in sharing with us its German traditions. We especially wish the singers the best of luck at their April 23 concert when the group will commemorate the 300th anniversary of Germans in America and the 115th anniversary of the founding of the Port Chester Germania Maennerchor.●

CURRENT SERVICES DEFENSE BUDGET IS MISLEADING

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. HAMILTON. Mr. Speaker, the current services defense budget prepared this year by the Office of Management and Budget is seriously misleading. It attempts to disguise the magnitude of the increase in defense outlays for 1984-88 implied in the President's budget proposals, understating that increase by approximately $244 billion.

The Congressional Budget Act of 1974, section 605, requires that the President submit a current services budget to Congress. This budget sets out the level of outlays and budget authority "for the ensuing fiscal year if all programs and activities were carried on during such ensuing fiscal year at the same level as the fiscal year in progress and without policy changes in such programs and activities."

These current services estimates have been submitted as "Special Analysis A" of the fiscal year 1984 budget. The Joint Economic Committee is required to review the current services budget and report on it to the Congress. The committee has done this as part of its 1983 Joint Economic Report.

The members of the Joint Economic Committee have agreed, unanimously, that OMB "has inexplicably departed from the basic definitions of current services in the Budget Act," and that the resulting estimates are "confusing and misleading." As "Special Analysis A" acknowledges, OMB has made a "major exception," and used last year's budget request by the administration as the baseline Defense budget. This does not reflect policies fully adopted by the Congress and therefore it does not provide proper current services estimates. The effect of the inflated baseline is to portray the proposed sizable increases in the defense budget this year as cuts.

The Congressional Budget Office's "programmatic content of baseline" estimates provide a much better guidepost for measuring increases in defense spending. This is shown as baseline (3) in tables IV and V on page 104 of the Joint Economic Committee's report. These CBO estimates, not the official CBO baseline for defense, most nearly comply with the statutory definition of the current services budget. They measure funding necessary to fulfill the commitments for the defense force structure and procurement program that were approved during the second session of the 97th Congress.

The differences between the CBO programmatic component of baseline estimates and OMB's current services estimates are striking. Over the fiscal year 1983-88 period, the administration's proposed defense outlays represent a reduction of $46.9 billion from their current services estimates, but increases of $197.2 billion in comparison with CBO's program baseline. Thus, the choice of a baseline makes a difference of $244.1 billion over 5 years. The differences are even greater in terms of defense budget authority.

The administration's current services defense budget does not follow the requirements of the law, and it confuses the terms of the debate. The debate over defense spending is complex enough without these unexplained departures from law and customary practice. It simply is not accurate to claim that the administration's proposals call for reductions in defense spending.

On March 22, I wrote to OMB Director David Stockman, pointing out the inadequacies in their current services budget for defense. I asked that revised estimates be submitted which conform as nearly as possible to the requirements of the Congressional Budget Act of 1974. In his response of April 4, Director Stockman indicated that he would not submit the requested estimates as part of the fiscal year 1984 budget.

I have now suggested a compromise. In the future, the Office of Management and Budget should provide traditional current services analyses of all budget areas. If OMB feels that a different baseline is appropriate for defense—or any other area—this could also be provided, with an explanation as to why it is deemed preferable. The Congress will then be better able to decide the most appropriate baseline for our budget deliberations.

My correspondence with Director Stockman and the unanimous views of the Joint Economic Committee's members, as expressed in our report, are appended.

[From the March 1983 Report of the Joint Economic Committee on the February 1983 Economic Report of the President]

The major shortcoming of the 1984 current services budget is its treatment of budget authority and outlays for defense. In an acknowledged "major exception" to normal practice, the Administration indicates that the estimated military budget authority for 1984 and outlays for 1984-1987 are not intended to represent costs "if all programs and activities were carried on . . . at the same level as the fiscal year in progress and without policy changes in such programs and activities," the definition of current services in the Budget Act. Rather, the 1984-1987 estimates are "those presented by the Administration and used by Congress in last year's budget deliberations," and the 1988 estimates "were developed consistent with this baseline." This baseline is "believed to be the most useful one for measuring the effects of policy changes in

the defense area." [2] It is not specified in the Special Analysis whether the Administration or the Congress finds this baseline "the most useful one," nor, if the latter, how such a determination was made. And there is no indication why similar baselines might not be "the most useful" as in other areas as well.

The basis for current services defense estimates has major implications. As shown in Table IV, over the 1983-1988 period, the Administration's proposed outlays for defense ($1,808.3 billion) represent a $46.9 billion reduction from the Administration's current services estimates, but increases ranging from $74.0 billion to $353.3 billion in comparison with the other four baselines listed.[3] These differences between proposed outlays and various current services measures vary by more than $400 billion over this period. Similarly, as shown in Table V, over the 1983-1988 period, the Administration's proposed budget authority for defense ($2,050.5 billion) represents a $54.4 billion reduction from the Administration's current services estimates, but increases ranging from $84.9 billion to $389.4 billion in comparison with the other four baselines listed.

TABLE IV.—OUTLAYS FOR NATIONAL DEFENSE: ADMINISTRATION PROPOSALS AND VARIOUS BASELINES, FISCAL YEARS 1983–88

[In billions of dollars]

Fiscal year	Baseline					Administration proposal	Difference between administration proposal and baseline				
	(1)	(2)	(3)	(4)	(5)		(1)	(2)	(3)	(4)	(5)
1983	214.8	213.5	213.5	213.5	214.6	214.8	0.0	1.3	1.3	1.3	0.2
1984	222.4	234.0	236.8	242.1	253.7	245.3	22.9	11.3	8.5	3.2	−8.4
1985	236.0	251.0	259.6	277.7	293.4	285.3	49.3	34.3	25.7	7.6	−8.1
1986	248.1	267.0	280.5	310.0	332.2	323.0	74.9	56.0	42.5	13.0	−9.2
1987	260.4	285.0	300.0	333.0	364.7	354.3	93.9	69.3	54.3	21.3	−10.4
1988	273.3	303.0	320.7	358.0	396.6	385.6	112.3	82.6	64.9	27.6	−11.0
Total	1,455.0	1,553.5	1,611.1	1,734.3	1,855.2	1,808.3	353.3	254.8	197.2	74.0	−46.9

Sources:
(1) No real growth, as derived from OMB data contained in Congressional Budget Office "An Analysis of the President's Budgetary Proposals for Fiscal Year 1984." Feb. 1983, p. 54.
(2) CBO's "no real growth" path, from CBO's "Baseline Budget Projections for Fiscal Year 1984–88," Feb. 3, 1983, p. 45.
(3) CBO's programmatic component of baseline," same source as (2), p. 100.
(4) CBO's baseline, same source as (2), p. 100.
(5) Administration's current servcies budget, from Office of Management and Budget, "Special Analyses, Budget of the United States Government, Fiscl Year 1984," pp. A–7, A–16.

Administration Proposal: Office of Management and Budget, "Budget of the United States Government, Fiscal Year 1984," p. 9–5

Note: Adjustments have not been made in (2)–(4) for any differences between the CBO and Administration economic forecasts, which do not have major impacts on estimated defense outlays.

TABLE V.—BUDGET AUTHORITY FOR NATIONAL DEFENSE: ADMINISTRATION PROPOSALS AND VARIOUS BASELINES, FISCAL YEARS 1983–88

[In billions of dollars]

Fiscal year	Baseline					Administration proposal	Difference between administration proposal and baseline				
	(1)	(2)	(3)	(4)	(5)		(1)	(2)	(3)	(4)	(5)
1983	245.5	243.9	243.9	243.9	244.5	245.5	0.0	1.6	1.6	1.6	1.0
1984	254.5	258.0	267.5	278.3	291.8	280.5	26.0	22.5	13.0	2.2	−11.3
1985	269.3	273.0	286.7	322.4	339.4	330.0	60.7	57.0	43.3	7.6	−9.4
1986	283.0	288.0	304.1	350.0	375.4	364.8	81.8	76.8	60.7	14.8	−10.6
1987	297.0	304.0	322.0	373.0	408.7	397.0	100.0	93.0	75.0	24.0	−11.7
1988	311.8	322.0	352.7	398.0	445.1	432.7	120.9	110.7	80.0	34.7	−12.4
Total	1,661.1	1,688.9	1,776.9	1,965.6	2,104.9	2,050.5	389.4	361.6	273.6	84.9	−54.4

Sources: (1)–(4) As in Table IV. (5) As for (1), p. 80.

Administration Proposal: As for (1).

Note: Adjustments have not been made in (2)–(4) for any differences betwen the CBO and Administration economic forecasts, which do not have major impacts in estimated defense budget authority.

The difference between proposed budget authority and various current services measures of budget authority vary by more than $400 billion over this period. Percentage increases in defense outlays and budget authority using the various measures are compared in Table VI for 1983-1988.

TABLE VI.—AVERAGE ANNUAL INCREASES IN VARIOUS MEASURES OF DEFENSE SPENDING, FISCAL YEARS 1983–88

[In percent]

Measure	Average annual percentage increase, fiscal years 1983–88	
	Outlays	Budget authority
Estimates in current dollars:		
Baseline (1)	4.9	4.9
Baseline (2)	7.3	5.7
Baseline (3)	8.5	7.7
Baseline (4)	10.9	10.3
Baseline (5)	13.1	12.7
Administration proposal	12.4	12.0
Estimates in constant dollars:[1]		
Baseline (1)	0.0	0.0
Baseline (2)	2.2	0.8
Baseline (3)	3.4	2.6
Baseline (4)	5.7	5.1

TABLE VI.—AVERAGE ANNUAL INCREASES IN VARIOUS MEASURES OF DEFENSE SPENDING, FISCAL YEARS 1983–88—Continued

[In percent]

Measure	Average annual percentage increase, fiscal years 1983–88	
	Outlays	Budget authority
Baseline (5)	7.8	7.5
Administration proposal	7.1	6.8

[1] In comparison with baseline (1).

Sources: Calculated from data in Tables III and IV.

The Congressional Budget Office rejected its "no real growth" estimates as its baseline. The CBO "no real growth" path over the 1984-1988 period implies increases in defense outlays averaging the 7.3 percent per year and increases in defense budget authority averaging 5.7 percent per year, well above OMB's implicit estimates, but CBO felt that funding at such levels "could require cancellation of some investment programs, rescheduling of others, and some force structure deactivation." [4] CBO's "no real growth" path probably does understate a realistic level of current services defense spending. But it is also clear that the Administration's current services defense budget significantly overstates the level of expenditures consistent with the definition of current services contained in the Budget Act. The most realistic benchmark appears to be baseline (3), CBO's "programmatic component of baseline."

In discussing the differences between the estimated current services and proposed budgets, the Administration cites savings in the defense area "due to lower inflation, the 1984 pay freeze, and various program economies." [5] The proposed pay freeze and program economies represent legitimate savings from current services spending. Lower inflation will help restrain defense outlays by an estimated $35 billion over the 1984-1988 period according to Administration estimates, but by definition these savings do not represent savings from current services,

[2] Office of Management and Budget, "special analyses, Budget of the United States Government, Fiscal Year 1984," p. A-3.

[3] These comparisons do not take into account any differences between the economic forecasts of the Administration and the Congressinal Budget Office. Such differences appear to be relatively small in comparsion with the magnitudes involved.

[4] Congressional Budget Office, "Baseline Budget Projections for Fiscal Years 1984-88," p. 46.

[5] Office of Management and Budget, "Special Analyses, Budget of the United States Government, Fiscal Year 1984," p. A-12.

properly defined. The current services budget, as well as the proposed budget, should be reduced to take account of lower inflation, leaving the difference between the two unchanged.

In summary, in many areas, the current services budget has been improved by providing more detailed estimates of outlays by function and receipts by source over a five-year period. A five-year analysis of current services budget authority by function would also be helpful. In the defense area, the Administration has inexplicably departed from the basic definitions of current services in the Budget Act. Current services defense estimates based on last year's budget proposals by the Administration are confusing and misleading. In the future, the analysis of the defense program should be based on a legitimate current services concept, not on the previous year's budget proposals.

JOINT ECONOMIC COMMITTEE,
CONGRESS OF THE UNITED STATES,
Washington, D.C., March 22, 1983.

Hon. DAVID STOCKMAN,
Director, Office of Management and Budget, Executive Office Building, Washington, D.C.

DEAR MR. STOCKMAN: The current services defense budget as prepared this year by the Office of Management and Budget is seriously misleading. Specifically, it attempts to disguise the magnitude of the increase in defense outlays for 1984-88 implied in the President's budget proposals, understating that increase by approximately $244 billion.

As you are aware, Section 605 of the Congressional Budget Act of 1974 requires that the President submit a current services budget to Congress. This budget sets out the level of outlays and budget authority "for the ensuing fiscal year if all programs and activities were carried on during such ensuing fiscal year at the same level as the fiscal year in progress and without policy changes in such programs and activities." These current services estimates have been submitted as Special Analysis A of the Fiscal Year 1984 budget. The Joint Economic Committee is required to review the current services budget and report on it to the Congress. The Committee has now done this as part of its 1983 Joint Economic Report.

The members of the Joint Economic Committee have agreed, unanimously, that OMB "has inexplicably departed from the basic definitions of current services in the Budget Act," and that the resulting estimates are "confusing and misleading." As Special Analysis A acknowledges, you have made a "major exception," and used last year's budget request by the Administration as the baseline defense budget. These do not reflect policies fully adopted by the Congress and are therefore not proper "current services" estimates. The effect of the inflated baseline is to portray the proposed sizable increases in the defense budget this year as cuts.

The Congressional Budget Office has presented a baseline estimate which provides a much better guidepost for measuring increases in defense spending. This is shown as baseline (3) in Tables IV and V of the enclosed. CBO's baseline (3) most nearly complies with the statutory definition of the current services budget. It measures funding necessary to fulfill the commitments for the defense force structure and procurement program that were approved during the second session of the 97th Congress. Baseline (3) allows for significant real growth in defense spending, with real outlays rising by 7.1 percent in 1984 and an average of 3.4 percent for 1984-88, and real budget authority rising by 5.8 percent in 1984 and an average of 2.6 percent for 1984-88.

The differences between the CBO baseline (3) estimates and OMB's current services estimates are striking. Over the FY 1983-88 period your proposed defense outlays represent a reduction of $46.9 billion from your current services estimates, but increases of $197.2 billion in comparison with CBO baseline (3). Thus the choice of a baseline makes a difference of $244.1 billion. The differences are even greater in terms of defense budget authority.

Your current services defense budget does not follow the requirements of the law and confuses the terms of the debate. The debate over defense spending is complex enough without these unexplained departures from law and customary practice. It simply is not accurate to claim that the Administration's proposals call for reductions in defense spending. Your figures are highly misleading on the magnitude of the proposed defense buildup.

In light of the serious inadequacies in your current services defense budget due to the acknowledged "major exception" from accepted procedures, please submit, by April 1, 1983, a letter setting forth current services defense budget estimates which in OMB's judgment conform as nearly as possible to the requirements of the Congressional Budget Act of 1974.

Sincerely,

LEE H. HAMILTON,
Vice Chairman.

OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., April 4, 1983.

Hon. LEE H. HAMILTON,
Vice Chairman, Joint Economic Committee, U.S. Congress, Washington, D.C.

DEAR LEE: This is in response to your recent letter which expresses concern about the Defense current services baseline included in the President's 1984 Budget.

Pursuant to the Congressional Budget Act of 1974, current services estimates for Defense and non-Defense programs have been provided to Congress since 1977. These estimates, required only for the current and budget years, were based on the assumption that programs in progress would continue on a "level of effort" basis with adjustments for inflation only.

For Defense, however, the use of current services figures in this manner has not been very meaningful especially in view of the current consensus on the need for some level of Defense real growth. Furthermore, even if there were no policy changes in an ensuing budget year, Defense spending would still continue to grow in real terms because of our use of multi-year contracts.

During last year's budget negotiations, both the Administration and the Congress agreed that the use of a traditional current services baseline for Defense was unrealistic as a means for measuring policy changes to the Defense budget. Rather, due to the lack of any single pure concept, the Defense policy figures included in the 1983 President's budget were used, and were reviewed by Congress on a multi-year basis.

The concept for Defense current services this year reflects a continuation of last year's agreement with Congress. The Defense estimates for 1983 are based on the enacted levels resulting from last year's actions by the Congress. The estimates for 1984-1987 are those presented by the Administration and used by the Congress in last year's budget deliberations and the 1988 estimate is consistent with those for 1984-1987. This is not unlike the concept presently used by CBO. The major difference is that the CBO methodology extrapolates last year's Congressional Budget Resolution policy as a Defense current services baseline rather than the Administration's policy.

I should also point out that the House and Senate Budget Committees are using their own baselines from which to measure Defense policy changes. During its deliberations, the House Budget Committee used CBO's reestimate of Presidential policy, while the Senate is using CBO's Budget Resolution estimates.

I believe the Administration's current services' baseline is the most meaningful one for measuring the effects of Defense policy changes and is in total compliance with the Congressional Budget Act of 1974. This is especially true in the absence of any single agreed upon Congressional current services baseline for Defense.

We will, of course, continue to work with the Congress to assure that the Defense program ultimately appropriated is one that will enable us to rebuild our combat forces and maintain a strong national security posture.

Sincerely,

DAVID A. STOCKMAN,
Director.●

THE NEW YORK TIMES: ANTI-FREEZE

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. MICHEL. Mr. Speaker, the Washington Post is against it. Time magazine is against it. And now the New York Times is against it? I am referring to the nuclear freeze, an idea whose time has come and gone.

At this point, I wish to insert in the RECORD, "Stop Nukes: Then What?" an editorial in the New York Times, April 9, 1983.

"STOP NUKES"; THEN WHAT?

The nuclear freeze resolution that comes up before the House of Representatives tomorrow is a primal scream against mankind's atomic predicament. O.K., agreed: The overhanging nuclear nightmare justifies screaming. But then what? To exclaim "Stop nukes now" displays passion, but no practicality. What's the next sentence? Where is the credible arms control policy that freeze advocates have failed so far to advance?

To its credit, the movement has aroused widespread public support, undoubtedly tempering the belligerency of the Reagan Administration's statements and helping to induce the reasonable new proposal for the Euromissile negotiations in Geneva. The freeze movement has also stirred Congressional interest in arms control—probably influencing the Scowcroft commission's far-sighted proposal to replace destabilizing multi-warhead missiles with small, single-warhead "Midgetman."

Yet the proposals of the freeze movement itself have barely evolved past the original, simplistic formula of "stop, now."

The House resolution still calls for an "immediate" freeze through negotiations with Moscow. Yet such negotiations would have to take several years. The resolution still calls for a "verifiable" halt in producing nuclear arms. Nice, but infeasible.

A freeze would ban weapons modernization—thus halting improvements in weapons that would stabilize the balance of terror. The resolution calls for but fails to give useful "special attention" to destabilizing first-strike weapons. It would freeze America in a potentially vulnerable Minuteman land-missile deployment while doing nothing about the Soviet Union's potential first-strike force. The remedy, the ingenious Scowcroft proposal to create "Midgetman," would be barred.

Is there some way to harness all this political energy to constructive arms control ends? There is talk of a conference committee compromise between House and Senate resolutions, but the best that could produce is a least-common-denominator compromise. What's needed is a new approach to the arms control dilemma along the lines suggested by the Scowcroft report.

Two imaginative precursors of this proposal are already before Congress: the "build-down" proposal sponsored by Senators Nunn and Cohen would require dismantling of two older nuclear weapons for every new one deployed. Representative Gore's comprehensive plan would also move the superpowers toward the Scowcroft goal of reducing multiplewarhead missiles. Both would build on the SALT treaties, but emphasize ceilings on warheads rather than launchers and missiles.

A dozen or more pro-freeze senators have endorsed the build-down idea. Unfortunately, instead of welcoming such innovations, many freeze enthusiasts attack them. And the House Democratic leadership continues to press for the freeze resolution: stop, now. But there's still no next sentence. Where is the program to match the piety?●

WORLDWIDE CARGO PROMOTION POLICIES

HON. LINDY (MRS. HALE) BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mrs. BOGGS. Mr. Speaker, cargo promotion policies are recognized worldwide as a means of strengthening a nation's maritime industry. Our major trading partners support their merchant fleets through subsidies, generous tax advantages, and investment financing assistance. Many of our trading partners have special requirements for the use of their own national-flag vessels.

The Competitive Shipping and Shipbuilding Act of 1983 (H.R. 1242) would result in the establishment of a cargo reservation policy by the United States in our bulk cargo imports and exports. H.R. 1242 would require that 5 percent of all U.S. bulk commerce be carried by U.S.-built, U.S.-flag vessels the first year after enactment. That percentage would be raised by 1 percent each year until 20 percent of all U.S. bulk commerce is carried by American ships.

I think it is important that this proposal be examined in light of worldwide cargo promotion policies.

Over 68 countries have enacted or are considering legislation to insure some portion of their domestic and/or international waterborne trade will be carried on their national-flag vessels. Twenty-eight countries have signed bilateral agreements with other nations in order to split their cargo shares. In addition, approximately 63 nations are preparing for the implementation of the U.N. Code of Conduct for Liner Conferences which is expected to come into force later this year. Currently, several countries are borrowing the Code's 40:40:20 cargo-sharing percentage scheme and applying it to every segment of their shipping industry.

Among the industrialized countries, Japan, France, Germany, and Spain practice some form of cargo promotion, and many developing nations are following suit.

The oil-producing nations, including Algeria, Nigeria, Kuwait, Mexico, Saudi Arabia, and Venezuela all require a certain percentage of their oil exports be carried on their national fleets.

Countries with centrally planned economies practice cargo preference to further their political interests. Calling at over 400 ports in 100 countries, the fleet of the People's Republic of China is estimated to carry 70 percent of China's foreign trade.

Further augmenting the effects of the proliferation of worldwide cargo promotion policies are various discriminatory practices by many nations—ranging from government pressure to rebates and other favorable treatment—which serve to enhance the carriage of those nations' flag vessels.

