United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 98th CONGRESS, FIRST SESSION

HOUSE OF REPRESENTATIVES—*Monday, July 11, 1983*

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

DESIGNATION OF SPEAKER PRO TEMPORE

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

WASHINGTON, D.C.,
July 1, 1983.

I hereby designate the Honorable JOHN P. MURTHA to act as Speaker pro tempore on Monday, July 11, 1983.

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

PRAYER

The Reverend Edward G. Latch, D.D., former Chaplain of the House of Representatives, offered the following prayer:

And thou do that which is right and good in the sight of the Lord: that it may be well with thee.—Deuteronomy 6: 18.

Eternal God, our Father, returning from our brief recess restored in mind and renewed in spirit, we come committing ourselves anew to Thee and trusting in the leading of Thy Spirit as we face the challenging tasks before us.

Grant that our President, our Speaker, our Representatives, and all who work with them and for them, may be endued with wisdom and endowed with power to lead our Nation in right and good paths. Help us to relate our resources to our responsibilities that we may truly meet the needs of our people and strengthen the causes of peace and justice and freedom in our world.

Just as we are, strong and free,
To be the best that we can be
For truth and righteousness and Thee,
Lord of our lives, we come.

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.

MESSAGE FROM THE PRESIDENT

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

On May 26, 1983:

H.J. Res. 265. Joint resolution to provide for the temporary extensions of certain insurance programs relating to housing and community development, and for other purposes; and

H.R. 2990. An act to increase the permanent public debt limit, and for other purposes.

On June 6, 1983:

H.R. 2681. An act to make certain amendments to sections 4, 13, 14, 15, and 15B of the Securities Exchange Act of 1934.

On June 13, 1983:

H.J. Res. 201. Joint resolution designating June 14, 1983, as "Baltic Freedom Day."

On June 20, 1983:

H.J. Res. 234. Joint resolution designating the week beginning June 19, 1983, as "National Children's Liver Disease Awareness Week."

MESSAGE FROM THE SENATE

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

H.R. 2920. An act to amend title 38, United States Code, to revise and extend certain health-care programs of the Veterans' Administration, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1287. An act to authorize appropriations for the Public Buildings Service of the General Services Administration for fiscal year 1984.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker signed the following enrolled bills on Friday, July 1, 1983:

H.R. 1271. An act with regard to Presidential certifications on conditions in El Salvador;

H.R. 1746. An act to authorize appropriations for the Navajo and Hopi Indian Relocation Commission;

H.R. 2065. An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research of program management, and for other purposes;

H.R. 3132. An act making appropriations for energy and water development for the fiscal year ending September 30, 1984, and for other purposes;

H.R. 3135. An act making appropriations for the legislative branch for the fiscal year ending September 30, 1984, and for other purposes;

S. 273. An act to amend section 8(a) of the Small Business Act;

S. 680. An act entitled the "Gladys Noon Spellman Dedication"; and

S. 925. An act to make certain technical corrections in the Atlantic Salmon Convention Act of 1982.

COMMUNICATION FROM THE CLERK OF THE HOUSE

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

WASHINGTON, D.C.,
July 11, 1983.

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

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit sealed envelopes received from The White House as follows:

(1) At 10:30 a.m. on Thursday, July 7, 1983 and said to contain a message from the

☐ 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

President wherein he transmits the Eighteenth Annual Report on the status of the National Wilderness Preservation System for the calendar year 1981; and

(2) At 10:30 a.m. on Thursday, July 7, 1983 and said to contain the ninth special message for fiscal year 1983 in accordance with the Impoundment Control Act of 1974.

With kind regards, I am,

Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

PROPOSAL TO RESCIND BUDGET AUTHORITY AND REPORTING NEW DEFERRALS OF BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed:

(For message, see proceedings of the Senate of today, Monday, July 11, 1983.)

EIGHTEENTH ANNUAL REPORT ON STATUS OF NATIONAL WILDERNESS PRESERVATION SYSTEM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Interior and Insular Affairs;

(For message, see proceedings of the Senate of today, Monday July 11, 1983.)