Here are several specific examples of the cargo policies pursued by our trading partners.

INDUSTRIALIZED COUNTRIES

France

A 1928 law requires two-thirds of French crude oil requirements be carried in French-flag ships for security reasons. A 1934 law requires 40 percent of coal imports be carried on French-flag vessels.

Germany

Shipowners and operators may receive a 50-percent reduction in the normal corporate tax on income earned from shipping services in the foreign trades.

Spain

The country restricts to national vessels, through government monopolies, many imports such as petroleum, tobacco, and cotton.

OIL-PRODUCING COUNTRIES

Algeria

The government requires a 50-percent cargo clause in export contracts for both oil and LNG giving preference to Algerian-flag vessels.

The government also requires that 50 percent of all trade be carried on national-flag ships.

Kuwait

Crude oil and LPG sales contracts includes terms which require that cargo prference be given to Kuwaiti-flag tankers.

Mexico

The Mexican Government is giving top priority to the goal of carrying 40 percent of its cargo on its own ships.

PEMEX (the government-owned petroleum industry) traffic is reserved to national-flag vessels.

Nigeria

Nigeria plans to transport 50 percent of its oil production in its own vessels. Currently, it has one tanker of 270,000 deadweight tons capable of carrying 2,000,000 barrels of crude oil.

Saudi Arabia

Saudi Arabia reserves 25 percent of its trade to national-flag vessels when financing and other terms are competitive.

In January 1975, Saudi Arabia passed legislation that required 5 percent of Saudi exports (primarily oil) to be carried on Saudi vessels. This is to increase to 50 percent by 1980.

Venezuela

A law reserves 50 percent of Venezuela's general cargo foreign trade to the national-flag fleet and requires the companies receiving this benefit to be 80 percent Venezuelan owned and 100 percent Venezuelan administered.

The Law for the Protection and Development of the National Merchant Marine enables the National Executive to reserve for national vessels no less than 10 percent of petroleum and petroleum products, and of other bulk cargo, such as iron, wheat, and so forth, until attaining at least 50 percent of total commerce. The Government has not yet made use of this facility.

OTHER SELECTED COUNTRIES

Brazil

The Government has a monopoly on the transportation of petroleum and petroleum products.

Since 1967, Brazil's legislation has called for the establishment of cargo quotas through pooling agreements aimed at achieving a 40-percent share for Brazilian-flag ships and 20 percent for third flags.

Interministerial Regulation No. 58, January 18, 1983, reserves 100 percent of imported cargoes of wheat and coal among domestic carriers.

Chile

Fifty percent of Chile's foreign trade is reserved for Chilean-flag vessels except where reciprocity by foreign countries will determine the participation of their national carriers above or below this limit.

Egypt

Egypt has a goal of carrying 30 percent of its trade on Egyptian-owned ships.

The Egyptian Co. for Maritime Transport handles all maritime transportation matters relating to booking ship space and chartering vessels for the transportation of all imported and exported goods to and from Egypt on behalf of all the importing and exporting Egyptian entities. It is also charged with achieving full and economical employment for Egyptian-flag vessels.

India

It is the Government's policy that in the future, 100 percent of oil imports should be carried in Indian-flag vessels as compared to the present 70 percent.

Indonesia

Indonesia allocates 45 percent of its European cargoes for its own flag vessels.

(Sources: U.S. Department of Transportation, Maritime Administration, *Maritime Subsidies*, February 1983. U.S. Department of State, Office of Maritime Affairs, 1983.)●

SALUTE TO HON. VENN W. FURGESON—OUTGOING MAYOR OF THE CITY OF HAWAIIAN GARDENS, CALIF.

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. ANDERSON. Mr. Speaker, 1 week from tonight a ceremony will be held in the council chambers of the city of Hawaiian Gardens, Calif., to honor its outgoing mayor, Hon. Venn W. Furgeson.

Born in Iowa, and educated in Wisconsin, Venn has been quite active in and about the community of Hawaiian Gardens for many years.

He first became active in civic affairs in 1950 when he began an 18-year stint on a local school board. While serving on the board, Venn became a charter member of the Hawaiian Gardens City Council (1964) and shortly thereafter (1967), he served his first term as mayor. After being reelected to the council, Venn began his second term as mayor in 1971.

Although Venn has been instrumental in the development of Hawaiian Gardens, he has also been affiliated with, and an officer in, numerous professional and civic organizations. These include: Past president of the California Contract Cities Association; voting delegate to the League of California Cities; member of the Urban Problems Committee of the League of California Cities; past president of the Amateur Baseball Congress of California; member of the Local United Way Board of Directors; member of the board of directors of Lakewood Y.M.C.A.; and a member of the Hawaiian Gardens Lion's Club. In addition to this, Venn also has found the time to be an honorary life member of the Parent Teachers Association; charter member of the Hawaiian Gardens Chamber of Commerce; and a member of the Artesia High School Boosters Club.

As you can see, Mr. Speaker, Venn Furgeson has been a busy man. Over the years, he has been called upon time and again to serve his community and this has made Hawaiian Gardens a better place to live. The residents of Hawaiian Gardens are lucky Venn came into their lives. Although he is completing his third term as mayor, I am confident that he will continue to play a major role in Hawaiian Gardens and the surrounding area.

My wife, Lee, joins me in congratulating Mayor Venn Furgeson on this special occasion. We wish him and his wife, Gladys, and their three children, Charles, Carol, and Peggy the best in all their future endeavors.●

VOLUNTARISM AT ITS BEST

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. RICHARDSON. Mr. Speaker, there are certain people who do special things for others and many times their work goes unnoticed. Ruth Holmes of Santa Fe, N. Mex., is one of those people. She steps in during times of crisis and sets an example by offering her help to others. She is truly one of America's unsung heroines.

Recently, a little 8-month-old Tesuque Pueblo girl in my district lost a battle for her life because a liver transplant donor could not be located in time. Ruth Holmes worked valiantly on behalf of young Leah Addison and offered to help the young girl's parents. She set up an account at the Bank of Santa Fe where she works to raise voluntary contributions designed to ease the financial burden on the Addisons. Others caught on to the compassionate spirit of Ruth Holmes and offered to help in any way they could. Their contributions and outpourings of concern helped the Addisons when they needed it the most.

Mr. Speaker, there are hundreds of Ruth Holmeses across our Nation. Each is quietly working to better the lives of someone in their community. Too often their work goes unnoticed and unpraised.

On behalf of the people of the Third District of the State of New Mexico, I offer my gratitude to Ruth. She is truly a shining example of voluntarism at its best.●

RETIREMENT OF JUDGE THOMAS N. HEALY

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. FAZIO. Mr. Speaker, it is an honor for me to rise today to commend the outstanding achievements of Hon. Thomas N. Healy upon his retirement from the California Superior Court. Judge Healy, born in San Francisco, Calif., is one of the most senior members on the California bench, a valued and concerned public servant, and a trusted and active member of the community in Solano County.

Appointed by Gov. Edmund G. (Pat) Brown, Sr., in February 1962, Judge Healy was elected the same year and reelected without opposition in 1968, 1974, and 1980. He served 7 years as presiding and criminal calendar judge, 7 more years as juvenile court judge, and the balance in domestic relations, probate, and civil law and motion. In addition, from February 2 through April 30, 1981, he served as an associate justice pro tempore of the California Court of Appeal, first appellate district, in San Francisco.

Judge Healy has dedicated himself to improving the public's understanding of the judicial system. For the last several years he has authored a weekly column in the Vallejo Independent Press, "The Law Lightly." He has served as president of the Solano County Bar Association and as a member of a number of National, State, and local professional and civic organizations, including the American Legion, the Veterans of Foreign Wars, the Elks, the Knights of Columbus, and the Kiwanis. Judge Healy has encouraged other members of the bench to reserve time for these and other civic activities in order to help dispel the "myths that the courts are not service-oriented and are indifferent to the rights of law-abiding constituents." Through his own career he has set such an example.

Judge Healy once said:

> The legal system, as can be said of every human institution, is imperfect. But that truism should never provoke us into taking ourselves too seriously or deter us from giving each day and each case our best endeavor.

Mr. Speaker, Judge Healy's wisdom and judicial insight will be sorely missed on the California bench. But I say with a great deal of confidence and satisfaction that Judge Healy will continue to be an active and vital force in the affairs of Solano County, making it a better place for all to live and work.●

LEAGUE OF FEDERAL RECREATION ASSOCIATIONS PROVIDES VALUABLE SERVICE

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. BARNES. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues and their staffs the work of the League of Federal Recreation Associations, Inc. The league provides a host of services and information used by Federal employees and retirees, and its members organize activities that include tournament play in a great variety of sports, summer picnics, holiday parties, and health fairs.

Twenty-three years ago, Government recreation and welfare groups decided to pool their ideas and exchange information on a Government-wide basis, and the league was founded. Today, it serves 85 member organizations in the Washington metropolitan area and offers a host of services to over 250,000 employees.

I have been particularly impressed by league initiatives that encourage individual self-help. League organizations arrange seminars and training programs on topics such as financial management, health care, and stress control. Organizations also help point employees toward appropriate educational opportunities that employees need and want. The league underwrites its efforts as an information network/assistance network by utilizing volunteers who give generously of their time, through membership dues, and by retaining minimal profits from sales.

Mr. Speaker, the League of Federal Recreation Associations clearly adds an important dimension to the Federal workplace that is more needed than ever. At a time when job satisfaction and morale have declined throughout Government, the league provides constructive outlets and opportunities that employees need and want.

I would urge my colleagues and their staffs to get in touch with league representatives and acquaint themselves with its programs, which, by the way, are also available to Government employees who work on Capitol Hill. If Members are as impressed with the league's work as I have been, they may want to provide support by encouraging Federal facilities to provide assistance and space to the league's many organizations and programs. This valuable family of organizations works without any Government funding, and yet, as I have said, makes a direct contribution to the quality of Federal service.

If you wish to contact the league, please address correspondence to the League of Federal Recreation Associations, Inc., P.O. Box 24144, Washington, D.C. 20024; telephone 554-6910. I would also like to take this opportunity to thank the league's president, Mr. Paul Leo, of the Defense Communications Agency, and its president-elect, Mr. Jack Shockey of the Federal Deposit Insurance Corporation, as well as its executive coordinator, Mr. Austin Gattis, for bringing this very worthwhile effort to my attention.●

FRANKLIN GENERAL HOSPITAL'S 20TH ANNIVERSARY

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. McGRATH. Mr. Speaker, I would like to draw the attention of my colleagues to the accomplishments of an outstanding hospital in my hometown and congressional district in Nassau County, N.Y.

Twenty years ago, Franklin General Hospital was established by a group of physicians as a 146-bed private hospital. Within a year, 60 beds were added because of the shortage of hospital services in Nassau County.

By the end of its first decade of service to our community, Franklin General became a nonprofit voluntary hospital governed by a community board of trustees. This unique transfer of ownership was prompted by the changing concepts of health care delivery in the medical field.

Franklin General's second decade under community sponsorship was a dynamic period. During that time, the hospital had completed a new 16-bed emergency department, an urgently needed 99-bed addition, and a 300-car parking field. Included in the additions to the facility were an eight-bed coronary care unit and an eight-bed intensive care unit, which is considered one of the finest in the area. Also included was a 21-bed short-term psychiatric unit.

The hospital is looking forward to a third decade of service to its surrounding communities. Franklin General now has a total of 305 beds, including a new set of initiatives geared toward teaching programs, home care and long-term care services and other outreach programs geared for the elderly.

As a member of the hospital's advisory committee, I believe the future holds many promises for Franklin General. Despite changes and innovations in the hospital field, one thing remains constant: Franklin General is continuing its commitment to providing quality health care to all.●

ALL-AMERICAN CITY AWARDED TO SANTA ANA

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. PATTERSON. Mr. Speaker, the city of Santa Ana was recently chosen as a recipient of the All-American City Award, a national honor bestowed by the National Municipal League. Because the award recognizes citizen involvement by community residents, it is also a direct reflection on the mayor of Santa Ana, Gordon Bricken.

Having served as mayor of Santa Ana since April 14, 1981, Mr. Bricken is now stepping down from that post.

Gordon Bricken has been an outstanding leader in contributing to the general welfare and prosperity of the city of Santa Ana, and has been a central force in the growth of the community. Mr. Bricken has been instrumental in creating a new image for the city of Santa Ana through community activities such as the Golden City Days, the Community Christmas Tree and Christmas Parade, and the Ambassador's Ball. He has also encouraged open communications between citizens and local government through community programs such as the Mayor's Roundtables and the Santa Ana Tomorrow Conferences.

During Mr. Bricken's term as mayor, many projects came to fruition in the city of Santa Ana, including the awarding of a cable television franchise, the opening of the Downtown Parking Structure, the initial development of Sasser Park, and the opening of the Orange County World Trade Center.

Gordon Bricken has taken part in various programs that have had a beneficial impact on the city of Santa Ana. Mayor Bricken led the Orange County delegation to the "Invest in America's Cities" Conference in Hong Kong and served on the board of directors of the Santa Ana Economic Development Corp.

In addition, as chairman of the urban rail subcommittee of the U.S. Conference of Mayors, Mr. Bricken has supported local rail transportation through active participation in local and national conferences.

In recognition of his distinguished and unselfish contribution toward civic betterment, it is with pleasure that I invite my colleagues to join me in recognizing Gordon Bricken for his dedicated work as mayor of Santa Ana, Calif. The citizens of Santa Ana and I appreciate the mayor's hard work and accomplishments and will miss his outstanding leadership.●

SHEILA PETERSEN: VOLUNTEER OF THE YEAR

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. OTTINGER. Mr. Speaker, I would like to extend my congratulations to Sheila Petersen, of North Salem, N.Y., who is being named Westchester County Volunteer of the Year, 1983, by the Volunteer Service Bureau of Westchester County.

Her dedication to improving the quality of life for terminally ill children has made her truly deserving of this award and I would like to share some of her achievements with my colleagues. In 1978 Ms. Petersen pioneered the fund "Friends of Karen" to raise money for Karen MacInnes, a terminally ill patient who wished to die at home. Ms. Petersen's fund raising drive made this possible. The money was used so that Karen could receive proper medical care yet remain at home surrounded by those that loved her.

This was just the beginning of Ms. Petersen's work with terminally ill children. Because of her complete dedication the "Friends of Karen" fund continues to thrive, increasing public awareness of terminally ill children's desire to be able to die at home, while raising the funds to make this possible.

Ms. Petersen's work does not stop with this fund. She provides much more than financial assistance to families with terminally ill children. Instead she gives all of her resources and makes herself available at all times to bring emotional support to these families during a most difficult time. I must truly commend Sheila Petersen, once again, and wish her continued success as she makes it possible both financially and emotionally for terminally ill children to live their last days at home.

I would also like to commend three other volunteer groups that will be honored by the Westchester County Volunteer Bureau. The Westchester Nature Helpers are a group of volunteers who provide, at any time of day or night, emotional support for their neighbors. Although informally organized, this group has provided crucial preventive mental health intervention.

Roger C. Paulmeno will be receiving the student volunteer award. His work, though, has extended far beyond his student project. Mr. Paulmeno volunteers at the Geriatric Continuing Treatment Program of Central Westchester Mental Health Service. He is extensively involved in all aspects of patient care and has become an integral part of the staff.

Finally, I would like to congratulate the workers at Reader's Digest for their involvement in Project LIVE. This program, provides a one-to-one tutoring experience for middle school children who have fallen behind the required reading level. The employees at Reader's Digest who have volunteered their time, tutor the children at work, thus providing them both with help in basic skills, yet also added vocational exposure. This program has been most instrumental in increasing the children's academic and emotional growth.●

DOW CHEMICAL CO., AND DIOXIN

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. DASCHLE. Mr. Speaker, in today's New York Times, April 19, 1983, a front page article appeared revealing what many of us have been saying for some time; that the Dow Chemical Co. was aware of the health hazards and toxicity of dioxin, the contaminant found in agent orange and other herbicides, before extensive use of agent orange and these other herbicides occurred both in Southeast Asia and in the United States. Dow of course, made no effort to notify the USDA, DOD, or any other major governmental purchaser of dioxin contaminated herbicides of their concerns.

Dow's track record on dioxin has been far from exemplary and the information revealed in the Times article today further damages the claims of Dow, the Veterans' Administration and others that dioxin is relatively safe and that veterans in Vietnam are unlikely to be suffering unusual health effects as a result of their exposure to dioxin contaminated chemicals. I submit this article for the RECORD and hope that all Members and staff will take the time to read it.

The article follows:

[From the New York Times, Apr. 19, 1983]

1965 MEMOS SHOW DOW'S ANXIETY ON DIOXIN

(By David Burnham)

WASHINGTON, April 18.—Almost 20 years ago, scientists from four rival chemical companies attended a closed meeting at the Dow Chemical Company's headquarters. The subject was the health hazards of dioxon, a toxic contaminant found in a widely used herbicide that the companies manufactured.

Shortly after the meeting in Midland, Mich., on March 24, 1965, one of those attending wrote in a memorandum that Dow did not want its findings about dioxin made public because the situation might "explode" and generate a new wave of government regulation for the chemical industry. Another scientist noted that Dow officials had disclosed at the meeting a study which showed that dioxin caused "severe" liver damage in rabbits.

Dioxin, which has also been linked to birth defects and skin disorders in laboratory animals, is believed to be the deadliest chemical made by man, but its effects on humans have been difficult to prove conclusively. Since the Midland session, various studies have yielded conflicting evidence on whether dioxin increases the risk of cancer in humans.

Although it has been known for many years that Dow held the 1965 meeting with its competitors, excerpts from corporate memorandums about the session are only now beginning to emerge as a result of a lawsuit filed in 1979 against Dow and several other chemical companies. The memorandums raise the possibility that Dow scientists have been saying one thing in private about dioxin while the company's management has said something else in public.

"There is absolutely no evidence of dioxin doing any damage to humans except for something called chloracne," Paul F. Oreffice, the president of Dow, said last month on NBC's "Today" show. "It's a rash." Dow has performed medical tests on individuals suffering from chloracne for "over 20 years," he added, "and there is no evidence of any damage other than this rash which went away soon after."

Dow's critics challenge the accuracy of Mr. Oreffice's flat assertion that there is no evidence that dioxin causes human damage other than chloracne and also charge that Dow has failed to publish all the information it has collected in its own dioxin research. Furthermore, they say, Dow has systematically resisted Federal and state efforts to learn about and regulate dioxin.

According to a pretrial motion filed by Yannacone & Associates, the legal organization created to represent the Vietnam veterans in the Agent Orange case, the 1965 meeting on dioxin was attended by eight of Dow's senior scientists and six officials of Hooker Chemical; the Diamond Alkali Company, which later became part of Diamond Shamrock, and the Hercules Powder Company. A representative of the Monsanto Chemical Company was invited but did not attend.

Donald R. Frayer, a spokesman for Dow, confirmed in an interview April 5 that the giant chemical company had called the meeting to discuss the health hazards of dioxin. "We feel the meeting was pretty darn straightforward and proper," he said. "I think on the balance that the record shows we discovered a problem, sought out our competitors and tried to give them information and a means to control the problem."

INVITATION TO MEETING

The pretrial motion filed by Yannacone & Associates quoted a number of documents. V. K. Rowe, then director of Dow's Biochemical Research Laboratory, said in his invitation to the meeting that Dow had been researching "toxicological problems caused by the presence of certain highly toxic impurities in certain samples" of the herbicide 2,4,5-T and wished to share its findings. The Dow laboratory was and is recognized as one of the world's finest privately owned toxicology labs.

Two days after the meeting, C. L. Dunn, a chemist who was manager for regulatory affairs for Hercules, summarized in writing what he had been told.

"Dow says that their examination of their own and competitors' 2,4,5-T products contain what they call 'surprisingly high' amounts of the toxic impurities," he wrote.

"In addition to the skin effect," he wrote, describing the results of tests on rabbits, "liver damage is severe, and a no-effect level based on liver response has not yet been established. Even vigorous washing of the skin 15 minutes after application will not prevent damage and may possibly enhance the absorption of the material. There is some evidence it is systemic."

FEAR ON SITUATION

Dr. John Frawley, the chief toxicologist for Hercules, who had also attended the March meeting, got a follow-up telephone call four months later from Earl Farnum, a Dow executive. Dr. Frawley immediately wrote a confidential memorandum to the file.

Mr. Farnum, he wrote, said he was calling on behalf of a Dow vice president, Donald Baldwin, and "stated that Dow was extremely frightened that this situation might explode."

"They are aware that their competitors are marketing 2,4,5-T which contains 'alarming amounts' of acnegen," Dr. Frawley continued, referring to dioxin, "and if the Government learns about this the whole industry will suffer. They are particularly fearful of a Congressional investigation and excessive restrictive legislation on the manufacture of pesticides which might result."

A second memorandum written by Dr. Frawley, and quoted in part by lawyers for the veterans, said he had just received new information about health effects of dioxin from Monsanto, which did not send a representative to the meeting. "From the data provided, a sample which contained 5 parts per million would be acutely toxic," he wrote. "Whether this refers to death or liver damage is not clear."

Daniel Bishop, a Monsanto spokesman, said in an interview that his company "didn't do any testing, period, not then and not now." He said that a fair reading of Dr. Frawley's full statement would make it clear that he had not received the toxicity information from Monsanto, but was not able to identify the information's source because the material in the Agent Orange case had been sealed by the judge. The documents were sealed at the chemical companies' request.

GROUP OF 75 COMPOUNDS

Dioxin is the name given to any of a family of 75 compounds, called dibenzo-para-dioxins, composed of benzene molecules and oxygen atoms. The compounds are an unwanted byproduct of several chemical processes, including the manufacture of 2,4,5-T under certain circumstances; 2,4,5-T is one of the two major components of Agent Orange.

Proving the specific effects of toxic chemicals on humans is extremely difficult; human experiments are generally prohibited by medical ethics. Animal tests, which are universally accepted by scientists as providing essential guidance on appropriate exposure levels for humans, are not a perfect guide because various species react differently.

In laboratory rats, concentrations as small as five parts per 1,000 million have caused statistically significant increases of cancer in rats.

Two studies, conducted on a group of forestry workers in northern Sweden and on a group of agriculture workers in southern Sweden, point to a possible association between exposure to herbicides contaminated with dioxin and an increased risk of soft-tissue cancers. Other studies, however, including one in New Zealand, show no higher risk of cancers for a group of farmers, foresters and fishermen exposed to dioxin than in men in other occupations.

WARNING ON DIOXIN STUDIES

Dr. Samuel S. Epstein, a physician who is professor of occupational and environmental medicine at the University of Illinois Medical Center in Chicago, cites the Swedish studies and other research on such questions as reproductive abnormalities to challenge the statement of Dow's president that there is no evidence that dioxin causes any more damage than a skin rash. "For Mr. Oreffice to make that statement is absurd," he said in a recent interview.

On March 23, Dr. Perry J. Gehrig, Dow's vice president for agricultural research and development and director of health and environmental science, cautioned the House Subcommittee on Natural Resources, Agriculture Research and Environment against "overinterpreting" the Swedish studies. The reports, he argued, "are too incomplete, both individually and in aggregate, to currently formulate a clear picture of the possible associations between TCDD and soft-tissue sarcomas." TCDD is a form of dioxin.

In 1982, Dow scientists published a report of a company survey on the occurrence of spontaneous abortions, stillbirths, infant deaths and several categories of birth defects among the wives of Dow workers who had been directly exposed to dioxin. The study concluded there were few differences in the number and kind of birth abnormalities found in these women compared with the wives of Dow workers not exposed to dioxin, and the report has been used frequently to support the theory that dioxin is not as dangerous as generally believed.

But Dr. Marvin S. Legator, professor and director of environmental toxicology at the University of Texas in Galveston, questions the study.

"Initially," Dr. Legator went on, "Dow planned on comparing the birth defects among the wives of Dow dioxin workers with two controls. First, a group of wives of Dow workers in Midland who had not been directly exposed to dioxin, and second, some wives of workmen who lived outside the Midland area. This second control group was important because the Midland area is quite polluted and the general population has a relatively high level of congenital abnormalities. But when they published the study the second control group was not included."

A "SAMPLING PROBLEM"

Mr. Frayer, the Dow spokesman, said the second group had been deleted because of "sampling problems."

"The women could not be compared with those in the first two groups, and they were questioned in a different way," Mr. Frayer said.

Information compiled by Dr. Alvin Young, an expert at the Veterans Administration, indicates that from 1961 to 69 American companies made a total of 154.5 million pounds of 2,4,5-T.

Of that total, 44 million pounds were applied to the jungles of Vietnam, 23.4 million pounds were exported to other countries and 78.1 million pounds were used domestically. The balance, 10 million pounds, was destroyed by the Government after it was decided to halt the Vietnam defoliation program.

Dr. Young estimates that 1,700 pounds of dioxin a year were produced in the United States from the mid-1950's to about 1975, when steps were taken to limit it through changing the manufacturing process.

There is broad agreement that a substantial portion of dioxin-contaminated wastes are buried in thousands of dumps around the country. The Environmental Protection Agency recently said there were 12,000 of these dumps. Other experts have estimated the number may be closer to 50,000.

SUITS AGAINST COMPANIES

Billions of dollars are at stake in the answer to the question of what the chemical companies knew and when they knew it. In addition to the tens of thousands of veterans who have sued the chemical companies because of their exposure to Agent Orange in Vietnam, thousands of other Americans living near toxic dumps, such as the one in the Love Canal area of Niagara Falls, N.Y., are seeking damages on the grounds that dioxin and chemical poisons left there have shortened their lives and caused cancer, birth defects and genetic damage.

In January 1979, a group of veterans brought a Federal suit in New York, charging that the dioxin contained in the 2,4,5-T sprayed in Vietnam was a cause of cancer and other diseases among their members and had resulted in genetic damage and the birth of severely deformed children.

Victor John Yannacone, Jr., a principal organizer of the association of lawyers handling the class-action suit, said in a recent interview that the group now represents 20,000 Vietnam veterans, widows and children of veterans who are seeking damages against the chemical companies that provided the Government with Agent Orange.

The suit against Dow and the other major manufacturers of 2,4,5-T is scheduled to go to trial in the Uniondale, L.I., court of Federal District Judge George C. Pratt Jr. in June.

In an annual report filed with the Securities and Exchange Commission in Washington called a 10-K, Dow said it was one of six chemical companies who were defendants in the suit. "Dow believes it has not been scientifically demonstrated that the injuries claimed by the plaintiffs were caused or could have been caused by exposure to Agent Orange," the report said.

The Dow report also noted that the chemical company was opposing a move by the Environmental Protection Agency initiated during the Carter Administration that would totally ban the use of 2,4,5-T in the United States. The herbicide therefore is still being used on rice fields, on range lands and in industrial areas such as refineries, to control weeds.

The company's repeated public statements about the comparative safety of dioxin, including testimony to Congressional committees, press releases and scientific papers, have been accompanied by efforts on its part, particularly in the Reagan Administration, to block the Government from collecting information about the contaminant.

Evidence of the repeated contacts between Dow and E.P.A. officials in Washington, if not of the subject of the meetings, is contained in the calendars and travel records of these officials that have been obtained by the House subcommittees investigating the agency.

LINKS TO GOVERNMENT

Anne McGill Burford, for example, made at least two trips to Midland, Mich., in her 22 months as the head of the Environmental Protection Agency. Rita M. Lavelle, the former head of the Government program to

clean up toxic waste dumps, met at least 14 times with Dow officials in the 11 months she held office.

Mrs. Burford, Miss Lavelle and 11 other political appointees recently resigned or were dismissed amid Congressional inquiries on allegations that the agency's toxic waste program had been mishandled.

According to the public testimony of some officials of the agency, Dow used its connections with the top echelon of the agency's Washington officials to get its way on several important matters relating to the regulation of dioxin.

Three weeks ago, for example, agency officials in Chicago told the Investigations Subcommittee of the House Committee on Energy and Commerce that their superiors in Washington ordered them to change an inportant report on dioxin to comply with the wishes of Dow.

The key deletion from the report was the following central conclusion about Dow's Midland plant: "Dow's discharge represented the major source, if not the only source, of TCDD contamination found in the Tittabawasse and Saginaw Rivers and Saginaw Bay in Michighan."●

PULITZER PRIZE TO THE BOSTON GLOBE

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. MARKEY. Mr. Speaker, yesterday, the Pulitzer Prize Board made known its selections for the recipients of the 67th annual Pulitzer Prize Awards for outstanding journalism. Selected as one of the winners from among more than 1,200 entries was a unique and brilliantly crafted feature produced by the Boston Globe. Entitled, "War and Peace in the Nuclear Age," this special supplement to the Sunday, October 17, 1982, issue of the Boston Globe was chosen for this prestigious honor in the category of national affairs reporting.

I can think of no piece of journalism yet produced on the urgent topic of the nuclear age more deserving of the recognition it has now received. Special credit should be given to the superb editing work of Michael C. Janeway and Harry K. King who directed the impressive assemblage of an excellent series of articles and illustrations on this topic.

The people of Massachusetts are truly among the most politically sophisticated citizens of the Nation. They have been at the forefront of important political issues repeatedly throughout the history of our Nation. Indeed, the recent reawakening of the people of America to the peril of the nuclear arms race had its roots in the minds and actions of the people of the Commonwealth of Massachusetts.

The preeminent newspaper of the Northeast and one of the truly outstanding newspapers in the country, the Boston Globe, deserves a great deal of credit for providing to its readers consistently excellent journalism which enables them to become responsible and effective citizens. The Pulitzer Prize truly redeems credit well deserved.

In introducing its special supplement, the editors left this message with the reader:

We offer in the pages that follow some introductions to the nuclear arms debate. Each piece of the nuclear-arms jigsaw puzzle requires its own short guide, or handle. We have tried to make key parts of the discussion plain, and also to point where the discussion is heading. The effort is not to be encyclopedic, or to preach or prescribe. It is to encourage the fresh, cleansing process of public education and debate about a matter of life and death for mankind.

"War and Peace in the Nuclear Age" is surely one of the most significant contributions any journalistic entity has made in recent years toward educating Americans about the urgent threat of nuclear war. I sincerely hope that by receiving this well-deserved award bestowed by the most prestigious organization in professional journalism that many more Americans will now have the opportunity to read and learn from the Boston Globe's excellent work. I congratulate the Boston Globe for earning this honor and for its attention to so important a topic.●

GOVERNMENT MUST BE A PARTNER IN OUR NATION'S RESEARCH EFFORT

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. WIRTH. Mr. Speaker, I have long been concerned about declines in our national investments in research and development, and have worked for years to reverse this dangerous trend. At a time when more than ever before in our history, the future economic health of the United States relies on our ability to maintain our traditional distinction as the ideal capital of the world, we need a new concerted national effort to continue to lead the way in high technology and information industries. In this increasingly international economy these fields offer us hope for developing a healthier balance of trade. They also have enormous job potential for our own economy.

Maintaining our lead in high technology industries like electronics, photovoltaics, telecommunications, and many others will require a greatly improved national research base. Government, in partnership with our great research laboratories, and with private business, has a very significant role to play. At present, our Nation's universities are living off investments in equipment made a generation ago. They are having a difficult time training the scientists of the future on outmoded equipment, and having a difficult time attracting and retaining the brightest young Americans.

Few people understand the challenge we face as well as Robert M. Rosenzweig, the president of the Association of American Universities. Few people have been as effective at communicating its importance to Members of Congress and the American public. Certainly, almost no one has been as helpful to me as I have sought to develop appropriate public policy responses to this challenge. Last year, I worked closely with Bob in developing a "productivity package" of amendments to upgrade university research and development. These amendments, offered both in the Budget Committee and on the House floor, served as the basis for subsequent initiatives. Many of the proposals, for example, were incorporated in the report of the Long-Term Economic Task Force I chaired for the Democratic Caucus, "Rebuilding the Road to Opportunity."

The emergency math and science education bill which passed the House earlier this year also addressed the problem along with the lines Bob has advocated. This year, Bob offered very valuable testimony before the Energy and Technology Task Force of the Budget Committee on the reasons why it is so critical that our Nation address its urgent research and development needs. I am sure Bob will continue to be an important expert to whom many of us can turn in the future.

I would like to, therefore, insert in the RECORD an article Bob wrote which recently appeared in the Christian Science Monitor, "The Truth About High Technology," which places the challenge of improving our science and technology base into a historical context.

The article follows:

THE TRUTH ABOUT HIGH TECHNOLOGY

(By Robert M. Rosenzweig)

High technology is definitely "in." President Reagan's State of the Union Message and his new budget, together with the Democratic response to both, suggest a consensus on at least one important point: Whatever got the US into its present predicament, high technology is a way out.

Some useful things are likely to happen as a result of this agreement. More money probably will be appropriated for improvements in science and math teaching in the schools, and federal expenditures for at least some kinds of research and development will rise. Both of those investments are overdue and, under any guise, will be welcome. But if high-tech policy is to be more than just another half-truth, a politically inspired slogan to be dropped when a more attractive one is coined, then we ought to give some serious thought to what is required in order to achieve the desired results.

Fortunately, we can learn from our own history. At two critical times, the federal government has acted to bring science and

technology to the aid of economic and social purposes. The two examples, nearly a century apart, have a striking element in common, an element that is almost certainly a requirement for sustaining a steady flow of research into development and of development into usable technology. That element is a willingness to look beyond immediate results in order to develop the total system that makes those results possible.

The first example of this approach is the contribution the Land-Grant College system has made to the growth and improvement of American agriculture. A more contemporary way of dealing with the need to improve agricultural production would be to appropriate money for research projects bearing on agriculture.

Fortunately, no one thought of that in 1860, for it surely would have failed. The country was totally lacking the institutional structure out of which modern science and technology grow. Only the creation and support of institutions that integrated the education of farmers, the training of agricultural researchers, the conduct of research, and the distribution of research results could have produced the solid and continuous flow of basic science and useful technology that have so enriched American agriculture.

In the middle of the 19th century it was necessary to create new institutions to do what needed to be done. In the middle of the 20th century the institutions already existed, but they were not in a condition to do what was asked of them. America came out of World War II with a keen appreciation of the power of modern science and a growing knowledge of the many, often unexpected, ways in which its fruits could be applied to important problems. Recognizing the importance of universities in this process, the federal government put programs in place that would strengthen the capacity of those institutions to conduct front-line research and training.

The result was an unprecedented growth in the nation's capacity to "do" science. We are only now reaping some of the economic benefits of the government-fueled growth. The robust health of the American electronics and computer industries, as well as the prospects for biotechnology, bear witness to its success.

The point to bear in mind—the point that bears directly on our present condition—is that the government's effort from 1950 to the mid-'60s was not limited simply to buying research. That approach would have failed without the accompanying efforts aimed at the training of young scientists, the building of modern research facilities, and the provision of state-of-the-art equipment.

In science and technology we are now living off the products of those generation-old decisions, and the cupboard is growing bare. In the nation's major universities, the source of most basic research, facilities, built in the 1960s are now inadequate and much of the instrumentation for research is scandalously out of date. Programs designed to train the next generation of scientists have now dwindled to a mere trickle, and government policy—Republican and Democratic—has rested on the premise that any choice of careers to which the market leads the most able of our young people is as good as any other.

It is against that background that the new popularity of research, development, and high-tech must be viewed. Once again, a strategy that consists simply of raising appropriations in order to "buy" more research will fail. Political leaders in the middle of the 19th and 20th centuries somehow discovered that truth. With the benefit of that experience there is no excuse for ours to ignore it.●

ANOTHER LEADING VOICE AGAINST THE INFLATION TAX

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. DREIER. Mr. Speaker, I would like to take a moment to bring a recent editorial by KFWB Radio, one of the leading radio stations in California, to the attention of my colleagues.

KFWB rightly argues that tax indexing is necessary to keep Congress honest about taxation and about placing limits on the growth of Federal spending. More important, by passing the Economic Recovery Tax Act, Congress committed itself to ending bracket creep and the hardship it causes for the average American taxpayer. KFWB believes we, in Congress, have an obligation to keep this promise.

I ask that this editorial be printed in the RECORD so that all of our colleagues may benefit from its frank and forceful message.

TAX INDEXING—KEEPING A PROMISE

(By Frank Oxarart, Vice President and General Manager, KFWB News 98)

Two years ago, Congress did something to protect Americans from the ravages of inflation. Included in its Economic Recovery Act of 1981 was a provision calling for tax indexing beginning in 1985.

The idea behind indexing is to protect average wage-earners from so-called "bracket creep," a process whereby workers, who get raises to keep pace with inflation, never realize any monetary gain because they're pushed into higher tax brackets.

Learning that Congress had finally done something to stop this bubble-bursting cycle came as welcome news. Unfortunately now, there's word that some Members of Congress have had a change of heart. They want to repeal the indexing portion of the act before it begins. That would be a real blow to middle and low income people who stand to benefit the most from an indexed system—close to a $100 billion in relief as a matter of fact during the first 3 years.

Those pushing for repeal of the indexing provision claim we can't afford it, that it will contribute to the Nation's growing budget deficit.

But indexing doesn't mandate a level of government spending. Nor does it keep Congress from raising taxes. It just forces lawmakers to go public in their attempts to gain control of more of your earnings and not depend on inflation to do it for them.

If you agree the indexing repeal effort should be stopped, KFWB urges you to contact your representatives in Washington. Tell them to keep the indexing provision of the tax reform act on the books.●

THE PLIGHT OF THE CAMBODIAN REFUGEES

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. GEJDENSON. Mr. Speaker, today I would like to take this opportunity to express my feelings about the urgency of the Cambodian refugee situation on the Thai-Cambodian border.

As you know, since the violent takeover of Cambodia by the Vietnamese in 1979, waves of Kampucheans have fled to Thailand seeking refuge. After living in misery for years under the horrendous Pol Pot regime, many Cambodians abandoned any hope they might have had for the liberation of their country after the Vietnamese forces viciously invaded. Since the Vietnamese represent an equally horrifying form of government, thousands of refugees, fearing for their lives, fled to Thailand. Thousands of refugees have been living on the border of Thailand and Cambodia since that intrusion.

Thailand has been extremely generous to the refugees, allowing them a sanctuary in these camps. This nation is not wealthy and can little afford this harmful drain on its scarce resources. In fact, Thailand has threatened to close down any remaining camps at the end of this year if nations like the United States do not come to the aid of these people. If the camps are closed by Thailand, the refugees will face an even more devastating fate. Their options will clearly become even more limited and many will be forced to return to Cambodia to face harsh treatment and/or death.

Perhaps more critical at this moment, Thailand faces harsh retribution from the Vietnamese for providing sanctuary to the Cambodians. We read daily reports of Vietnam's brutal attacks on the Thai-Cambodian border. These attacks, of course, only create a more desperate situation for the refugees.

The Thai Government has become increasingly impatient with the U.S. Government, which has for years promised to accommodate a substantial number of refugees in this country and thereby relieve Thailand of this weight. Although the United States has accepted a sizable number of Cambodian refugees, we have not kept the promise that a nation as wealthy as the United States could certainly afford to keep.

Congress has already allocated the necessary funds to relocate 64,000 Cambodian refugees in the United States this year. But, in fact, it is estimated that only half of that number will actually be granted refugee status this year. The reason for this discrep-

ancy is that there have been lengthy and unnecessary delays in the review process, thus creating undue hardship and heartbreaking disappointment for the thousands who languish in the camps. U.S. policy toward the Cambodians has clearly been arbitrary in nature. The reasons for this attitude have been sufficiently explained by the administration, but surely must be changed.

All of us must remember that it has been the waves of immigrants from all over the world that have built our great Nation into what it is today. The melting pot created by this influx of people from different parts of the world builds a new energetic spirit and brings inspiration to our ever-changing and growing country. The desire of the Irish, Germans, Jews, Cambodians, or any other nationality that wishes to immigrate are essentially the same; the desire for a better and more secure life in America.

As a young boy, I came to America with my parents in search of freedom from the persecution of the Jews. Most of us here today can proudly claim kinship to past generations of immigrants who have contributed to the growth of this Nation.

Our history also shows that the great number of immigrants that came to this country in the past were regarded with the same misunderstanding and distrust when they first arrived in America as the Cambodians are facing today. It is true that the integration of other nationalities into this country is often a painful process at the beginning. Over a period of time, as our own history clearly indicates, this assimilation is beneficial to both the Nation and its new citizens.

The solution to this problem is not to turn our backs on the suffering people in the Thai camps but to be generous and do all we possibly can to help the Cambodian refugees to achieve their dream of a better life.

For those Cambodians who have been fortunate enough to come to the United States, resettlement has been very successful. Through the help of the religious communities and the concerned citizens of this country many Cambodians have been able to start new lives here. My own State of Connecticut has had one of the most successful programs of resettlement in the country. If I may, Mr. Speaker, I would like to submit into the RECORD a letter I received from a constituent describing her experiences with the Cambodians. Her name is Rev. Talitha Arnold and in her spare time she has contributed selflessly to improving the plight of the Cambodians. In her letter, Reverend Arnold describes her recent fact-finding mission to the refugee camps where she witnessed firsthand the harsh living conditions of the Cambodian refugees. For those of my colleagues who may be unfamiliar with the disturbing nature of the situation facing the estimated 84,000 Cambodians in the Thai camps, I think Reverend Arnold accurately expresses the problems and discrimination these people are facing. Reverend Arnold also discusses with great warmth the Middletown, Conn., resettlement programs and how successful these programs have been.

Mr. Speaker, I submit this letter as proof of the truly sincere desire of the many concerned citizens in my district to help the people of Cambodia. This letter may only describe a small town in a very large nation, but it is an example of the many small communities around the country who, through their energetic spirit, have contributed to the success of resettlement programs.

At this time, when the Vietnamese are viciously attacking the border camps inside Thailand and indiscriminately murdering hundreds of innocent civilians, the United States must step up its efforts to assist both the Government of Thailand and the long-suffering refugees. One important contribution the United States can make during this time of crisis is to increase our efforts to relocate the already established number of 64,000 Cambodian refugees to the United States this year. A second step the United States can take is to continue to support our long-standing ally, Thailand. We should also increase our humanitarian aid contributions in order to alleviate this burden on Thailand, and most importantly, to assist the refugees who have suffered tremendously in the face of this crisis.

I urge my colleagues to recognize the urgency of this situation:

THE FIRST CHURCH OF
CHRIST, CONGREGATIONAL,
Middletown, Conn., March 31, 1983.

Hon. SAMUEL GEJDENSON,
House of Representatives,
Washington, D.C.

DEAR REPRESENTATIVE GEJDENSON: I recently returned from a two-week tour of Cambodian refugee camps and U.S. processing centers in Thailand. As the Associate Minister of First Church of Christ, Congregational in Middletown, I have been one of the co-ordinators for an ecumenical refugee resettlement project that has helped over fifty Cambodians resettle here in Middletown over this past year. I went to Thailand as part of a church and media delegation whose purpose was to gather information about the alarming rate of rejections of refugee applications by the U.S. Immigration and Naturalization Service. I am writing to you to share that information with you and to express my deep concern for current practices and policies of both the INS and the U.S. State Department that seem to run counter to the will of the Congress as expressed in the 1982 Refugee Act.

As you know, that act set the ceiling for Indochinese Refugees at 64,000 for Fiscal Year 1983. Given the demographics of refugee population in the Thai holding centers, approximately 30,000 to 35,000 of that number could be the Cambodians who have been in the camps since 1980. But the current situation with the INS and the State Department makes it doubtful that the U.S. will process even half that number this year.