PEOPLE ARE STILL SUFFERING

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

Mr. HARRISON. Mr. Speaker, like many of my colleagues, I used last week's district work period to hold a series of town meetings across my district. At every one of those five meetings I asked the same question: "What is the most critical problem facing our area?" And at every one of those five meetings, the answer was nearly unanimous: Unemployment.

And, like many of my colleagues, I held office hours, and I saw a steady stream of men and women and most of them all asked the same question: "How can I get a job?"

What I saw in the eyes of those people was not an economy beginning to sparkle but the spark of hope that is slowly dying.

And so, Mr. Speaker, the message I bring back from northeastern Pennsylvania is as simple as it is painful: The economy may be recovering, but the people are still suffering. We have got to put America back to work.

SUPREME COURT DECISION IN ARIZONA GOVERNING COMMITTEE AGAINST NORRIS

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

Mr. FLORIO. Mr. Speaker, on July 6, 1983, the Supreme Court reaffirmed that the use of gender discriminatory statistical tables by the insurance industry produces pension benefits inconsistent with the intent of the civil rights laws of this country. The Court determined this in 1978 regarding pension contributions in the Manhart case, and numerous Federal courts have subsequently reaffirmed the principle. In fact, the Supreme Court also, on July 6, remanded to lower Federal courts several companion appeals for resolution by the lower courts consistent with its opinion in Norris. One would hope this decision could be a watershed event for bringing to an end the practice by the insurance industry of using statistical tables that result in discrimination.

The opportunity is here. We should use the Court's guidance in eliminating the practice for non-employment-related insurance as well. H.R. 100 provides the vehicle for accomplishing this. The sponsors have repeatedly stated their determination to move the bill, and their willingness to consider any amendments that would preserve the civil rights purpose but make the legislation more workable. However, the industry's amendments offered so far would do nothing but frustrate the intent of the bill.

All press accounts about the Norris case reflect a general perception that this decision is a victory for those who wish to see the civil rights principle that now exists in so many areas of commerce extended to the field of insurance. I call upon the insurance industry to return to the negotiating table with a serious intent to support this legislation. We had all but fashioned a compromise version of H.R. 100 that would have preserved the purpose of the legislation, minimized unfunded costs to the industry, and, as we can now see, would be consistent with the concerns of the Court, when on May 11, 1983, the industry voted to leave those negotiations. The industry left for the purpose of fighting to kill the legislation entirely—to continue to use these discriminatory statistical tables.

The industry has the ability to create statistical tables from data that are more predictive of the loss to be rated and on basis that are not discriminatory. Nonetheless, a negative, expensive, and nonproductive media and lobbying effort was begun. It is my belief that the industry has many important problems to solve which deserve this energy and money. The industry should turn its attention to these pressing problems and end this fight.

The Supreme Court decision offers an opportunity to change tactics. The sponsors again indicate their willingness to negotiate; the supporting groups have remained in this posture. But I must remind the industry that the sponsors have stated their determination to go forward on H.R. 100 with or without the industry's support. Time is short as the issue is ready for resolution. A change in tactics would be the responsible course for the industry to follow.

TELEPHONE RATES

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

Mr. BATES. Mr. Speaker, on June 21, 1983, I introduced three companion bills that seek to address the threat of increasing telephone rates.

Telephone rates are rising across the Nation. In fact, under Pacific Telephone Co.'s new proposal, California residents are being asked to bear a 134-percent increase in residential rates, and business rates are schedule to increase by 175 percent. Even the most basic "lifeline" service will increase by 50 percent. This represents a $2.7 billion increase, with $1.7 billion paid by ratepayers and $1 billion by long-distance providers. If this is any indication of what is to come, it seems inevitable that many people and companies will lose their access to the basic communication medium of this Nation.

This is all contrary to what we were told about the divestiture of American Telephone & Telegraph. President Charles Brown and a host of other Bell operating companies told the Telecommunication, Consumer Protection, and Finance Subcommittee last year, in no uncertain terms, that "divestiture will not raise rates."

The subcommittee members disagreed with Mr. Brown. The members said then, and it is now true, that divestiture could have a significant effect on rates unless the continued financial viability of the Bell operating companies is assured.