The problem is compounded further by the fact that the holding centers are along the border of Cambodia and Thailand and are therefore caught in the crossfire between the North Vietnamese and the Khmer resistance forces along the border. (The day after we left the main holding center, where 60,000 people are interred, the North Vietnamese invaded and leveled an unofficial encampment less than 4 kilometers away, driving another 20,000 people across the border into Thailand.) In addition, the Thai government is becoming increasing impatient with the slowness of the U.S. processing. The Thais have already closed several camps and are threatening to close all of them by the end of the year and drive the remaining 85,000 refugees back into North Vietnam.

The terrible irony of the Cambodians' plight is that it need not exist. Under the 1982 Refugee Act, Congress has already appropriated the funds and established the mechanism for enabling a substantial portion of the Cambodians (with ties to the U.S.) to enter this country. But two main problems thwart that process.

The first is the decision by the Attorney General that all refugee processing must be done on a case-by-case basis by the Immigration and Naturalization Service. That decision has resulted in incredible power being put in the hands of local INS supervisors and field interviewers in Thailand, most of whom come from the Border Patrol and who have neither the training, the background, or the orientation to handle a process of the magnitude and complexity of the Cambodian refugee situation. What we witnessed was U.S. Refugee policy being made on a case-by-case basis in the field by persons with neither the training nor the mandate to do so. Along with other members of the delegations, I sat in on interviews between the INS personnel and the refugee applicants and I also talked directly with INS supervisors and field interviewers. Both State Department and In-Country Reports and INS directives from Washington document the persecution faced by Cambodians with close ties to the U.S. or who have been out of the country for several years should they return to Cambodia under the Heng Samrein government. But time and again, the INS interviewers made decisions of refugee status in defiance of those directives. When questioned about the Cambodian's fears of persecution should they return, the standard answer from the INS officials was "they will be prosecuted, not persecuted." Therefore, they are not refugees in the eyes of the INS officers. The case-by-case processing by the INS has also led to absurd situations, such as the two children (ages 2 and 4 years) who were rejected as not being refugees, because they could not articulate a well-founded fear of persecution.

While we were in Thailand, we first thought that the INS practices and attitudes were local and limited to the particular personnel in the field. But conversations with James Purcell, the Refugee Director for the State Department and with aides to Representative Solarz have indicated that the negative attitudes toward the Cambodian refugees permeates the INS. The agency's basic orientation is to keep out illegal aliens, not to process refugees.

Secondly, the difficulties facing the Cambodian refugees are not limited to the INS

or the Justice Department. In establishing priorities for refugee applicants, the State Department excluded Priority-5 Cambodians (those with siblings in the United States) from consideration. Both Vietnamese and Laotian "P-5's" are eligible for entry under State Department guidelines. I asked James Purcell the reason for the discrimination against the Cambodians. His reply was that it was a joint decision between State and Congress. State Department personnel in Bangkok told us it was a decision by Ambassador for Refugees Eugene Douglas.

Throughout all the conversations with State Department, INS and Congressional people, we were told that sentiment in the U.S. is basically anti-refugee and that Americans don't care about the Cambodians. Our experience in Middletown and in communities throughout New England points to the opposite. I have been amazed at the willingness of people in our churches and thoughout the community of Middletown to reach out to the Cambodians and to help them start a new life here. I have been equally amazed at the drive, the ambition and the self-sufficency the refugee families have shown from the very beginning. The adults have jobs, the children are in school, and the families are well on their way to becoming useful, productive citizens. Based on our very positive experience here, churches in new Haven, Stamford and Fairfield have joined together to form their own resettlement clusters in their communities.

In a letter to Bill Roberts, my colleague at First Church, which you wrote last spring, you shared your concern for the refugee situation as well. I appreciate that concern and would welcome any advice or information that you could offer with regard to three issues. One, opening up the bottleneck with the INS and developing a more reasonable rejection rate of refugee applications. Two, changing the State Department policy which excludes "P-5" Cambodians from consideration for resettlement in this country. Three, encouraging the State Department and Congress to authorize another "call-up" of Cambodians from the holding centers to begin the process again.

I think the record will confirm what we have stated in our original report, i.e., that resettlement does indeed work. Since March, 1982 over 40 Cambodians have come to Middletown, representing 7 families and 9 unaccompanied minors. By the summer, all the families were well on their way to self-sufficiency. Initially some of the families did receive financial assistance from the Federal Refugee Assistance Act as a means of helping them get started in their new home. The cluster of the seven sponsoring churches also provided "seed money" to pay for the first month's rent, food and other necessities. But within two months, all of the heads of households, save one, had jobs and were off federal assistance. (The one who continued to receive public assistance was a forty-five year old woman with one child. She was enrolled in an intensive English training program as a means of job preparation. She now lives with a nephew and his family and does child care for some of the other families.)

A more detailed list of the refugee status follows:

(1) Thong Than (age 25) and his wife Sokhom (age 20) arrived in mid-March, under the sponsorship of First Church of Christ, Congregational. By April, Thong was employed at Zygo as a janitor, with full benefits. Sokhom works 20 hours a week at Wheeler Farms, a nursery in Portland. They started out in their own apartment but moved in with Sokhom's uncle, Sophat Men, in the summer.

(2) Sophat Men (age 32) his wife, Samon and their five children, niece and nephew were co-sponsored by First Church, Congregational and First Baptist Church. Both Sophat and his wife work at Wesleyan. The nephew works at Zygo. Along with the Thans, they are currently negotiating to buy the house they have rented for this past year. Both Sophat and Than saved enough to buy used cars for their transportation to and from work.

(3) Samean and Sarath Chan and their daughter, sponsored by South Congregational Church, also arrived in April. Samean first worked for a glass-cutting company, but now works at Wesleyan. Sarath works for Day Maids.

(4) Roeuth and Ro Chan were sponsored by Portland Congregational Church. They have three children and Roeuth rides his bicycle to his job at Wheeler Farms Nurseries every day.

(5) Hang and Nay Yin, sponsored by St. Paul's Lutheran Church, arrived in April. Hang works for Raymond Engineering; Nay for Lerner's Furs. They too have saved to buy a car. They have two children.

(6) Din Kim and Sary Ly are the two sisters of Samon Men. Both women are in their forties, and they and their three children were sponsored by the ecumenical council of churches (which includes the five named above plus Holy Trinity Episcopal and Notre Dame Roman Catholic parish). The two women had the most difficulty in finding jobs, but since last summer, things have stabilized. Din Kim and her son moved in with the Men family and she now cares for the children while the other adults work. Sary Ly's nephew and family moved to Middletown from Minnesota and he is employed at Pratt and Whitney. She also provides child care for this family and others.

In addition to these families, nine unaccompanied minors are living with American families in the Middletown area. They receive special counseling and English training from Lutheran Immigration and Refugee Service workers.

All of us involved in the resettlement effort have been both pleased and amazed with the progress the Cambodian refugees have made this past year. It is indeed a tribute to their hard work and initiative. We have also been grateful to the initiative and generosity of the Middletown community. From human service workers to potential employers to school administrators, teachers; the people of this town have been both compassionate and gracious. With their help and the hard work of the refugees themselves, I believe our experience in Middletown does show that resettlement does work. In helping the Cambodians find new life in our community, our life as a city and our lives as individuals have also been enriched.

Again, thank you for your concern and interest. If I can be of further assistance, please let me know.

Sincerely,

TALITHA J. ARNOLD.●

MEDICARE: THE COMING CRISIS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington report for Wednesday, April 20, 1983, into the CONGRESSIONAL RECORD:

MEDICARE: THE COMING CRISIS

As Congress was nearing completion of its work on social security reform last month, I heard one of my colleagues say: "If you think social security has problems, wait until you see medicare!" Unfortunately, he was right. Medicare is expected to be in the red by 1987, at which time it will be unable to pay all benefits on time. Then it will begin to pile up big deficits for the next 20 years and beyond. The deficits could be among the worst ever seen in a federal program.

Medicare's principal financing mechanism is just like social security's. The system is "pay-as-you-go", with payroll taxes paid in by workers and employers going out almost immediately to beneficiaries. At present, some 30 million aged and disabled people receive medicare benefits, which cover hospital expenses for the most part. Medicare's fundamental problem is that despite recent benefit cuts and tax increases, benefits going out far exceed taxes coming in. Long-term projections for medicare made in 13 of the last 14 years have shown deficits, and the deficits are getting bigger. A new study by the Congressional Budget Office says that from 1982 to 1995, medicare costs will increase at an average annual rate of 13.2 percent, while taxable earnings are expected to grow at an average annual rate of only 6.8 percent. During the twelve-year period, medicare could have deficits totalling more than $300 billion.

In several ways, medicare's future seems worse than social security's. First, medicare is harmed by the same external forces harming social security, and then some. High unemployment and inflation, low birth rates, increased longevity, and other such factors heavily influence both programs by decreasing incoming revenues and boosting outgoing benefits, but the main external force acting on medicare is one which does not affect social security: the rising cost of hospital care, which accounts for 80 percent of medicare's problem with outlays. Medicare generally pays for "reasonable expenses" incurred at hospitals, but these expenses have quadrupled over the last decade. The increase is due not only to general inflation in the cost of hospital labor and supplies, but also to widespread use of advanced procedures and techniques to treat elderly patients. Once-experimental operations like the coronary artery bypass are entering the medical mainstream, and they may cost medicare up to $20,000 per case. Attempts to control hospital costs directly have been defeated in Congress, and despite voluntary efforts by hospitals, medicare costs went up more than 16 percent last year. They probably will go up at least 16 percent again this year.

Second, predictions are that medicare's deficits will be larger than those once forecast for social security. Congress passed the social security reform bill when it saw that the system would have a sizeable short-term deficit through 1995 and severe long-term

deficits some 40 years later, even though it knew that the short-term deficit would be offset by a later surplus. Medicare's situation is far more precarious, even with the savings from the recent change to prospective reimbursement and from the 1982 cuts in benefits. Over the next 25 years, medicare's projected deficit is more than twice social security's projected surplus. In the long run, medicare's deficits could be roughly twice those once projected for social security.

Third, the size of the medicare problem means that few adequate solutions are available. The social security problem was difficult, but it was manageable; choosing among solutions was largely a matter of political preference. With medicare, however, it is not the case that reasonable but politically sensitive solutions are there to be selected. Rather, the changes required to solve the medicare problem are much more extensive than any being seriously contemplated today. While it sounds quite significant at first, the Reagan Administration's proposal—to save $8.5 billion in medicare outlays over the next three years by reducing benefits and raising co-payments—would have no meaningful impact on the system's long-term deficits. One report estimates that keeping medicare solvent for the next dozen years would require either a 70 percent hike in revenues or a 40 percent cut in benefits—drastic remedies by any standard.

So what will Congress do? In the first place, it is clear that Congress will not let medicare collapse. It is too valuable a program for the elderly and the disabled. In the past, Congress has taken steps to shore up the program, including increasing tax revenues, broadening the revenue base, reducing expenditures by increasing deductibles and co-payments, changing to a method of prospective reimbursement, and so forth. In my view, Congress can be expected to come to medicare's rescue again. It is also clear that as solution will not be easy—either structurally or politically. The anticipated deficits are simply too big to be handled neatly. Consequently, attempts will be made to find a solution analogous to the social security reform bill—a variety of measures affecting several aspects of the program, spreading the sacrifices around, and addressing both short- and long-term issues. Because the medicare problem stems primarily from one source—the skyrocketing cost of hospital care—the search probably will be longer and more arduous.

Some congressional action is already underway. I am co-sponsoring a bill to set up a national bipartisan commission on medicare—something like the President's very successful National Commission on Social Security. There are groups in the Department of Health and Human Service studying various options. However, many experts say that we will not see a major medicare reform bill moving through Congress before 1985. My view is that we must begin laying the groundwork now for far-reaching change later—educating the public as to the nature of the problem, analyzing the problem in terms of its short- and long-term features, holding extensive hearings in an effort to build a national consensus on reform, and so forth. A medicare crisis is coming, and we must be fully prepared to deal with it.●

HOUSING FOR THE 1980's

HON. RICK BOUCHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. BOUCHER. Mr. Speaker, I would like to take this opportunity to offer my sincere congratulations to Mr. Donald Farmer, Jr., a graduate student at Virginia Tech in Blacksburg, Va., who was awarded second place in the 1982 National College Student Essay Contest. Sponsored by the National Association of Home Builders, this contest afforded students across America the opportunity to explore the idea of affordable housing for the future.

Our Nation is in the midst of a housing crisis. High interest rates and record unemployment rates have threatened the American dream of owning a home. The mortgage capital squeeze and high mortgage interest rates have priced all but a tiny percentage of the American home buying public out of the housing market.

The 15 million students who will enter the Nation's universities during the 1980's have some creative solutions for the Nation's housing problems. I join them in their youthful optimism and diligence, and I hope that by their contribution to housing, we will, as a nation, be able to restore housing as a priority to preserve the American dream.

The following is the text of the essay "Housing for the 1980's" which enabled Don to capture one of the top three national awards:

HOUSING FOR THE 1980S

Not in any other period since World War II has the housing industry gone through such a major identity crisis. Where will the future markets be in the 1980s? What will financing be like? Will anyone be able to buy their own home again? Although such questions cannot be answered absolutely, the expectations of the next generation of homebuyers could provide some insights.

As with their parents, the desire to own a home is of paramount importance to the upcoming group of future homeowners. However, they differ from their parents in at least two important areas. First, this group is more aware that the world is not boundless and that resources are scarce and living space is harder to obtain. The infinite has given way to the finite. Expectations are still high, but are more likely to be tempered with reality. Second, the quality of life has become more important than quantity. Quality, not just in the terms purchased, but in a lifestyle that has a variety of experiences with family and friends.

This is not to imply that the demand for housing is soft. But, this new group will be less likely to sacrifice everything just to own a home. Many are even willing to forgo some privacy and live with parents to maintain their present lifestyle. There is pent-up demand for housing, but this demand is not inelastic, nor is owning a home the end unto itself as it once was.

It is for these reasons that "house" as a form, will have to be rethought. This new house will evolve during the 1980s, becoming more flexible to readily accept a variety of inhabitants and lifestyles. Houses will also become smaller, for all income groups. Smaller, not just for economic reasons, but working adults will be less willing to sacrifice their free time to perform housework or yardwork on a large house.

This smaller house should not be misinterpreted as a dollhouse replica of larger conventional homes. Rather, new houses should be transformable. They should be capable of beginning as a "starter home," or even a shell; throughout its life, additions and modifications could be made to meet the changing needs of a growing family or more than one set of occupants.

Although the square footage may be reduced, the demand for quality will be higher. Less can be more if designed well. There should be more natural light and more natural materials. Construction should use more permanent materials and methods. However, this does not rule out well designed pre-fabricated homes or parts of homes; manufactured components could be instrumental in lowering overall costs. It does put greater pressure on the mobile home and pre-fab industry to upgrade the design of their products if they wish to overcome a poor public image.

The permanence of construction is due in part to demand for quality but is also strongly influenced by a less transient population. Unlike their parents, tomorrow's homeowners will be less willing to move somewhere else, even for a promotion. This setting down of roots will be greatest as the group gets older and begins raising a family and developing other relationships. Older homes may not appear on the market as often. People will live in their first homes for longer periods of time, transforming them as needed, rather than moving up.

Where will the next generation of homebuyers want to live? Obviously, they will have to go where the jobs are. For now, that means the sunbelt. But this migration does not mean other regions will be completely excluded. Homebuying should continue throughout the country, including the Northeast. It's even possible that high-tech industries would begin to relocate near the universities on the east coast.

Wherever they settle, future homebuyers will prefer smaller cities and towns. Today's suburban-bred homebuyers find their origins too sterile, and the pace and density of the major urban centers undesirable. Instead, the majority of people prefer the activity and lower density of smaller cities and towns where there is a perceived intimacy among people. In fact, the growth of high-tech, communications and a service related economy may make daily commuting to major cities unnecessary for many people.

Towns will maintain their character by absorbing this influx with increased densities. This density will be at a town scale and take the form of clustering 3-story townhouses, infilling and cohabitation of larger homes. Under such conditions, privacy will be maintained within the context of neighborhood and community.

Financing a home will continue to be open to experimentation. Although "creative financing" may have given way to flexible rate mortgages, it is only a temporary solution. People are still reluctant to make a long-term commitment that could end in foreclosure due to escalating mortgage rates. Even corporate financing for employ-

ees and mortgage assumptions will be a reality to just a few people. No, the answer to better financing is a more stable economy. No one—not banks, builders, or buyers—wants to make any long-term commitments with such an uncertain future.

For some, these thoughts may seem pessimistic. Things are going to get smaller, harder to build, and even harder to finance. And for those who view the post World War housing boom as the good old days, it probably is pessimistic. However, this transitional period is also a chance to experiment, to explore, and to feel the market out as we head toward the 21st century. The greatest challenge for the housing industry may be to replace its mindset of housing as it exists and rethink housing as what it could be. There will be change in the 80s, and there is too much at stake for the American housing industry not to take advantage of it.●

PUBLIC CEREMONY AT PENTAGON TO CELEBRATE END OF AMERICAN REVOLUTION 200 YEARS AGO

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. WOLF. Mr. Speaker, today marks the bicentennial anniversary of the announcement of cessation of hostilities between the forces of King George III of England and the Continental Army led by George Washington. It was on this date 200 years ago that General Washington had read to his troops a proclamation which brought the American Revolution to an end.

At 3 o'clock this afternoon, there will be a public ceremony at the Pentagon, hosted by the Secretary of the Army, the Honorable John O. Marsh, which commemorates this great moment in American history. Included within the ceremony will be a reenactment of that historic moment when General Washington's troops first heard the congressional proclamation calling for an end to the fighting. Secretary of Defense Casper Weinberger will be the guest speaker and the Army Vice Chief of Staff, Gen. John A. Wickham, Jr., will read the Continental Congress' original proclamation.

I would like to commend Secretary Marsh, and all the participants in this ceremony, for their effort which reminds us all of our proud history.●

TRIBUTE TO ROBERT COLLINS

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. BERMAN. Mr. Speaker, I would like to take this opportunity to pay tribute to Robert Collins. Mr. Collins has established himself as a respected and accomplished community leader in the Los Angeles area. He gives willingly of his time, talents, and energies to countless community and civic groups, and encourages his employees to do so as well. He is a Mason, Shriner, Rotarian, Kiwanian, a member of the board of directors of Marymount College, an associate member of the Torrance Medical Center, and a founder of Ben Gurion University.

The best word to describe Robert Collins, according to those who have the privilege of knowing him, is "Patriotic." He lives his daily life and treats the people with whom he comes in contact in a manner we should all strive to achieve ourselves.

Mr. Speaker, I am pleased to say that the Los Angeles Council of the Boy Scouts of America will be honoring Robert Collins in a special celebration to be held April 28, 1983. He is indeed an outstanding example to the youth of our community, and indeed, our Nation.

I would like to extend my congratulations to Robert Collins on this occasion, and commend him for his distinguished service to our community. Robert Collins has earned the admiration and respect of us all.●

FREEZING SOVIET MILITARY POWER

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. FEIGHAN. Mr. Speaker, during last month's freeze debate, we heard antifreezers bewail the loss of American military might for hour upon hour. The freeze, they said, would prevent the development and deployment of strategic weapons systems needed to keep the United States equal to the Soviet Union.

Not much was said, however, of what the freeze would do to prevent the development of the next generation of Soviet nuclear weapons and their delivery systems.

Tom Longstreth, a research analyst with the Arms Control Association, has compiled an excellent analysis that demonstrates how the freeze would actually benefit the United States by erasing new Soviet systems now on the drawing board. I recommend this article to all of my colleagues, as we enter the latest—and I hope last—round of the freeze debate.

[From the Christian Science Monitor, Apr. 6, 1983]

HOW A NUCLEAR FREEZE WOULD SQUEEZE THE RUSSIANS

(By Thomas K. Longstreth)

Now that it has returned from Easter recess, the House of Representatives will again resume debate on the nuclear freeze issue in preparation for the expected vote on House adoption of a freeze resolution. The battle lines have been drawn between the Reagan administration and pro-freeze groups with each side vigorously lobbying to sway the hearts and minds of Members of Congress. Last week President Reagan, during a speech in Los Angeles on arms control, again took the opportunity to condemn a bilateral nuclear freeze.

In addition to the President's renewed verbal attacks on the freeze, the administration's latest assault in the propaganda was included in the release last month of the 1983 edition of "Soviet Military Power," The Pentagon's slick publication that portrays the size and growth of Soviet military forces. The Reagan administration has used "Soviet Military Power" to support its claim that the United States is falling into a position of nuclear inferiority and must build up its nuclear forces, at a cost of hundreds of billions of dollars.

Reagan officials, in their briefings to Congress and the news media, have gone to great lengths to explain that a freeze on US and Soviet nuclear forces would preclude the US from this buildup and harm national security. But a careful examination of "Soviet Military Power" leads to a conclusion different from that of President Reagan. For "Soviet Military Power" not only documents Soviet weapons systems already constructed and operational, but also those that are now being tested or are on the drawing board.

This dramatic evidence of Soviet development of new weapons systems graphically demonstrates how a bilateral freeze would actually benefit the US. A freeze would prevent the next generation of Soviet nuclear weapons and their delivery systems from being deployed. A few of the new Soviet weapons systems a bilateral freeze would halt include:

The Blackjack long-range nuclear bomber (the Soviet counterpart to the U.S. B-1);

The Typhoon missile submarine (scheduled to begin operations on the heels of the U.S. Trident submarine);

The SS-N-20 submarine-launched missile (SLBM) and one other new type of SLBM that will begin testing this year;

At least two and possibly four new types of land-based intercontinental ballistic missiles (ICBM's);

Two new types of long-range cruise missiles, one air-launched and one sea-launched;

A whole range of medium- and short-range missiles to be deployed against China and Western Europe.

"Soviet Military Power" also demonstrates the utility of other types of arms agreements which could complement a nuclear freeze. The Pentagon document reveals that the USSR has tested and deployed a weapon to attack and destroy low-orbiting satellites. While the present Soviet antisatellite (ASAT) weapon is relatively crude, the Soviets are working on a more sophisticated system, though it is probably not as advanced as the one the U.S. is developing.

The best way to prevent the Soviets from building these weapons is through arms agreements prohibiting their deployment. Talks on such a treaty were conducted with the Soviets by the Carter administration but President Reagan has declined to resume those negotiations. Further, Secretary of Defense Weinberger has emphasized that no treaty on ASAT weapons will be permitted to interfere with U.S. development plans for these weapons.

"Soviet Military Power" mentions a Soviet effort to modernize its antiballistic missile

(ABM) site around Moscow with new radars and interceptors. The U.S. is also spending over a billion dollars each year to develop new antimissile technologies to protect its ICBM's. Though the ABM treaty allows each nation to maintain one site and to modernize its ABM system within certain strict limits, it prohibits large-scale ABM systems and mobile, space-based, sea-based or air-based ones.

If the administration is so concerned about Soviet modernization of their one permitted site, it should seek to amend the treaty and prohibit all ABM deployments. Such a decision would be far wiser than beginning an expensive race with the U.S.S.R. to build new ABM systems.

Partisans for and against the nuclear freeze would probably agree that the Americans would like to stop Soviet weapons programs without giving up anything in return. We would all like to get something for nothing. Unfortunately, successful arms negotiations do not work that way. Each side must make concessions in order to extract concessions in return. While a bilateral freeze would force the U.S. to abandon plans for more nuclear weapons, this recent release of U.S. military intelligence provides further evidence of the comprehensive Soviet modernization that would also be brought to a halt.

Knowledgeable individuals may disagree over particular aspects of a bilateral freeze on the testing, production, and deployment of new nuclear weapons and their delivery systems. But with its rhetoric the Reagan administration has distorted the effects of a freeze by emphasizing only what the U.S. would have to give up. The government's own information makes a strong case for favoring a nuclear freeze, if only to stop the next phase of Soviet nuclear weapons building.

WEAPONS AND WASTE

Most Americans will readily agree that it would be foolhardy for the United States to scrimp on its military defenses. At the same time they should be aware that the Pentagon budget appears to be slipping out of control in some major areas and that such unrestrained spending threatens bigger and bigger deficits and could thereby thwart economic recovery. As lawmakers in Washington resume work, they need to take a hard look at President Reagan's military budget with a view to scaling back—not the defense buildup itself, but the rate of buildup over the next five years. Such an adjustment could strengthen the economy and thus national security as well.

To understand the situation, the public needs to know these basic facts:

The proportion of the budget going for weapons procurement is going up while the share for operations and maintenance—in other words, readiness of the armed forces—is going down. In fiscal 1981, 27 percent of the budget went toward procurement of weapons; in fiscal 1984 the figure is 36 percent—and it is slated to rise to 40 percent in 1988. Many critics warn that, given the complexity of new weapons and the need for maintenance, the U.S. in future could face a terrible crunch for funds. Military readiness could be impaired.

The defense budget has two aspects: authorizations and outlays. In the Reagan budget the proportion of outlays linked to prior-year "total obligatory authority" is growing. With each year, in other words, it will be harder to control defense spending because many new weapons will already have been authorized. In the Reagan budget for fiscal 1984 authorizations comprise 35 percent of the total outlays; by fiscal 1988 it will be 43 percent.

The Pentagon is underestimating the cost of future weapons. Despite the administration's early efforts to provide realistic cost figures, it seems not to be doing so. An internal report by Pentagon analyst Franklin Spinney (suppressed for a time) states that Mr. Reagan's five-year military plan is based on questionable predictions of declining unit weapon costs. In the "real world," the analyst told a House committee last month, the unit costs of equipment always tended to be higher than estimated. The five-year plan, in other words, will either cost even more than the already astronomical $1.8 trillion estimated by the administration, or the Pentagon will be forced to buy fewer weapons.

Recently, too, Pentagon officials looked for some examples of cost-saving weapons programs which they could cite to congress to defend their budget projections, They could not come up with a single one.

What is to be done?

Two things. One is to take the congressional shears to some major weapons programs. The political difficulty is that the legislators are more inclined to reduce operations and maintenance outlays rather than new weapons programs because the latter can represent jobs in their districts, and because cuts in maintenance costs mean immediate budget savings. Yet is is the weapons programs that are driving the budget upward and shortchanging readiness. Will th lawmakers have the political courage to cut job-creating programs in the interests of the larger economy? And of better military preparedness?

The second thing is related to the first: The U.S. must match military spending to missions—that is, it must shape a realistic strategy for what needs to be done and then procure only those weapons required to fulfill the essential tasks. This is not a namby-pamby call for reducing America's capabilities. Such knowledgeable and experienced public figures as Maxwell Taylor, Elmo Zumwalt Jr., Robert McNamara, Cyrus Vance, and John Connally believe that the Reagan five-year defense plan can be trimmed substantially without impairing U.S. security. Duplication of weaponry is rife. Does the Air Force, for instance, need B-52 bombers, B-1 bombers, Stealth bombers, and air-launched cruise missiles?

To reiterate, the issue is one of reducing the rate of growth in defense expenditures, not stopping the military modernization. President Reagan calls for an 8 percent annual real increase over the five years. Even trimmed by the $8 billion to $10 billion or so which Mr. Reagan says he is willing to cut in fiscal 1984, the program is too ambitious, and, most important, elements of it are unnecessary. Economists point out that cutting even one percentage point of that increase would produce tens of billions of dollars in savings.

It is up to Congress to bite the bullet.●

THE MX: WHY WE NEED IT

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. MICHEL. Mr. Speaker, Gen. Brent Scowcroft, head of the bipartisan President's Commission on Strategic Forces, was recently interviewed by U.S. News & World Report magazine. He gives a clear and informative view of the decision of the commission, seeing it in the context of our overall strategic and arms controls programs. I think his words should be read by all our colleagues.

At this time I wish to insert in the RECORD, "MX 'Important to Demonstrate National Will'," an inteview with Gen. Brent Scowcroft in U.S. News & World Report, April 25, 1983:

MX "IMPORTANT TO DEMONSTRATE NATIONAL WILL"

Q. General Scowcroft, in view of President Reagan's past warnings about the urgent need to close the window of vulnerability, does it make sense to spend billions to deploy an MX missile that will be as vulnerable as the Minuteman force is today?

A. We think it does, for several reasons. First of all, you can look at the window of vulnerability two ways. One is in the broad sense of the vulnerability of the strategic forces as a whole. The Reagan administration, like its predecessor, is moving to close that window of vulnerability with modernization programs embracing all elements of the strategic triad—bombers, submarine-launched missiles as well as ICBM's.

The other way you can look at the window of vulnerability is in the narrow sense of the vulnerability of Minuteman silos to a surprise Soviet attack. We don't deny that this exists and that it's going to get worse, but it is not so urgent that we must allow it to dominate our thinking about the strategic forces.

Q. But we've been told for several years that solving the vulnerability problem quickly was vital to national security—

A. Well, circumstances have changed since we started talking about the MX 10 years ago. We felt then that over the next decade there was a danger of a Soviet breakthrough in antisubmarine warfare that would put our submarine-based missile force in jeopardy. Therefore, it was assumed that we needed a survivable MX missile as a hedge against that danger. But, in fact, the danger hasn't materialized, and we don't see it on the horizon. So that particular requirement for a survivable ICBM force doesn't exist at the present time.

Also, the Soviets have to be very cautious, if not skeptical, when it comes to applying the test-accuracy data of their missiles against their ability to mount a first-strike attack against our ICBM's: The attack has to be successful or it's worse than a failure. Finally, there still is and will be for perhaps a decade what I would call the synergistic survivability of the bombers and the ICBM's. The Soviets can't attack both of these weapons systems simultaneously.

Q. Are you saying that there is no way of present to insure the survivability of America's land-based missile force against a first strike—that this particular window of vulnerability can't be closed?

A. Yes, that's right—no feasible way in the short run if you're speaking of survivability against a surprise first strike.

Now we are proposing that the survivability problem be dealt with in the longer run by developing a small missile which can be based in a variety of modes and which would have the flexibility needed for survival.

Q. If it's feasible to build a small missile that is survivable, why bother at all with an MX that will be vulnerable?

A. We are looking at a new departure both in our strategic forces and in arms control. We are advocating integrating our strategic forces with arms control and moving both of them in the direction of stability. In order to get there, it is important to have the kind of negotiations with the Soviet Union that would at least permit us to go in that direction and would encourage the Soviets to go that way, too.

In addition, we think that it is very important to demonstrate U.S. national will and cohesiveness. Four American Presidents have said that the MX missile is important, if not essential, to our national security. If we back away from it now, it will underscore our paralysis for both our opponents and for our friends and allies. That would have a damaging effect on deterrence, which depends on national will in a critical sense.

In addition, whatever you think about the overall strategic balance between the U.S. and the Soviet Union, there is clearly a disparity in ICBM forces. In other words, the Soviets can put our forces at risk in a way that we cannot begin to match. We think that this is a perilous situation to allow to continue and that is has to be redressed at least in part.

Q. So the MX is intended to confront the Soviets with the kind of threat that they pose to the U.S.?

A. At least in part. We are not proposing a deployment large enough to constitute a first strike against all Soviet forces but enough to demonstrate to them that their big land-based missiles and their silos are a wasting asset and that they ought to negotiate over them.

Q. Turning to the small, single-warhead missile that you advocate developing: Why not concentrate resources on developing that as quickly as possible rather than divert money to the MX?

A. First of all, we don't have a small missile right now. And there are problems in developing the kind of small missile that we envision. Right now, for example, most of the appropriate guidance systems either are too heavy or have excess power requirements for the missile we contemplate.

There's also a basing problem. Right now, if we were to go directly to the small missile, I think we would run into the same kind of basing problems that we've had with the big one. Again, there are some promising developments over the horizon—for example, a hardened mobile vehicle that could enable us to move a small missile around military reservations with a good chance of surviving a Soviet attempt to barrage the whole area.

Q. But won't you need many thousands of these small missiles to defeat a Soviet first-strike attack?

A. That's another reason why this is not the time to go exclusively for the small missile. We must first create an arms-control environment that will lead to a change in the counting rules. Future agreements should be based on a count of warheads rather than missiles. Otherwise we would count one of our small single-warhead missiles and the Soviets would count one of their huge SS-18 follow-on missiles with many warheads. So we need to change the counting rules.

Also, after changing the counting rules, hopefully we can agree with the Soviets on a reduction in numbers of warheads each side would be permitted so that it wouldn't be necessary to deploy these small missiles by the thousands. Now, there isn't any reason why we couldn't match the Soviets even if they refuse to get rid of the big MIRVed missiles. But that would take very large numbers, which could pose a problem.

Q. Why should the Soviets give up the substantial advantage they possess and accept the kind of arms-control agreement that you're talking about?

A. That is another good argument for building the MX. It should give them an incentive to negotiate.

Q. Do you mean that as the Soviet SS-18s and 19s become as vulnerable as our Minuteman missiles they will have an incentive to negotiate to deal with the problem?

A. Absolutely. Also, the MX gives you the flexibility you need to respond to whatever the Soviets do. If they, for example, just say, "No arms control, no nothing," then we might have to reappraise the whole program we are proposing.

Q. And build more than the 100 MX missiles you are advocating?

A. Yes, conceivably.

Q. So this small missile doesn't make a great deal of sense without a new arms-control agreement with the Soviets?

A. That's when it makes the most sense. There has to be a transition from where we are—with highly MIRVed forces on each side—to a more stable situation where both sides rely on small, single-warhead missiles. The MX is essential to make that transition.

Q. Wouldn't the development of a small missile while the U.S. is deploying the MX violate the strategic-arms agreement that allows only one new missile?

A. We think not. For one thing, the small missile will not be ready for testing before the SALT II treatly expires on Dec. 31, 1985.

More important, in any new arms-control negotiations with the Soviets the single-warhead missile will be important as a way to achieve greater stability. To say now that it is not possible to develop a single-warhead missile because of arms control stands the whole process on its head.

Q. General Scowcroft, what happens if the commission's proposals are rejected by Congress and the MX is killed?

A. I think deployment of Pershing 2s and ground-launched cruise missiles in Europe would be in deep trouble. That's the first thing. Arms-control talks could be in jeopardy, and the Soviets could begin behaving with greater and greater impunity.

Deterrence is completed of two elements: Military forces and will. And we would be falling down in both those elements. I think it would have serious effects.●

SAVE FEDERAL DOLLARS, REFORM LAB EXPERIMENTS

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. HOWARD. Mr. Speaker, as we continue to look for ways to lower the Federal deficit, I would like to bring to the attention of my colleagues an article which appeared in the Washington Post on March 19, 1983, written by Benjamin Stein.

Mr. Stein points out that taxpayers are shelling out some $4 billion yearly on experimentation on live animals. Certainly it is not feasible that all experiments on live animals be immediately halted, but it seems to me there is room for some reform. As the article indicates, many of these experiments are unnecessary and cause needless suffering to the animals involved.

I am pleased to learn that the House Subcommittee on Health and the Environment has taken beginning steps in addressing this problem. Prior to Easter recess, the subcommittee approved two amendments by Representative DOUG WALGREN to the NIH authorization bill which will require research facilities to have an Animal Study Committee and encourage alternatives research by providing funding. I certainly hope the full Energy and Commerce Committee will uphold the Walgren amendments.

Mr. Speaker, at this time I would like to insert Mr. Stein's article in the RECORD.

[From the Washington Post, March 19, 1983]

IT'S NOT A CAUSE FOR CRANKS

With President Reagan, budget director David Stockman and Congress looking for ways to cut government spending, I am glad to offer some thoughts on an area where a few billion might be saved.

Included within the budgets of the National Institutes of Health, the National Science Foundation, the Department of Defense, the Department of Health and Human Services, the National Aeronautics and Space Administration, the Nuclear Regulatory Commission and other federal agencies is an aggregate sum of about $4 billion (according to congressional sources) for experimentation on live animals. The president could be $4 billion closer to his goal of a balanced budget if he would simply cut out those funds immediately and stop all experimentation on live animals.

Of course, the president cannot cut out all experiments on live animals. Some of those experiments offer crucially valuable data to mankind for prolonging and safeguarding human—and animal—life. But no medical practioner, no matter how devoted to live experimentation on animals, would insist that all of the billions of federal dollars going for experiments on live animals are crucial. From what I have read and seen at government hearings, no medical researcher would argue that there was not immense duplication, supererogation and just plain grantsmanship involved in the great mass of animal experimentation. In a word, in the federal government's enormous ventures into experiments on live animals, there is a jackpot of waste and fraud just begging for the sharpshooters at OMB to stop.

For most persons who object to the federal government's experimenting on live animals, the objections are far more moral and emotional than budgetary. Why, such people ask, are helpless puppies subjected to having their brains resected without anaesthetic so that a graduate student can write a thesis about something that has already been discussed ad infinitum in scholarly journals? Why should trusting dogs have their bones broken without anaesthesia and then become subjects of observation on healing issues long since proved or disproved? Why should dogs or cats that might be at home offering love and comfort to

children be subjected to anthrax germs over and over again when we already know that anthrax is poisonous? Why should animals with sensitive, feeling natures become the living toys of "researchers" who just needed a grant so that they could take their girlfriends to Europe?

* * * * *

Why should the tax dollars of persons who love animals and appreciate their fine qualities be used to torture animals by having ground glass put into their urethras without anaesthesia? We already know that ground glass in urethras is harmful. Yet all of these experiments are now going on, funded by federal dollars.

But even if we leave aside the issue of cruelty to innocent creatures, why should the federal govenment allow itself to spend continuing billions on wasteful and duplicative animal experimentation when the ax is falling on food stamps and heating fuel assistance for the elderly and community development in the inner cities? I do not understand what special claim "researchers" have on tax money that allows them to continue their cruel, unnecessary work when U.S. soldiers are on the 38th parallel freezing in the Korean winter and learning that their pay has been frozen.

Again, anyone would grant that there is some need for animal experimentation. But the same red pencils that have been going through budget requests in other areas have apparently been dulled in reviewing programs for animal experimentation. According to congressional sources, the budgets keep rising—or at least not falling—and the selfless dogs in cramped cages keep getting tortured and killed for no reason.

The President and the OMB chief are constantly saying that they are looking for new and better ways to run the government. Well, many researchers say that computer modeling can replace live experimentation at a fraction of the cost. Others say that experiments on cellular material at a preconscious phase can replace cutting into dogs or cats at a far lower cost. Most of all there can be an end to "research" whose only benefit is the income of the researcher.

At one time, resistance to unnecessary experimentation on live animals was considered a crank cause. But then, at one time women's suffrage, abolition of Negro slavery and Social Security were considered crank causes. Until quite recently, citizen concern about nuclear war was considered a crank cause.

I suggest that the day for the government to stop paying for experimentation on live animals except when absolutely necessary is at hand. This is not an issue for astrologers and little old ladies in sneakers. It is an issue first of all for people who hate suffering, and, now, for those who hate to see the waste of federal money.●

THE HAZARDOUS SUBSTANCE VICTIMS' COMPENSATION ACT OF 1983

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. MARKEY. Mr. Speaker, yesterday I introduced H.R. 2582, the Hazardous Substance Victims' Compensation Act of 1983, with Mr. JAMES FLORIO of New Jersey. This bill will provide compensation to victims of hazardous substance exposure and ease the burden of proof which now prevents many victims from successfully suing the liable party.

Congress acknowledged the widespread problem of hazardous waste contamination when it enacted Superfund in 1980. But as my colleagues well know, Superfund stops short of addressing one of the greatest tragedies of the hazardous waste dilemma—the lack of assistance for the thousands of Americans who will suffer the consequences of the poisoning of our environment. Consequently, Mr. FLORIO and I introduced this bill in order to cover the gaping hole that now exists in victim protection.

The bill Mr. FLORIO and I introduced would amend the Solid Waste Disposal Act—commonly known as Resource Conservation and Recovery Act, or RCRA—by creating a new fund which would cover claims made by persons injured by these hazardous substances. This bill would allow victims to recover medical costs and some lost wages, thereby expanding the protection Superfund offers for cleanup and some property loss. Fees currently charged on chemical feedstocks would be matched through 1990, or until $1.0 billion is placed in the victims' compensation fund.

Our bill would allow victims of hazardous substance exposure to file claims with the Federal Government for reimbursement of medical bills and some lost wages. The claimants would have to prove there was a high probability their injury was caused by exposure to hazardous substances. But they would not be held to the strict evidentiary rules that have kept victims from recovering in court. In addition, the victims' claims would be heard by administrative law judges of the Social Security Administration, acting under contract to the Environmental Protection Agency. Victims or their dependents (in the case of a victims's death) can be compensated for full medical costs and loss of earnings up to $2,000 monthy. The EPA could then sue companies or other entities throught to be responsible for a specific injury in an attempt to recover money paid out of the fund for that injury.

But H.R. 2582 would not stop at providing timely relief to victims of exposure to hazardous substance. It also would create a Federal cause of action, allowing victims to sue in Federal court any owner, operator, or transporter, including owners or operators subsequent to treatment, storage or disposal of the hazardous substance to which the victim was exposed. Generators of hazardous substances who arranged for transportation or disposal are also liable. This feature would enable victims to sue in Federal court all parties that potentially could be liable.

Furthermore, the bill also includes important evidentiary changes. Liability is without regard to fault and is joint and several, meaning that one liable party can be held liable for the entire amount of damages if responsibility for the injury cannot be divided between parties. This provision is significant for it places the burden of proof on the defendants to show they were not responsible, rather than forcing the plaintiff to prove a specific company caused his exposure and injury.

In addition H.R. 2582 enables victims to sue for medical costs, loss of income and earning capacity, as well as pain and suffering. The bill requires suits to be filed within 3 years of the discovery of the injury or when some connection between exposure and the injury was discovered. This provision relaxes that strict statute of limitations which has prevented many victims from filing claims due to the lengthy nature of some illnesses. The bill also provides for the preparation of "health effects documents" which would provide the scientific basis for a claim without forcing the injured party to bear the expense of compiling such evidence.

Our bill is based, with some changes, on recommendations by the "Superfund Section 301(e) Study Group." We believe that this bill is responsible legislation designed to meet the pressing problem of hazardous substance victims. H.R. 2582 would not hold parties liable for injuries from exposure that took place before enactment of this law. But it would enable many future victims to receive quick payments from the fund for their physical damages. Unfortunately, no one is receiving speedy relief under the present system. I urge you to join us as sponsors of this necessary responsible legislation so our country will not turn its back on those ravaged by the dangers of hazardous substances which mar our environment.●

TECHNICAL AMENDMENTS TO THE EDUCATION CONSOLIDATION AND IMPROVEMENT ACT

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. WEISS. Mr. Speaker, recently, H.R. 1035, a package of amendments to the Education Consolidation and Improvement Act, passed the House under suspension of the rules. Some of these amendments concern me a great deal, both for what they include and what they fail to include.

Title I, now chapter 1 of ECIA, is a proven success. That has not hap-

pened by chance but rather because of fine tuning of the law and regulations over the years and experience over time of program administrators in implementing the law. Whenever we make changes in the law, I feel we must do so with great care, giving careful consideration to the potential effects of these changes on the program's beneficiaries. Children living in low-income areas who are behind in school continue to be the intended beneficiaries of chapter 1. If the program is going to succeed in continuing to provide extra assistance that raises the level of achievement of these children, it seems to me that we must be very careful in maintaining targeting of funds to those areas where poverty is most severe and on the children in those areas with the greatest need.

Therefore, I am concerned about the amendment that would permit the distribution of funds to any school attendance area in which at least 25 percent of the children are from low-income families. This provision loosens the targeting and means that dollars can be spread across more schools. Currently, under chapter 1, funds must go to schools with the highest concentration of poverty. Under this new amendment, in a school district with a very high average level of poverty, for example 60 or 70 percent of its children coming from low-income families, even the school with only 25 percent poverty could receive funds. If this program were fully funded, of course, we would want to see more schools included. But now, less than half of the students potentially eligible for the program are being served. In such a situation, I believe it is vitally important to maintain the targeting of dollars on the poorest areas within the district.