It is for this very reason that I have introduced these bills. I feel that it is essential that Congress devise and implement a comprehensive plan to insure that universal service, continued research and development, and genuine competition remain a part of our telephone system. I believe that my bills, H.R. 3364, H.R. 3365, and

H.R. 3366 will begin to make this a reality.

THE 1982 ANNUAL REPORT ON U.S. GOVERNMENT'S INTERNATIONAL ACTIVITIES IN SCIENCE AND TECHNOLOGY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs and the Committee on Science and Technology:

(For message, see proceedings of the Senate of today, Monday, July 11, 1983.)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on the 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 vote, if postponed, will be taken on Tuesday, July 12, 1983.

AGRICULTURAL ACT OF 1949 AMENDMENT

Mr. ROSE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3392) to amend the Agricultural Act of 1949.

The Clerk read as follows:

H.R. 3392

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, effective for the 1983 crop of tobacco, section 106 of the Agricultural Act of 1949 (7 U.S.C. 1445) is amended by adding at the end thereof the following new subsection:

"(e) Notwithstanding the foregoing provisions of this section, for the 1983 crop of any kind of tobacco for which marketing quotas are in effect or for which marketing quotas are not disapproved by producers, the support level in cents per pound shall be the support level in cents per pound at which the respective 1982 crop was supported.".

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

The gentleman from North Carolina (Mr. ROSE) will be recognized for 20 minutes, and the gentleman from Kansas (Mr. ROBERTS) will be recognized for 20 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. ROSE).

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

Mr. Speaker, the House Agriculture Committee unanimously passed on July 1, this bill which does nothing more than freeze the price support levels on all types of tobacco in 1983 at the 1982 level.

There are many who are interested in legislation coming over to this body very shortly from the other body. That legislation should be here later in July. I have made promises that there will be a thorough and full debate at that time on many aspects of the tobacco price support program.

Today I simply ask the adoption of a 1-year price freeze, nothing else in the legislation. I will keep my agreements and understandings with those who want this legislation that comes from the other body to restrict tobacco in this country that has foreign pesticides on it, that will phase out the process of leasing allotments off of land. We will phase out lease and transfer in that legislation and we will begin a study of the cost of administering the tobacco price support program.

□ 1215

But, Mr. Speaker, in this legislation we ask our colleagues simply to allow us to freeze tobacco prices this year at last year's levels.

Mr. Speaker, I reserve the balance of my time.

● Mr. DE LA GARZA. Mr. Speaker, I rise in support of H.R. 3392. It is a very simple bill. It has a very concise purpose—to freeze the support level for the 1983 crop of all kinds of tobacco which are under the support program at the level for the 1982 crop.

The need for the legislation is, in the view of the Committee on Agriculture, very plain. The support price for tobacco has increased in recent years because, under present law, the support level reflects the growers' cost of production which, needless to say, has risen continually and dramatically. In view of the combination of a weakening world market for tobacco and the increasing support level, there has been a tendency for stocks of the major types of tobacco—Flue-cured and burley—going under the price support program, to increase.

It should be noted that in 1982 Congress enacted the No Net Cost Tobacco Program Act which, among other things, requires the producers to bear the cost of the tobacco price support program, except for governmental administrative costs. The result of that legislation is that, should there ultimately be a loss incurred when loan stocks of 1982 and subsequent crops of tobacco are sold, that loss must be made up or borne by the producers. In this respect, the tobacco price support program is unique.

To halt the escalation in the support price and to assist domestic tobacco in retaining its competitive position in the marketplace, the price freeze imposed by H.R. 3392 seems an obvious first step. The administration favors enactment of the bill, which was adopted by the Committee on Agriculture by unanimous voice vote. I strongly urge my colleagues to support this remedial measure.

I might add that the Committee on Agriculture has reported out a comprehensive bill which addresses not only a freeze or an adjustment with respect to the tobacco price support level for future years, but other significant issues concerning this commodity, which is so important to thousands of farmers in the United States. However, the tobacco markets for this year's crop are set to open this month. Therefore, immediate action is necessary if the support level issue is to be confronted for the 1983 crop. The committee has reported H.R. 3392 for precisely this purpose.●

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

Mr. Speaker, the legislation before us today simply freezes the 1983 price support for all kinds of tobacco at their respective 1982 levels. This legislation is needed to halt, at least temporarily, the ever escalating increases in price supports for tobacco. This freeze is intended to send a signal to both domestic and foreign buyers that American tobacco farmers realize their prices are fast becoming noncompetitive and that they intend to remain the world's most reliable supplier of quality tobacco.