In 1978, through Public Law 95-561, we did broaden the range of schools that could receive funds but we did so in a way that guarded against the problem of dilution of funds and services. The 25-percent amendment we adopted at that time did allow a school with 25 percent of its students coming from low-income families to receive funds but only if all schools receiving title I funds the previous year received at least that same level of funds when State and Federal compensatory education funds were aggregated. Without this minimal safeguard against the dilution of funds, I am afraid the essential focus on low-income areas will be lost and the program's proven success, predicated on substantial per child expenditures, will be in jeopardy. This is especially problematic when you look at this amendment in conjunction with the one directly following it, section 3(d)(2), that permits the use of an alternative to targeting on the basis of economic deprivation. It would allow the funding of schools based on their concentration of low-achieving students instead of poverty. Not only would this provision encourage the use of tests for purposes for which they were not intended, a practice already suspect and of grave concern, it ignores the poverty focus of the program. I realize a similar provision was added to title I in 1978. But now, when this troubling provision is added to the permissible funding of any school with 25 percent poverty, with no regard to the poverty level in the district and no safeguard against the dilution of funds in the poor schools, I fear we may be seriously damaging the chapter I program.

Apart from the technical amendments to ECIA, I am troubled by the absence of adequate evaluation requirements in chapter 1 which threatens to undermine the program, both in terms of accountability and in terms of Congress capacity to make future decisions about the program.

Title I required that certain evaluation models be used and that SEA's provide technical assistance to LEA's in this area. SEA's were also required to report to the Secretary regarding the outcome of LEA evaluations. The Secretary was required to be actively involved in developing and disseminating evaluation standards and schedules. In addition, the Secretary was to provide for independent evaluations and a report to Congress concerning results of evaluations.

Chapter 1 still requires LEA's to evaluate projects to see if goals are being met—including objective measurement of gains in student achievement over time, but the results do not have to be reported to anyone or used in program design. There is no provision for technical assistance concerning evaluation to LEA's by the States. While chapter 1 authorizes the Secretary to require data for program evaluation from the States, in fact, no such requirements have been imposed. Further, the Secretary is not required to disseminate models, provide technical assistance, conduct independent studies, or report to Congress.

These changes in evaluation requirements weaken program accountability at all levels. States have played an important role in title I evaluation and the capacity they have developed over time should not now go unused. At the Federal level, for reauthorization purposes and for good ongoing program supervision and monitoring, a substantial body of accurate and up-to-date descriptive information is necessary. Further, the Federal Government must continue to play a leadership role in insuring that adequate research about approaches to effective compensatory education is carried out and disseminated.

I would urge my colleagues to reexamine these issues as the legislative process proceeds.●

POLL SHOWS PUBLIC SUPPORT FOR ENVIRONMENTAL PROTECTION

HON. ELLIOTT H. LEVITAS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. LEVITAS. Mr. Speaker, I would like to call to the attention of my colleagues the results of a New York Times/CBS News poll which show that Americans realize the importance of protecting the environment in which they live. Fifty-eight percent of those responding to the poll agreed that, regardless of cost, standards for protecting the environment could not be too high because environmental protection is so important.

I would like to think that the work of the Congress, and the work of the House Public Works and Transportation Committee, has helped to bring environmental protection to the forefront of public concern. We have recently focused a great deal of attention on the implementation and improvement of laws designed to protect the water we drink and the air we breathe from contamination and pollution. And I believe the results of this poll indicate a greater public awareness, and great public support, as a result of this effort.

At this point I insert the results of the New York Times/CBS poll, which appeared in the New York Times on April 17, 1983, in the RECORD.

THE NEW YORK TIMES/CBS NEWS POLL

ATTITUDES ON THE ENVIRONMENT

"Do you agree or disagree with the following statement: Protecting the environment is so important that requirements and standards cannot be too high and continuing environmental improvements must be made regardless of cost."

	Percent agreeing	
	September 1981	April 1983
Total sample	45	58
Sex:		
Men	41	58
Women	48	58
Age:		
18–29 years old	61	69
30–44	46	58
45–64	35	47
65 and older	33	59
Race:		
Whites	44	57
Blacks	54	65
Political ideology:		
Liberals	55	71
Moderates	47	56
Conservatives	25	54
Political party:		
Democrats	49	62
Independents	46	60
Republicans	39	49
Region:		
East	48	62
Midwest	46	54
South	40	61
West	48	53
Education:		
Less than high school	45	54
High school graduate	46	63
Some college	49	61
College graduate	39	46

1,479 adults conducted Sept. 22–27, 1981. Poll of 1,489 adults ...ed April 7–11, 1983.●

JACOB RABINOW TO RECEIVE HONORARY DEGREE

HON. PARREN J. MITCHELL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. MITCHELL. Mr. Speaker, I would like to take this opportunity to draw the attention of my colleagues to the fact that an outstanding entrepreneur and distinguished small business champion will be honored by Towson State University, Towson, Md., at their 118th annual commencement. Jacob Rabinow, long-time advocate of the importance of small business in technological innovation, presently chief research engineer at the National Engineering Laboratory, U.S. Department of Commerce, will receive a doctor of humane letter at Towson State University on Sunday, May 22, 1983. Sponsored by the school of business and economics, this honorary degree is in recognition of his contributions to the development of American technology.

Jacob Rabinow, an evaluator for the Office of Energy-Related Inventions, U.S. Department of Commerce, has aided more than 200 small businesses to get support from the Department of Energy for small business inventions. He has represented the Department of Commerce at "Survival and Growth of Small R&D Firms," a conference sponsored by the Small Business Administration, and the National Science Foundation conference on small business. In addition, Mr. Rabinow frequently testifies before Congress on the role of the inventor in the development of American technology.

Mr. Rabinow holds 218 patents on a wide variety of mechanical and electrical devices. They include the automatic letter-sorting machine used by the U.S. Post Office, phonograph record-playing equipment, the automatic regulation of clocks used in all American cars, the magnetic particle clutch, the best-match principle in reading machines and many safety mechanisms for ordnance devices.

For his scientific achievements, he has been honored with the Exceptional Service Award of the Department of Commerce (1949), the President's Certificate of Merit (1948), the War Department's Certificate of Appreciation (1949), the CCNY Engineering School's 50th Anniversary Medal (1969), the Henry Diamond Award (1977), and the Industrial Research and Development Scientist of the Year Award (1980).

"Jake," as he is known to his friends, was chairman of an interagency committee that produced the now-famous "Rabinow report" which indicated that small firms are not getting their reasonable share of Government-sponsored research and development grants and awards. The Rabinow report concluded that small businesses have compiled a striking record of innovation and supported the need for increased participation of small firms in federally funded research. Many of the recommendations of that report have been implemented. Material from the report was also persuasive in passage of Public Law 97-219, the Small Business Innovation Development Act of 1982.

I am happy to acknowledge the accomplishment of this friend of small business and to commend Towson State University and the School of Business and Economics for their recognition of the contribution Jacob Rabinow has made to small business innovation and technological development.●

U.S. AGRICULTURAL POLICY

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. BEDELL. Mr. Speaker, of all the many pressing issues this Congress will be addressing during the coming months, some of the more crucial will have to do with agriculture. With increasing regularity, we are faced with insurmountable evidence that the problems confronting U.S. agriculture are structural. The amazing productivity of the American farmer has led to mounting surpluses that threaten to overwhelm the conventional sources of demand for food, feed, and fiber, and the search for balance is driven not just by the desire to end the billions of dollars of taxpayer outlays required to pay for land idling and surplus commodity storage, but also to reduce the growing pressures on the international trading system.

Perhaps never before has the need for farsighted changes in agricultural policy been so urgent. There has always been a great deal of discussion about how new domestic outlets for domestic agricultural production can be encouraged with a minimum of Government interference, and in a cost effective way, but today, those new outlets are needed as part of a structural reorientation of American agriculture. The objective must be to stimulate new value added processing industries that will utilize U.S. agricultural production in a way that benefits consumers, producers, and taxpayers alike by providing demand for fuel and chemical outlets, in addition to the conventional food, feed, and fiber.

A recent analysis of some of the perceived changes in Soviet agricultural policy since Yuri Andropov's rise to power is worthy of consideration in this regard. In a recent Pro Farmer article, a highly regarded Soviet analyst noted that changes in Moscow's approach to agriculture point to a livestock policy emerging which counts on domestically grown feeds, possibly *supplemented by high protein concentrates as the best for the maintenance of these animals* (emphasis added). To some, this may appear to be yet a further exacerbation of our current export problems, in which past customers are moving further away from consumption of excess U.S. production. However, this change in policy could actually afford the United States an opportunity that could enable us to contribute toward a number of important national objectives simultaneously. This opportunity should not be lost.

As the following article printed in last summer's Foreign Affairs magazine points out, a U.S. fuel ethanol industry would provide our agricultural policymakers with a new degree of much-needed flexibility. By converting the starch portion of U.S.-produced corn and other grains into a high grade liquid fuel (ethanol), while still preserving all of the original protein, vitamins, and minerals, U.S. grain undergoes a value-added process that meets both United States, and Soviet (or any other trading partners') needs. The concentrated (one-third the weight) high protein coproduct is an excellent animal feeding material, and its transportation and storage is far more efficient than that of the bulk grain. The United States benefits by the production of a high grade liquid fuel extender and octane enhancer, increased economic activity and jobs, and improved trade flexibility, and the Soviets and other U.S. customers benefit from a concentrated feeding product that more efficiently suits their needs.

Mr. Speaker, I commend this article to my colleagues' attention as we begin to focus on the crucial agricultural policy questions in the weeks to come.

The article follows:

MORE BANG FOR THE BUSHEL

To the EDITOR:

Karl-Eugen Wädekin's Spring 1982 look at "Soviet Agriculture's Dependence on the West" was a thought-provoking analysis that should be required reading for U.S. agricultural policymakers of all stripes. While it is certainly lamentable, there can be little doubt that American agriculture's profitability under the current method of "doing business" is heavily dependent upon sales to Moscow.

In analyzing what to expect in the way of Soviet grain purchases for the next five or more years, Mr. Wädekin acknowledges that Moscow will try very hard to cut down on food imports and speculates that the American farmer will find his market reduced thereby within a few years.

Such a scenario is not hard to envision. As a result of the grain embargo imposed by President Carter in response to the invasion of Afghanistan, existing grain trade agreements with the Soviet Union have been upset.

In this process, the United States will have achieved multiple objectives. The most important include:

(1) *Adding a new dimension of flexibility to U.S. agricultural income and trade.* By first extracting the valuable liquid fuel from a portion of its grain exports, the American farmer can receive significant returns for the ethanol from each bushel, even if Moscow's demand for the feed portions were to decline or be cut off entirely. In the event of an unexpected disruption in trade, the concentrated nature of the high-protein co-product would facilitate storage and lower costs when compared to that required for bulk grains.

(2) *Significantly improving the U.S. balance of trade.* The use of the fuel alcohol domestically would reduce crude oil imports on at least a one-to-one basis. In addition, the sales of the high-protein co-product would generate revenue.

(3) *Stimulating an orderly redirection toward the processing of bulk commodities in the United States rather than recipient countries.* Thus, more American jobs are created, state and federal tax bases are expanded, and a solid infrastructure for future industrial development is established. (It has been estimated that, if only ten percent of the $8.7-billion worth of corn exported by the United States last year were "processed" into wet corn milling products for export, business activity would increase by $7.734 billion, creating 165,300 more jobs and raising personal income in the United States by $1.713 billion.)

DAVID E. HALLBERG,
President, Renewable Fuels Association.
Washington, D.C.

MR. WADEKIN REPLIES—

Regarding Mr. Hallberg's comments, it is true that a higher protein content would greatly improve the average Soviet feeding ration, but it is also true that Soviet animal farms' demand for feed grain would thereby be reduced still more than envisaged in my article. As to transport and storage costs and facilities in the Soviet Union for imported proteinic co-products of fuel alcohol production, these should not be compared to bulk grains but to soybeans and their meals and other comparable commodities. These also figure high in Soviet feedstuff imports, and are likely to expand further, although they are similarly limited by transport and storage facilities and also by the capacities of the vegetable oil and mixed feed industries of the Soviet Union.

Insofar as these limits apply to fuel alcohol co-products as well, the two kinds of protein additives would be competitors in a market which, although big, is limited. According to Mr. Hallberg, the protein content of fuel alcohol co-products is yet higher; in addition, Mr. Hallberg claims that these require less processing capacities for turning them into livestock feed. To the degree that such advantages exist, potential for an expansion of U.S. exports of feedstuffs of this kind, combined with the preceding use for fuel production, indeed seems to exist, and American suppliers may have a technological edge over others. However, for the reasons outlined before, one should not overestimate the net effect on the American farm sector and its exports. And after all, I did not say that overall Soviet grain purchases will sizably ebb earlier than the mid-1980s.●

REAGAN IS FUELING THE FIRE IN EL SALVADOR

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. OTTINGER. Mr. Speaker, I rise to commend the House Foreign Affairs Subcommittee on Western Hemispheric Affairs for its recent rejection of President Reagan's request for additional military funds for El Salvador. The subcommittee's action is consonant with legislation I recently introduced to insure that the judgment of Congress is applied to any administration decision to expand the role or number of U.S. military personnel in El Salvador.

For the past 2 years the administration's policy in El Salvador has been reckless, short-sighted and based on a faulty set of premises. This policy has ignored the root causes of El Salvador's instability—the long history of poverty and oppression—and completely evaded any prospect of negotiations to address these issues. Instead, the Reagan administration has provided arms to the very forces of repression engaged in a continual and unabated pattern of human rights abuses against Salvadoran civilians.

This misguided policy has only exacerbated the conflict. It has polarized El Salvador's political climate, undermined Salvadoran moderates, alienated important Latin American nations such as Venezuela and Mexico, strengthened the opposition forces and bolstered the Communists by making them appear to be the champions of the aspirations of the people for freedom and a better way of life.

The administration recently sought to add $110 million worth of fuel to the fire, and has threatened to send additional military personnel to El Salvador. The administration proposed reprograming $60 million in foreign military sales credits to El Salvador and submitted a supplemental request of $50 million in military assistance grant aid.

On April 12, the Foreign Affairs Subcommittee on Western Hemispheric Affairs rejected the supplemental request for $50 million, reduced from $86.3 million to $50 million the military aid request for fiscal year 1984 and 1985, and voted to make U.S. aid conditional on further assurances that U.S. advisers be limited to 55 and that Salvadoran democratic procedures be strengthened. I applaud these actions.

Until the administration begins addressing the real causes of El Salvador's instability, we will sink deeper and deeper into a military morass. That is why I have introduced two bills to help prevent an escalation of U.S. military involvement in El Salvador without the judgment of Congress. H.R. 1619 and House Concurrent Resolution 67 both apply to the War Powers Act.

The War Powers Act requires the President to report to Congress whenever he introduces U.S. military personnel into "hostilities or into situations where imminent involvement in hostilities is clearly indicated by the circumstances." He must justify his actions to Congress, and if Congress does not act to approve the military intervention within 60 days, the military personnel must be withdrawn. The War Powers Act was passed over President Nixon's veto after the United States had become involved in Vietnam.

House Concurrent Resolution 67 declares that the President's decision in March 1981 to commit U.S. forces to El Salvador requires compliance with the War Powers Act. Upon passage of this resolution, the President would be required to report to Congress in compliance with section 4(a) of the War Powers Act. We would then have 60 days in which to authorize a continued military presence in El Salvador.

H.R. 1619 would amend the War Powers Act to require congressional authorization before the introduction of any additional Armed Forces into El Salvador. As it currently stands, the War Powers Act would enable the President to introduce additional military personnel for the 60-day period before Congress could act to withdraw them. My bill would require, with respect to El Salvador only, prior congressional approval of the dispatch of these troops. It would, however, permit the President to send military personnel to El Salvador if they are needed to protect and assist in the evacuation of American citizens or to protect the United States from hostile attack.

Whether or not my colleagues approve of the administration's commitment of military personnel in El Salvador, the requirement of congressional participation must be preserved. I consider it imperative that Congress be able to debate an expanded military role as well as to apply its judgment to U.S. policy in El Salvador.

I will continue to strongly oppose the President's senseless policies toward Central America, and I urge my colleagues to join in this effort.●

NOT MARXISM BUT LENINISM HAUNTS THE WORLD

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. FIELDS. Mr. Speaker, the 100th anniversary of the death of Karl Marx recently was widely noted in the American press. Of all the many articles commenting on this event, the one by Marx Lewis deserves attention. For this reason, I submit it to the RECORD.

The article follows:

NOT MARXISM BUT LENINISM HAUNTS THE WORLD

(By Marx Lewis)

Two weeks ago, a handful of people came to the Highgate Cemetery, London, to mark the 100th anniversary of the death of Karl Marx, and to place wreaths on his grave. The world took little note of this tribute to the memory of a man who, according to many, influenced the course of human events more than any other man in modern times.

The number who came to Marx's gravesite this time was probably no larger than those who stood at his gravesite 100 years ago. But the movement for which Marx laid the theoretical foundations was then in its infancy, deeply fragmented, its European leaders in jail, or in exile. Yet the leaders of that movement traveled to London to attend the funeral services and praise the deceased for the contributions they said he had made to the eventual overthrow of capitalism and the establishment of a Socialist system.

At the open grave 100 years ago William Liebknecht led the assembled mourners in paying tribute to their departed leader. "He has raised," the German Socialist said, "social democracy from a sect, from a school to a party which now already fights unconquered, and in the end will win the victory."

Frederick Engels, Marx's closest collaborator, whose father, a textile manufacturer, provided the destitute Marx and his family with the funds which sustained them while Marx, himself an exile from his native Germany, poured over his books in the British Museum, decribed Marx's achievements in philosophy, economics, and in laying the foundations for the movement which Liebknecht predicted would end in victory.

In the 100 years which have elapsed since this prediction was made, the movement which Marx and his disciples launched has become a powerful force in many parts of the world. Many of the reforms which Marx and Engels enumerated when they wrote, in 1848, the Communist Manifesto, are now law where Socialists govern. Even in countries where they do not govern, such as the U.S., the most radical of these reforms, a heavy, progressive, or graduated income tax, the purpose of which is to redistribute a nation's wealth, is the law of the land. When the first such tax came to the U.S. Supreme Court for a determination of its constitutionality, one of the justices exclaimed: "This is socialism." It was.

Another radical demand which Marx presented in the Manifesto was the abolition of the right to inheritance. It has not been abolished, but the amount that can be inherited has been sharply reduced by taxation. The Socialists, and others who support such reforms, may have facilitated their adoption by their agitation and pioneering efforts, but the economic and social conditions which dictated their need would have led to their adoption without Marx and without the Communist Manifesto. Social insurance, for example, was adopted in Germany and Britain by conservatives long before the Socialists came to power.

As to his theories, Marx and his followers claimed that he had discovered the laws of historical development, according to which socialism was the next stage in social development. It was called the materialist interpretation of history, and it was "scientific," to distinguish it from the utopian Socialists, who believed that socialism could be achieved by experiments in communistic settlements. They were really utopian. But Marx's "scientific socialism" proved in the end to be as utopian as those of the utopian socialists.

In his pursuit of a scientific basis for his belief that Socialism, a society in which all socially useful means of production and distribution would be owned in common, must succeed capitalism, Marx traced the history of previous societies, such as slavery and feudalism. They were all class societies, the rulers and the ruled, the oppressors and the oppressed. But he held that before socialism could arrive the capitalist system must be permitted to reach its highest potential of productivity. When that happened there would be two classes, a handful of capitalists with all power concentrated in the hands of a few, and an evergrowing and powerful prolateriat, more impoverished than ever, but organized, united, educated, ready to take over. The middle class would have been completely abolished. A classless society would emerge. The capitalists, he held, would be their own gravediggers.

None of this happened. The middle class did not disappear, but grew and became more powerful. Instead of increasing poverty of the masses, the standard of living of working people, who turned to unions and legislatures to correct the inequities of which they were the victims, rose. There was, in fact, a contradiction in Marx's own theories: if the reforms he enumerated in his Manifesto were to be achieved, as he expected under capitalism, there would be less poverty and more prosperous conditions for the workers, which turned out to be the case.

Marx's theory suffered from other flaws. It left many unanswered questions. One of them was how power was to be obtained, whether peacefully or by violence, as some Marxists advocated. In his early days, when he wrote the Manifesto, he indicated in passing that during the transition from capitalism to socialism, there would have to be a short period of a "dictatorship of the proletariate." In later years he believed that in democratic countries, such as the U.S. and Britain, the transition could be peaceful, without a dictatorship.

Another unanswered question was what happens after the Socialists take power. Marx held that the state was an instrument of ruling classes, including the bourgeoisie, for class rule; it would have to be abolished. But who would run the industries he would socialize and the programs he had advocated? When V.I. Lenin was asked before he achieved power what he would do if he obtained it, he replied, "First we will take power; then we shall see."

Years later, in 1895, 12 years after Marx passed on, Engels admitted that he and Marx were mistaken. "History," he declared, "proved us in the wrong and revealed our opinion of that day (1848-1850) as an illusion. History went even further; not only did it destroy our former error but also transformed the conditions under which we would have to battle." He spoke of an earlier period in Marx's life. Had Engels lived in more recent years he would have conceded that many other predictions he and Marx made in their scientific discoveries were illusions.

The followers of Marx may have been in error. Their theories may have been unsound. Their goals may have been unrealistic. They may have labored under illusions and dreamt impossible dreams. But, unlike the Marxists-Leninists of today, they sailed under their own colors, revealed publicly and proudly their objectives. They did not create front organizations, or seek to obtain power without the consent of the people. Wherever the Marxists came to power it was in free elections.

Lenin destroyed a Marxist illusion: that capitalism must reach the peak of its powers before the Socialists can come to power. Marx thought that the highly industrialized countries of the U.S. and Britain would be the first to fall for a collectivist society, and Russia, essentially a peasant country with hardly any unions, would be the last. Russia, instead, went first. It did not, of course, create the kind of socialist society Marx envisioned.

While in domestic affairs the Marxists who have succeeded to power in free elections have done little more than expand the welfare states the conservatives had originally launched in the countries like Britain and Germany, and perhaps nationalized some banks and public utilities, which have worsened rather than improved their economies, they have in recent years joined with the Leninists in the conspiracy to take over countries in the free world. The Socialist International, controlled by the Marxian leaders of Germany, France, Greece, and the Scandinavian countries, have refused to condemn Castro and his evil regime. They have called for settlement of the guerrillas in El Salvador and other Latin American countries, adding to the daggers pointed at the U.S.

Lenin professed to be a Marxist, but his successors are using them, as they are using the pacifists, the so-called liberals, and others they call "useful idiots," to impose communist tyranny by force, torture and terror to achieve world domination. It can't be that the Socialist leaders are unaware of it. In the early days of the Russian Revolution Socialist leaders denounced and fought the communists, predicting the tyranny that Leninist conspiratorial tactics would impose on the world. They paid the price for it. They died before execution squads of Leninist murderers. Today the Marxist leaders, for the sake of power, not only perpetuate that tyranny but are doing all they can to perpetuate it.●

SELECT COMMITTEE ON HUNGER

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. LELAND. Mr. Speaker, on January 3, 1983, my distinguished colleague, the gentleman from New York,

Mr. GILMAN, and I reintroduced House Resolution 15, to establish a Select Committee on Hunger. The select committee will systematically assess hunger and malnutrition issues that currently fall within the jurisdiction of several standing committees. It will focus on both domestic and international hunger. With sufficient political will in this country and abroad, it will be possible to eliminate the worst aspects of hunger within one generation. With the information provided by the select committee, we can formulate a program of related legislative proposals to offer a better U.S. hunger policy.

Since the reintroduction of House Resolution 15, we have gained the support of 113 of our colleagues and 31 religious and antihunger organizations. The following members are cosponsors of this legislation: Mr. ADDABBO, Mr. AUCOIN, Mr. BARNES, Mr. BATES, Mr. BEDELL, Mr. BENNETT, Mr. BEREUTER, Mr. BERMAN, Mr. BIAGGI, Mr. BONIOR, Mr. BOUCHER, Mr. BOXER, Mr. BREAUX, Mr. BRITT, Mr. BROWN of California, Mr. BRYANT, Mr. CHANDLER, Mr. COLEMAN of Texas, Mrs. COLLINS, Mr. CONTE, Mr. CONYERS, Mr. CORRADA, Mr. CROCKETT, Mr. DASCHLE, Mr. DELLUMS, Mr. DIXON, Mr. DORGAN, Mr. DOWNEY, Mr. DURBIN, Mr. DWYER, Mr. DYMALLY, Mr. EDGAR, Mr. EDWARDS of California, Mr. EVANS of ILLINOIS, Mr. FAUNTROY, Mr. FEIGHAN, Mr. FISH, Mr. FOGLIETTA, Mr. FORD of Tennessee, Mr. FORSYTHE, Mr. FRANK, Mr. GARCIA, Mr. GEJDENSON, Mr. GILMAN, Mr. GORE, Mr. GRAY, Mr. GUARINI, Mr. HERTEL, Mr. HOWARD, Mr. HOYER, Mr. HUCKABY, Mr. JACOBS, Mr. KASTENMEIER, Mr. KILDEE, Mr. LANTOS, Mr. LEACH, Mr. LELAND, Mr. LEVINE, Mrs. LLOYD, Mr. MADIGAN, Mr. MARKEY, Mr. MARTINEZ, Mr. MATSUI, Mr. MAVROULES, Mr. MCHUGH, Mr. MCNULTY, Mr. MINISH, Mr. MITCHELL, Mr. MOODY, Mr. MRAZEK, Mr. NEAL, Ms. OAKAR, Mr. OBERSTAR, Mr. O'BRIEN, Mr. ORTIZ, Mr. OTTINGER, Mr. OWENS, Mr. PARRIS, Mr. PEASE, Mr. PENNY, Mr. PRITCHARD, Mr. RAHALL, Mr. RATCHFORD, Mr. RICHARDSON, Mr. ROTH, Mr. SAVAGE, Mrs. SCHNEIDER, Mr. SCHUMER, Mr. SHANNON, Mr. SIKORSKI, Mr. SIMON, Mr. SLATTERY, Mr. SMITH of Florida, Mr. SMITH of New Jersey, Mr. SOLARZ, Mr. ST GERMAIN, Mr. STOKES, Mr. TORRICELLI, Mr. TOWNS, Mr. TRAXLER, Mr. VALENTINE, Mr. VANDERGRIFF, Mr. VANDER JAGT, Mr. WASHINGTON, Mr. WAXMAN, Mr. WEAVER, Mr. WEISS, Mr. WILLIAMS, Mr. WINN, Mr. WOLPE, Mr. WORTLEY, Mr. WYDEN, and Mr. YATES.

The coalition of organizations that has formed to support the select committee includes: American Catholic Conference, Bread for the World, CARE, Center for Science in the Public Interest, Center of Concern, Christian Children's Fund, Church World Service, Clergy and Laity Concerned, Community Nutrition Institute, Cooperative League of the USA, Friends Committee on National Legislation, Food Research and Action Center, the Hunger Project, Infant Formula Action Coalition (Infact), Institute of Religion and Democracy, International Association of Machinists & Aerospace Workers, Meals for Millions/Freedom from Hunger Foundation, National Council on Aging, National Farmers Union, NETWORK, a Catholic Social Justice Lobby, OXFAM America, private agencies in International Development, PAID, RESULTS, Save the Children, Sojourners, United Food & Commercial Workers International Union, U.S. Catholic Conference, U.S. Committee for UNICEF, World Hunger Education Service, World Hunger Year, World Vision International.

We urge our colleagues to cosponsor a Select Committee on Hunger to help our Nation to adopt an effective strategy to mitigate the worst aspects of hunger and malnutrition.●

BESSARABIA AND BUKOVINA: THE SOVIET-ROMANIAN TERRITORIAL DISPUTE

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. KEMP. Mr. Speaker, I know my colleagues are well aware of the injustices inflicted upon the peoples of Eastern Europe at the hands of the Soviet Government. As citizens of a nation dedicated to democratic principles of government, including the principle of self-determination, we have a special responsibility to people oppressed by totalitarian regimes.

Dr. Nicholas Dima, author of "Bessarabia and Bukovina: The Soviet-Romanian Territorial Dispute," has summarized Romania's conflict with the Soviet's since World War II, and described the ruthless attempts by the Soviets to extinguish the Romanian people's language, culture, and nationality. Dr. Dima compares the postwar situation in Romania with that of Afghanistan today: The Soviet Union continues its pursuit of world domination through its selfless commitment to "the laws of history."

I take this opportunity to once again expose the senseless terror of totalitarianism, and commend Dr. Dima's essay to my colleagues.

BESSARABIA AND BUKOVINA: THE SOVIET-ROMANIAN TERRITORIAL DISPUTE

(By Dr. Nicholas Dima)

In 1812, Russia annexed the eastern half of the Romanian Principality of Moldavia. Since then, until the First World War, the territory known as Bessarabia changed hands between Romania and Russia several times. After the First World War, Bessarabia voted to unite with Romania, but Moscow did not accept the union.

During the interwar period, in spite of its hostile attitude toward its western neighbors, the Soviet Union signed "non-aggression" pacts with all its European neighbors from Finland to Romania. In August 1939, however, the U.S.S.R. and Germany concluded a special pact which changed the fate of Europe and which is still haunting the people of East Europe. Under the secret protocols of the agreement, the Soviet sphere of influence was to include Finland, Estonia, Latvia, eastern Poland, and Romanian Bessarabia. Only a week after concluding the pact, Germany attacked Poland, marking the start of the Second World War. In spite of the earlier territorial guarantees and "non-aggression" agreements, the Soviet troops attacked Poland and later the Baltic free states. At that time, Romania was still rejecting Berlin's courtship and was conducting a prowestern and particularly pro-French foreign policy. As a matter of fact, France and England had given Romania a boundary guarantee in April 1938. In June 1940, however, France was defeated by Germany, and England was powerless and isolated. Under those conditions, Romania was left alone to confront the eastern danger.

In June 1940, Moscow delivered Bucharest an ultimatum to evacuate Bessarabia and Northern Bukovina within 4 days. Romania had no choice and yielded. The two ceded provinces had 3.9 million inhabitants, mostly Romanians, and an area of 20,000 square miles, being about twice the surface area of either Maryland or Belgium. After the annexation, the Soviet authorities incorporated the northern and southern parts of the territory into the Ukraine, while the central two-thirds was made the current Moldavian Socialist Soviet Republic. It was then Romania's turn to reject the previous year's ultimatums and join Germany in attacking the Soviet Union to liberate the territory lost. At that time, America was neutral in the European conflict. When Romania informed the State Department that its troops had regained control of the lost provinces, Secretary of State Cordell Hull reacted with sympathy and understanding. Later, however, the United States entered the war against the Axis and the two countries found themselves at war. Nevertheless, the Romanian leader, Gen. Ion Antonescu, stated publicly that "not a single shot will be fired at American or British troops should they appear in Romania."

When the Romanian Army regained Bessarabia and Bukovina in June-July 1941, what it found was shocking beyond belief, reminding one of present-day Afghanistan. The land was full of mass graves of summarily executed people, thousands of unidentifiable bodies, corpses of people executed and buried with their hands cuffed or their mouths bound. The entire economy was disrupted and hundreds of thousands of families had been deported or split. The Romanian control was short. In 1944, the U.S.S.R. reannexed the area, occupied all of Romania, and shortly thereafter imposed a Communist government in Bucharest, friendly and obedient toward Moscow.

During the last 35 years of Soviet domination, the territory under dispute has undergone profound political, social, and economic transformations as well as ethno-demographic changes. In the beginning of that period, during the Stalin's era, the land was ruled by terror and starvation. Numerous Romanians were deported while hundreds of thousands of Russians were brought in as managers and political activists of all sorts.

Countless measures were also taken to wipe out the Romanian past. Russian was imposed as the official language and gradually most of the Romanian churches were closed down. The Romanian Orthodox Cathedral of Kishinev, for example, was transformed into the Central Exhibition Hall of the republic. Yet the Romanian character of the region underwent little change. It remains to this day a bone of contention between Romania and the Soviet Union in spite of their common Communist ideology.

The attitude of the Bucharest govenment with regard to this dispute has also changed during the last approximately 20 years. As a matter of fact, this territory and its population would put any government in Bucharest to a hard test without regard to its ideology. Indeed, in the 1960's, the Bucharest regime asserted the right of Romania to the two usurped provinces, and during the 1970's, the dispute assumed unprecedented proportions. The problem has somehow settled during the last several years, but the region remains unstable.

During that time, Soviet Moldavia underwent profound changes, but in spite of the Russian efforts to relocate Romanian peasants in Kazakhstan and elsewhere, the ethnic composition of the republic did not change much. Relations between different nationalities are not determined by power exclusively. Many times, more important than that are long-range factors, imperceptible at a given moment, such as natural increase. Striving to control everything, the Soviet Russians have acquired more education than other nationalities and have urbanized very rapidly. The result is that on the one hand, the Russians are now in charge indeed of the best political and managerial positions all over the U.S.S.R. On the other hand, they are no longer growing demographically.

The current Soviet demographic trends put the Russians at a disadvantage from a demographic point of view. Between 1959 and 1979, for example, the Russians increased by less than 1 percent annually, whereas the Moslem population of Soviet Central Asia increased four times as fast. Consequently, the Russian proportion of the Soviet population is quietly but unstoppably decreasing. Correspondingly, in Soviet Moldavia, in spite of the Russian flow of immigrants, the native Romanian population still retain an overwhelming majority of 65 percent. With this high proportion and with neighboring Romania exercising a continuous influence upon them, Soviet Romanians are struggling hard to preserve their culture and language and to oppose Communist values and Russian assimilation, but they need help.

During the last decades, Soviet authorities have made tremendous efforts to convince Moldavians that they are a nationality separate and distinct from the Romanian nationality. To this end, they forced the Cyrillic alphabet upon the Romanian language written in Moldavia, pretending that it is a different language. The new generation of Soviet Moldavians, however, have rediscovered their Romanian roots and have begun to advocate their rights. Their battle for survival is on, full steam, and as in the case of most Soviet non-Russian nationalities, only time will choose the winner. The outcome of this life-or-death battle will depend on the future of the Soviet Union, and for the time being, nobody can tell for sure what will happen in the Soviet Union or to the Soviet Union during the next two decades or so. Internal Soviet developments will be influenced by international events and international developments will definitely have an impact on the Soviet scene.

There are many ways to influence what happens in the U.S.S.R. and its component republics. An important way is by informing the population of the country about what happens in the world as well as inside the Soviet Union itself via international radio broadcasts. In this respect, the Soviet Union and Eastern Europe are rather well covered by Radio Liberty and Radio Free Europe. There are important radio programs in Romanian, Russian, and Ukrainian, listened to by the inhabitants of Bessarabia and Bukovina. Nevertheless, there is a shortcoming with regard to the overwhelming Romanian majority in the area which could be corrected.

The Soviet Romanians listen consistently to Radio Free Europe which broadcasts in their Romanian language. The Romanian Service of Radio Free Europe, however, does not address the internal problems of Soviet Moldavia but only general themes or problems pertaining to Romania. Many faithful Moldavian listeners of RFE are insistently asking that their internal problems be referred to and addressed either by a new section of the Radio, or more naturally by a new section of the current Romanian Service of RFE. Such a section could study and examine Soviet Moldavia, address the specific problems of this much disputed territory and answer Soviet Romanian letters. With a minimum effort, the Western World could so easily make new and loyal friends in what a scholar concluded to be the most critical territorial problem of Eastern Europe.●

NO GOOD REASON NOT TO RATIFY THE GENOCIDE CONVENTION

HON. GERALDINE A. FERRARO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Ms. FERRARO. Mr. Speaker, last week's gathering here in Washington of the American survivors of the Nazi Holocaust focused intense attention on the need to keep the memory of that atrocity alive, lest we allow it to happen again. Yet in all the speeches, in all the media coverage, there was little discussion of specific means to prevent future genocides.

In fact, there is a specific instrument which addresses the question. It is the Convention on the Prevention and Punishment of the Crime of Genocide. The Genocide Convention was drafted at the United Nations, under the leadership of the United States in 1948, as a direct response to the horrors of the Nazi death camps. After 34 years, though, and despite the action of more than 85 nations in ratifying the treaty, the United States has not yet joined as a full partner in the international effort to prevent future Holocausts.

In a column in this Sunday's Washington Post, Haynes Johnson wrote of the Genocide Convention and the history of opposition to it in this country. As Mr. Johnson clearly and correctly states, "Arguments against the treaty are patently phony." It is long past time for the United States, as a world leader in the struggle for human rights, to affirm that position by ratifying the Genocide Convention.

I have introduced House Resolution 50, which expresses the sense of the House that the United States should ratify the Genocide Treaty. I urge my colleagues to cosponsor the resolution.

Haynes Johnson's article follows. I recommend it to my colleagues.

REAGAN'S ELOQUENCE CAN'T MASK FAILURE TO PUSH GENOCIDE PACT

(By Haynes Johnson)

In a city of stale conventions and constantly staged protests, all aimed at gaining national exposure through the media, the gathering of Holocaust survivors here last week set an extraordinary example of genuine emotion and meaning. It also provided a stark contrast in the differing ways the Reagan administration shows its support, or lack of it, for the universal question of human rights abuses as grotesquely typified by the Holocaust.

To sit among the audience in the cavernous assembly hall at the new D.C. Convention Center was to witness many poignant scenes. What was being seen was too personal and intimate. It made an observer feel like an intruder. It made you want to avert your eyes.

Men and women slowly marched down the aisles, gazing into the audience as they silently held up hand-lettered signs bearing names of their concentration camp or home town. Occasionally another man or woman would stand and look intently at a sign, then, in a burst of emotion and shedding of tears, would embrace the person carrying it. They had found a personal link to their tragic past. These encounters, repeated throughout the convention center, were painful and stirring and moving beyond the capacity of mere words to convey.

The point here is not to attempt to recapture those scenes or retell the conversations that kept springing up, many of them so eloquent and, again, so personal. That has been done, and well, by the press. The point, now that it's over, is to address other questions, and criticisms, about the event.

Why, it is being asked, was the United States government officially commemorating the victims of the Holocaust and honoring the survivors not only in ceremonies here, but also around the country? Why is the government underwriting creation of the new Holocaust Memorial Museum that will be housed here? If a memorial to European victims of Nazi mass murder is in order, why not one to other oppressed groups who experienced mass extermination? Why not one to the Cambodians? Why not a memorial to groups closer to home, Why not not one to black slaves imported into this country? Why not one to call public attention to atrocities suffered by American Indians?

These are all legitimate questions to which the Reagan administration provided compelling answers. President Reagan and Vice President Bush, in appearances before the gathering last week, matched the emotion moment with their own statements.

In his formal, written greeting to the survivors, the president said: "This gathering will heighten our awareness of the events that led to the Holocaust and serve to renew

our commitment to a moral vision that will never permit such atrocities again." In his appearance before them, he reiterated that theme by saying: "Our most sacred task now is ensuring that this greatest of human tragedies, the Holocaust, never fades—that its lessons are not forgotten."

Bush, in his remarks formally setting aside two federal buildings to house the Holocaust Memorial Museum, was, if anything, more eloquent. "Never again in the history of man will we allow human rights to be so viciously abused," he said. And he struck exactly the right note when he said the museum "will show that can happen" just as "the Holocaust serves as a universal warning."

Together, they drew the essential lessons about the universality of the tragedy: the quintessential example of man's inhumanity to man. Would that their words were equally clear and forthright on a directly related question of human rights abuses, one springing out of the Holocaust experience itself. Sadly, they are not.

For 34 years, a treaty committing the United States to opposition to genocide has been pending before the Senate. Despite the backing of president after president and ratification by about 85 nations, it continues to languish in the Senate. Failure to ratify this treaty remains a stain on this country, one even more embarrassing in the context of the Holocaust observances in Washington last week and the official endorsement of them.

The treaty had its inception in the horrified international reaction to Nazi atrocities of World War II. Immediately after the war and liberation of the survivors from their concentration camps, the U.N. General Assembly passed a resolution declaring genocide a crime under international law. In June, 1949, President Truman submitted the treaty to the Senate, with a strong appeal that it be ratified. It immediately fell afoul of domestic politics of the rankest sort.

Specifically, the genocide treaty became trapped in the civil rights—U.S. vs. states—struggles that dominated the politics of the 1950s and early 1960s. It became a controversial example of internationalism and of the possibilities that its sanctions against human-rights abuses could be applied internally to incidents in this country, especially during the bloody civil rights confrontations that occurred in the Deep South.

Although those arguments no longer have any relevance in the America of the 1980s, the genocide treaty remains a fervent rallying cry among the far right-wing groups, such as the Liberty Lobby and John Birch Society. They continue to organize a militant campaign against the treaty, flooding Capitol Hill with literature and enlisting support of such politicians as Republican Sens. Jesse Helms and John P. East of North Carolina and Strom Thurmond of South Carolina.

The argument these senators and the far right make against the treaty is that it would be a sellout of the United States and a negation of the Bill of Rights.

Little more than a year ago, Senate Foreign Relations Committee Chairman Charles H. Percy (R.-Ill.) was saying publicly that he believed there were enough votes in the Senate then to ratify the treaty. Helms immediately vowed a filibuster. Even though the Foreign Relations Committee has reported the treaty favorably four times over the long decades, the treaty has reached the Senate floor only once. That time it was stymied by a filibuster.

Arguments against the treaty are patently phony. Basically, all the treaty would do is deny sanctuary and compel extradition of war criminals, such as the Nazis who committed Holocaust atrocities. And it would put the United States unequivocally on record as backing what it says it supports. Yet, with high irony, the greatest present stumbling block to ratification comes from the Reagan administration. Despite all of the fine words last week, the administration has been unwilling to confront the right wing squarely on this issue.

Which side are they really on? If they truly believe in one set of principles, as expressed so well by the president and vice president, how can they not put the weight of law and moral authority of the government strongly behind this treaty seeking to prevent future Holocausts?●

TERRORISTS—THE GREATEST THREAT TO WORLD PEACE

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. YOUNG of Florida. Mr. Speaker, The brutal attack yesterday on the United States Embassy in Lebanon is further evidence that small bands of terrorist groups pose the greatest threat today to the tenuous balance of world peace.

By attacking our Embassy in Beirut, this ruthless group of terrorists has in effect attacked our Nation and its people. This is the eighth time in the last 10 years that Americans serving our country in foreign Embassies have been the target of such violence.

While we debate the military strength of the United States, the Soviet Union, and our allies in NATO, many people fail to recognize the tremendous threat that is posed by the growing number of unknown and unpredictable terrorist organizations. The Wall Street Journal reported this morning, in its first in a series on terrorism, that international terrorist incidents increased 30 percent last year to an all-time high of 450. Following my remarks, I will insert this story for the benefit of my colleagues, so they may have a better understanding of terrorist techniques and goals.

Terroristic attacks on innocent people throughout the world are difficult to anticipate and to prevent, but we must continue our efforts through an expanded worldwide intelligence gathering operation to monitor these groups and to prevent, when possible, attacks such as that in Beirut yesterday. The terrorists of the world should be warned that the United States will never back away from these cold-blooded killers who threaten world peace. Instead, we will direct our Nation's great resources of knowledge and power to combating these organizations in an effort that will bring together even closer our friends and allies throughout the world.

The article follows:

[From the Wall Street Journal, Apr. 19, 1983]

TERRORIST ATTACKS GROW BUT GROUPS ARE SMALLER AND OF NARROWER FOCUS

(By Frederick Kempe)

Antaeus, son of Poseidon, had a rare advantage as a wrestler. Each time he was cast to the ground, his mother, the earth, gave him greater strength to rise and fight, until ultimately he killed his opponent. Hercules finally overcame him by lifting him into the air.

Today's terrorists have much in common with Antaeus, says Brian Jenkins, a Rand Corp. authority on world terrorism. "Like Antaeus, they seem to renew their strength each time they are thrown down," he says.

But, as was demonstrated once again yesterday at the U.S. Embassy in Beirut. Western governments haven't yet found their herculean solution. A car loaded with dynamite blew up in the circular embassy driveway, with heavy loss of life. A pro-Iranian group calling itself the Moslem Holy War claimed responsibility.

It was the bloodiest terrorist attack ever on an American target, and it underlined the multiple difficulties facing the U.S. in its efforts to find its way through the tricky Mideast minefield. More generally, though, its violent dimensions have reminded the world that terrorism is far from a silenced threat.

CHANGING SHAPE

On the contrary, world-wide terrorist activity is increasing at a violent clip. By Rand's count, international terrorist incidents climbed by 30% last year to a record 450.

Yet 1982 was a year when terrorism might have been expected to decline. Not only did Israel's invasion of Lebanon destroy terrorist bases, but the police in Italy dealt a major blow to the Red Brigades there. What has happened is that the millions of dollars spent on security systems and the countless hours devoted to police and intelligence work haven't slowed terrorism but have merely altered its shape.

The trends are troubling:

As so graphically shown in Beirut, terrorist groups have grown more lethal. They are, by and large, more willing to attack people instead of property and more willing to kill indiscriminately. Terrorist attacks with multiple fatalities have more than doubled since the early 1970s. Moreover, only 20% of terrorist acts involved attacks on human targets 10 years ago; now, nearly 50% do. The terrorists' growing lack of regard for human life heightens fears that they could soon escalate their activities to threats of mass slaughter—biological, chemical or nuclear.

Emerging terrorist groups are less prompted by broad, historical ideology and more by specific current issues. Groups concerned with utopian goals of replacing the established order with something vaguely Marxist-Leninist—groups like Italy's Red Brigades or West Germany's Red Army Faction—have faded. The most active current groups are more likely to link their attacks to specific issues—ranging from laboratory testing on animals to the presence of Israeli troops in southern Lebanon.

Terrorist groups now are smaller and more numerous, and their targets more varied, ranging from a maker of cruise-missile components near Toronto to Chez Jo Godenburg, a Jewish delicatessen in Paris.

Incidents aimed at business targets—usually U.S. companies—doubled last year to 95.

MOVING TARGETS

Smaller groups are harder for intelligence agencies to monitor. The broader spectrum of targets has made it increasing difficult for governments to guard against terrorist attacks. Together, the changes have shifted the security burden to the private sector.

The irony is that the more violent and diffuse nature of terrorism today is in large part the result of Western governments' successes in combating the old types. Increased airport security has reduced hijackings; embassies have tightened security to prevent Iranian-type takeovers; likely kidnap victims are better guarded; specially trained commandos have proved proficient at freeing hostages and killing the hostage-takers.

So terrorists have adjusted. They pick up softer targets and strike with blunter instruments. They now are more likely to bomb churches and corporate offices than hijack airplanes or seize embassies. Security at the U.S. Embassy could probably prevent the kidnapping of an American ambassador, but it couldn't stop a mobile car bomb. "Terrorists have become more likely to hit and run than stand and fight," an Italian intelligence official says.

The hit-and-run strategy has been demonstrated by the increasingly active Armenian terrorist groups, which prefer shooting Turkish diplomats to seizing Turkish missions. It has been shown by radical Palestinian factions, which have abandoned the hijackings that brought them world attention and now more often bomb synagogues and Jewish businesses and clubs.

The smaller groups resulting from police victories over established terrorist organizations tend to be more violent, because they need to gain consensus from fewer people. At the same time, the frustration of older groups—like Italy's Red Brigades or West Germany's Red Army Faction—could yet result in last-ditch violent efforts to regain attention or free colleagues from prison.

"Like a boxer against the ropes, those terrorists may swing wildly all around themselves, and if necessary, even below the belt," says Hans Josef Horchem, who was until 1981 West Germany's director of counterintelligence and counterterrorism. Imminent defeat and years of useless sacrifice, he fears, might render the terrorists more willing to escalate attacks broadly against a society they found impossible to change.

But does that necessarily mean threats or acts of mass destruction? There is some, though admittedly not much, evidence that some terrorist groups have at least considered biological or nuclear action. In 1980, French police discovered in an apartment used by Inge Viett, a Red Army Faction member still at large, an attempt at growing a botulin culture that could have caused thousands of deaths if distributed efficiently.

After several setbacks, West German terrorists also discussed among themselves and in their literature the possibility of nuclear terrorism. When asked in a press interview several years ago how Red Army Faction terrorists might proceed in the course of a nuclear action, former terrorist Michael Baumann said, "That is, initially, completely without importance. Anyone who has something like (nuclear weapons) in hand has enough power to make the prime minister dance on a table in front of a TV camera, and a few other statesmen alongside with him."

In the U.S. there have been more than 50 nuclear threats, but none by any terrorist group. Only one threat had any substance: An aggrieved former employee of the Wilmington, N.C., nuclear power plant obtained spent fuel and demanded $100,000 for its return. He was caught with the fuel.

One of the dangers some observers see is that terrorists might be forced to step up their attacks in order to regain world attention. "If terrorism stops terrorizing—if it ceases to have an explosive impact on public opinion—then terrorists have an innate tendency to escalate in order to recapture headlines," says Ariel Merari, a psychologist and expert on terrorism at the Tel Aviv University Center for Strategic Studies.

Nevertheless, most experts on the subject believe the terrorists are more likely to continue depending on their usual tactics and on weapons that are easier to obtain and use. Moreover, says Mr. Jenkins of Rand, generally, terrorists want a lot of people watching, not a lot of people dead."

Paul Wilkinson of Aberdeen University in Scotland believes the most likely future terrorist trend is toward more "issue-oriented terrorism." Mr. Wilkinson, the author of several books on terrorism, thinks that existing groups may be increasingly launching attacks linked to popular causes, while frustrated nonviolent protest groups are sprouting terrorist fringes. "This turn to issue-oriented terrorism marks a significant shift," he says.

Several recent events buttress his thesis:

In France, the Committee for the Liquidation of Computers bombed the local government computer center at Toulouse on Jan. 28. It was only one of many recent bombings of European data-processing centers, as terrorists strike at what they apparently consider the heart of modern business and modern society. The Duesseldorf offices of IBM and Control Data were bombed last May, Sperry Rand's West Berlin offices were bombed in September, and a bomb caused extensive damage at an IBM office in Harrison, N.Y., in December.

(Risk International, an Alexandria, Va., security consultant, said in a recent report for businessmen that the attacks in Germany were "perhaps the beginning of a terrorist offensive against the U.S. data-processing industry in West Germany as an extension of . . . ongoing operations against NATO.)

A Swiss group calling itself Radical Ecologists claimed responsibility for the Jan. 24 firebombing of two power lines leading from a nuclear plant near Basel. The damage: $1 million. The group also sent letter bombs one week later to Swiss members of parliament who favored nuclear energy.

The Animal Rights Militia in the United Kingdom is believed to have set off 13 bombs and incendiary devices already this year choosing such targets as laboratories conducing animal experiments.

Canadian terrorists calling themselves the Wimmins Fire Brigade have made arson attacks in Vancouver on video shops selling blue movies.

Another group in Canada calling itself Direct Act made a far more worrisome "issue-oriented" attack last October, one that officials fear might be a model of things to come. Their target: The Litton Industries plant near Toronto, which makes guidance systems for American cruise missiles.

Direct Action drove a van carrying 550 pounds of dynamite into the plant and parked it in front of a building. The bomb exploded about 13 minutes after the terrorists phoned a warning to the guards. The building was severely damaged, and several workers were injured, two seriously.

A six-page Direct Action communique explained: "We believe that people must actively fight the nuclear war systems in whatever forms they exist and wherever they exist. . . . It is not enough to only theoretically oppose the idea of nuclear war. We must take responsibility for what is going on around us." The document then listed four other Canadian companies making components for nuclear weapons and gave their locations—essentially inviting others to repeat their action.

Experts fear that West Germany's new terrorists, gathered under the title Revolutionary Cells, are the most likely to take similar steps against missile manufacture and deployment.

Newspapers have taken to calling the Revolutionary Cells "weekend terrorists," as most are thought to be students and workers during the week, and they generally only strike as terrorists after 11 p.m. Friday and on Saturday nights. They have bombed officers' clubs and U.S. Army vehicles, and last year they burned the machinery and bombed the offices of construction companies associated with the building of a new Frankfurt landing strip, opposed by many German environmentalists.

Coexisting with these quickly changing groups are others committed to long-term, unchanging causes—such as Palestine statehood, Basque sovereignty, Puerto Rican independence and Irish unification.

"These terrorists tend to be more persistent," Mr. Jenkins of Rand says. "You can outgrow an ideology or change it, but you can't abandon your race." He also notes that these groups are more capable of recruiting future generations of terrorists.

Terrorist attacks on Israeli and Jewish targets outside the Middle East numbered 28 in the six months after the June 6 Israeli invasion of Lebanon, compared with only one in the previous six months. That one attack was the shooting of the Israeli ambassador to Great Britain, an event that was the immediate provocation for the Israeli invasion. Terrorist attacks on Israelis in Lebanon and on the West Bank have increased as well.

Israeli intelligence officials believe this trend will continue. They cite three reasons: Palestinian factions are seeking revenge for the invasion; Palestinian factions dispersed in six Arab countries can't be restrained as easily by Yasser Arafat's more-moderate Fatah group; and radical Palestinian and other Middle Eastern groups will use terrorism to try to get Israeli troops out of southern Lebanon or to sound their objections to unacceptable peace proposals.

For a while, a law providing for the devolution of central-government powers to Spanish regions robbed the Basque terrorist separatists of much sympathy among moderate Basques and the Basque Nationalist Party. The party holds power in the autonomous govenment of the Basque region.

Now, though, growing friction between Spain's ruling Socialist Party and the Basque Nationalist Party appears to be leading to a resurgence of Basque violence. The Basque Nationalist Party wants power transferred to the region faster than the devolution law provides, and it is threatening to withdraw its support for the government's fight against Basque terrorism. The last two months have indicated a resurgence of terrorism, with seven deaths and two kid-

nappings attributed to the ETA separatist grown since the beginning of February.

The Provisional Irish Republican Army is concentrating more on politics but isn't abandoning terrorism. Last October its Sinn Fein party won 10.1% of the vote in assembly elections more than double the previous performance. Terrorism experts see the political approach as a fourth prong to a strategy that includes bombings and extortion rackets to discourage investment and make the island a greater economic burden on Britain; ambush killings of British soldiers and the Royal Ulster Constabulary, and an occasional spectacular attack in England designed to remind the British public of the price it pays for its Irish policy.

The FALN, the Puerto Rican terrorists responsible for more than 125 incidents in the U.S. since 1974, has altered its tactics and become even more active. It appears to be targeting government and police buildings instead of airports and train stations, perhaps trying to gain legitimacy as a quasi-military underground.

Will terrorism continue to change shape and increase over the next 10 or 20 years? Government and academic experts shrug their shoulders "All I can say," says Mr. Jenkins, "is that it is hard to predict the decline of an activity that has been increasing now for 15 years."●

REHABILITATION ACT AMENDMENTS

HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. ERLENBORN. Mr. Speaker, today I am introducing with my colleague, Mr. BARTLETT, the Rehabilitation Amendments of 1983. This legislation was transmitted to Congress by the administration on March 21, 1983. Its purposes are: to extend the authorization of the Rehabilitation Act through 1988, to provide increased flexibility to States in the administration of the State grants program, to offer incentives to States for training and placing severely handicapped persons in minimum wage or higher paying jobs, and to consolidate the multiple discretionary program authorities with one authorization of appropriations.

In proposing this legislation, the administration has recognized the value of this 63-year-old Federal program which assists States in preparing disabled Americans for the job market. However, the administration has reported that the public and private costs associated with disability doubled in the decade between 1970 and 1980, and thus greater efforts must be made to control these expenditures. The administration has indicated that the changes it has proposed should help States to make a greater contribution to controlling these escalating costs. By placing handicapped persons, particularly the severely handicapped, in stable jobs at an adequate wage, States will reduce or eliminate the need for health, income, and other forms of public assistance by such persons. The administration has suggested that the current law does not provide sufficient administrative flexibility and fiscal incentives to promote effective methods for reducing and controlling costs.

In proposing to consolidate discretionary programs, the administration would direct grant and contract efforts toward funding of projects of regional or national significance and toward increasing emphasis on projects which address the unique needs of special handicapped populations. In addition, the administration's proposal would eliminate duplicative or unfunded discretionary authorities.

Other programs authorized by the current statute would be retained with minor modifications or without modification. The National Council on the Handicapped would continue in an advisory, rather than a policy-setting capacity, and the National Institute of Handicapped Research would continue as the principal unit for administering rehabilitation research grants and contracts. The Director of the National Institute of Handicapped Research would become a secretarial, rather than a Presidential appointee. The important civil rights provisions contained in title V of the Rehabilitation Act would be retained.

In the administration's proposal fiscal year 1984 authorization of appropriations would be set at the fiscal year 1983 appropriations level; that is, $943,000,000 for the State grants program, $30,000,000 for the National Institute of Handicapped Research, $193,000 for the National Council on the Handicapped, and approximately $63,000,000 for the consolidated discretionary program account. The total authorization ceiling for fiscal year 1984 would be about $1,039,000,000 for the Rehabilitation Act. For fiscal year 1985 through 1988, authorization ceilings would be set at "such sums."

There are several concerns pertaining to these proposed amendments:

First, the impact of converting to a performance-based formula to encourage States to give greater priority to the severely handicapped;

Second, the effects of modifying administrative requirements, particularly those associated with the retention of a single State administrative unit;

Third, the relationship of the New Federalism proposal to the current Federal-State partnership in vocational rehabilitation; and

Fourth, the consequences of seeking one authorization of appropriations for multiple, diverse discretionary programs.

The administration has proposed that beginning in fiscal year 1985, States would receive two-thirds of their allotments based on the pre-1978 funding formula and one-third of their allotments based on the number of severely handicapped persons who were rehabilitated in the previous year. States would receive a weight of 1.5 for each severely handicapped person rehabilitated and employed for 120 days in a job at or above the Federal minimum wage. They would receive a weight of 1.0 for those severely handicapped persons employed in jobs below the minimum wage, and 0.5 for severely handicapped persons placed in unpaid family work or homemaking.

This allotment formula change has raised several questions. First, would requiring State agencies to followup on clients until 120 days—rather than the current 60 days —divert a greater proportion of staff time from direct services? Second, can the current statutory definition of severely handicapped be appropriately applied as a criterion for assessing State performance and determining one-third of State allotments?

In the administration's proposal, numerous and varied administrative requirements would be relaxed or deleted. For example, the statutory language pertaining to a single State designated unit with sole responsibility for the administration and provision of vocational rehabilitation services would be replaced with language which would allow one or several agencies to have such responsibility.

The proposed amendments would drop the requirement that minimum services are: Evaluation of rehabilitation potential, counseling, guidance, referral, and placement, leaving to States the option of defining what constitutes minimal services. Furthermore, the amendments would delete recordkeeping requirements pertaining to denial of services. These three examples illustrate the administration's strong commitment to increase administrative flexibility to the maximum extent possible. Concerns have been voiced that States already have sufficient flexibility, and if amendments such as these were adopted, services would begin to vary from established national standards and rights of handicapped Americans would be undermined.

The current vocational rehabilitation program is one of several programs authorized to be turned back to the States in President Reagan's New Federalism initiative as proposed in S. 763. There is concern that since the Federal Government has assumed major responsibility for the vocational rehabilitation program—matching ratios are 80 percent Federal, 20 percent State—in event of a turnback, State budgets would not have the capacity to absorb in toto the costs related to vocational rehabilitation.

The final major issue raised concerning the administration's proposed amendments pertains to the merits of

consolidating most discretionary programs into one title and authorizing one appropriation. It has been suggested that, in the absence of specific authorizations, programs like personnel training, project with industry and centers for independent living would be placed in an unnecessary competitive situation. It is felt that in order to assure a balanced, sustained commitment to these effective, complementary initiatives congressional intent must be clearly stated.

The administration's amendments offer many important points for discussion as we proceed with the reauthorization of the Rehabilitation Act. There is consensus concerning the cost-effectiveness of the vocational rehabilitation program. It has a singular purpose to convert handicapped Americans from tax users into taxpayers. According to information supplied by the Department of Education, for every Federal dollar invested in a handicapped person through the vocational rehabilitation program, that person's earning power increases by $10. Following the debate on legislation alternatives, I would hope that we will develop a bipartisan proposal that retains the cost effectiveness and integrity of the current program.●

BRANDON'S LESSON

HON. ALBERT GORE, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. GORE. Mr. Speaker, last week, I chaired a hearing of the Investigations and Oversight Subcommittee of the House Science and Technology Committee, and heard testimony from a mother whose young child needed a liver transplant.

With her sick baby clutched in her arms, Mrs. Billie Hall issued a tearful plea to Congress to assist families like hers who must overcome incredible obstacles to obtain liver transplants for their children. Some of the barriers include no nationwide system to match donors with patients and the expense of the operation.

In the Hall's case, the financial support of friends and an entire community helped raise enough for the transplant and the generous offer of a liver from a family hundreds of miles away saved the child's life.

Other families are not so lucky.

This editorial, which appeared in the Memphis Commercial-Appeal, the same town where the Hall child received his operation and now recovers, best outlines the plight that families like the Halls undergo to get a transplant. It also offers some common-sense solutions that I wanted to share with my colleagues:

BRANDON'S LESSON

"We've got ours, and with God's help we're going to make it, but there are so many others."

With those tearful words Billie Hall, the mother of baby Brandon, expressed to a congressional subcommittee her concerns about the plight of those children who need transplant surgery, yet will not get it because of a lack of donor organs or because of a lack of money to pay for the expensive surgery.

Thirteen-month-old Brandon received a new liver only days, or hours, before his own liver would have stopped functioning.

Brandon was fortunate.

No one knows how many people in need of liver transplants die each year because they can't afford the surgery or can't be matched with an available donor organ. What is known is that most of those who receive the organs do so because they have the money to pay for the surgery or because they are able to put their case before the public via the news media.

The testimony of Mrs. Hall, who is unemployed and separated from her husband, raises some interesting questions about the role of government in the rapidly growing field of organ transplants.

Is a system that depends on the news media to act as a patient-donor go-between the best this country can devise? And is it fair to allow transplant surgery to become the exclusive domain of the wealthy and those fortunate enough to receive the attention of the news media?

Most newspapers and radio and television stations welcome the opportunity to perform a public service by telling the stories of Brandons of this world. But for every baby Brandon whose name becomes a household word, there are probably hundreds, or even thousands, of other critically ill patients who spend their last days in anonymity beyond the glare of national publicity.

While it makes us uneasy to think about government, with its heartless bureaucracy, assuming the role of chief organ collector and dispenser, there are steps it could take to make the process more equitable.

First, by setting up a national clearing house to collect the names of patients and donors. Then by educating the public about the need for donor organs. How many healthy organs today are lost simply because those who could make the organs available don't understand the need?

Second, by altering federal medical programs to pay for transplant operations. Neither Medicaid nor the CHAMPUS medical insurance program that covers the families of those in the military pay for liver transplants. The argument that the surgery is too experimental is no longer valid, not with surgeons scoring a 70 per cent success rate with the operation. Neither is the argument that, at $60,000 an operation, it is too costly. One study indicates that it costs $260,000 a year to care for those patients who don't receive liver transplants.

Surely, the time has come for private insurance companies to take a second look at their restrictive policies on transplant operations. How much longer can the insurance industry justify allowing that area of medical advancement to be the exclusive property of the wealthy?

What we have seen happen in recent years is the explosive growth of a technology that has out-paced society's ability to accommodate it. Soon we must come to terms with the social and economic dilemma that growth has created.

Baby Brandon's ordeal offers a valuable lesson about our society's inability to stay in step with its own progress. It is a lesson that should not be lost.●

HAPPY BIRTHDAY SOPHIE

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 19, 1983

● Mr. PEPPER. Mr. Speaker, through my years of service on the Select Committee on Aging I have met many remarkable senior citizens who continue to live active and independent lives. Most notable is the contribution that these people make to enhance the lives of those surrounding them. One senior citizen who is extremely remarkable is Mrs. Sophie (Bozanich) Rapaich of Niagara, Wis., who will celebrate her 95th birthday on April 20 of this year.

Sophie Bozanich was born in 1888 in Serbia, which is presently a Republic of Yugoslavia. On November 25, 1906, Sophie married Rudolph Rapaich, who shortly thereafter emigrated to the United States. Like so many immigrants of that time, Sophie Rapaich had to stay behind while Rudolph earned and saved enough money for her passage to America. It was not until 1912 that Sophie and Rudolph were reunited in the small village of Niagara, Wis.

There they made their home for 63 years, until the death of Rudolph Rapaich in January 1969. During the course of their marriage, Sophie gave birth to five outstanding sons and three lovely daughters, all of whom have grown to be a reflection and tribute to their wonderful parents. Each child has matured and become a patriotic, productive citizen of our country.

Mrs. Rapaich still resides in the house that she has called home for 71 years. She is an inspiration, not only because she is completely self-sufficient and maintains an active interest in the world and her family, but also to immigrants who come to America to find a better and happier life and witness her patriotism and ideals as being symbols of the freedom and liberty offered them by the United States.

It is with great honor then that I pay tribute in this way to Mrs. Sophie (Bozanich) Rapaich on her 95th birthday, and thank her for her contribution to our great Nation.

Happy birthday Sophie.●