With the no net cost tobacco program now in operation, tobacco farmers are required to cover any losses in the loan program. This is done through an assessment which each farmer is required to pay. This money is maintained in case the tobacco under loan must be sold at less than cost. Increasing price supports hold the threat of large loan stocks, which cause the farmer assessment to increase.

For both these reasons, this legislation is necessary.

The Subcommittee on Tobacco and Peanuts and the full Agriculture Committee have reported this legislation favorably and recommend its passage.

Both bodies have also passed H.R. 1440, legislation making additional changes in price supports and adjustments in the allotment system. The legislation now under consideration is needed immediately in order to be in place for the opening of Flue-cured markets later this month. Without it, price supports for some kinds of tobacco could increase as much as 14 percent per pound.

Mr. Speaker, I urge my colleagues to vote for H.R. 3392. Thank you.

Mr. Speaker, I yield such time as he may consume to my good friend and colleague, the gentleman from Kentucky (Mr. ROGERS).

Mr. ROGERS. Mr. Speaker, I rise in reluctant support of the bill.

Mr. Speaker, I would like to begin by commending the distinguished gentleman from North Carolina and my good friend from just north of my district, the ranking minority member of the Subcommittee on Tobacco and Peanuts. Tobacco could have no more dedicated and effective friends than these gentlemen.

Mr. Speaker, I rise in support of the bill H.R. 3392, which freezes the tobacco price supports for 1 year. But I rise in reluctant support. I do recognize the need to keep American tobacco competitive. But I am extremely reluctant to tamper with a program that has worked so well for 50 years, a program which has provided America and foreign countries with the tobacco and tobacco products they have demanded, while at the same time giving our domestic producers needed marketing stability.

I am also reluctant to freeze price supports because I firmly believe that American tobacco growers have had to bite the bullet often enough.

But, unfortunately, one thing is clear: Right now, we have too much tobacco coming under loan. As a matter of fact, in 1982, 24 percent of the Flue-cured crop and 31 percent of the burley crop went under loan. And with this much tobacco coming under loan, the no net cost program assessments will go up—with burley farmers paying as much as 5 cent per pound. So we do have to act to bring this problem under control.

There are many reasons for the problems we are facing today. First, in 1982, Congress passed TEFRA which doubled the excise tax on cigarettes from 8 to 16 cents per package.

Second, we have a problem with imports. This is a particularly serious problem since there is growing evidence that other countries are subsidizing their tobacco, persuading manufacturers to put more and more foreign tobacco into each cigarette. And today we have reached the point where foreign imports of burley have skyrocketed from 49 million pounds in 1973 all the way to an expected 282 million pounds this year.

Finally, there is the problem of exports. For a variety of reasons, our foreign sales are not what they should be. Of course, this is not just a tobacco problem since all American agricultural exports are down, largely because of the extremely strong dollar. But the fact remains that American tobacco, while it is of high quality, is also more expensive than most foreign tobacco.

This legislation is no panacea. But I urge my colleagues to support it as the most responsible action we can take today to help keep American tobacco competitive. Because, Mr. Speaker, tobacco is vitally important to America and it is high time we recognized this fact.

Tobacco is a key ingredient in our agricultural sector. It is our Nation's sixth largest cash crop, and it helps us drain off our trade deficit by providing 2.7 billion dollars' worth of exports per year.

And our local, State, and Federal economies benefit from tobacco, since we derive about $7.1 billion in taxes from tobacco.

Altogether, tobacco provides jobs, wages, earnings, and revenue—to such an extent that tobacco gives us 2½ cents for every dollar's worth of goods and services in our Nation's economy.

It is my hope that this legislation will help keep our tobacco competitive. But at the same time, let me point out that we must take additional efforts as well. We need an aggressive export policy, with traders and Government officials committed to meeting worldwide demand for tobacco with American-grown tobacco, grown by American farmers, on American farms, providing revenue for building up American schools, hospitals, and churches.

And at the same time, we have to give our farmers the protection they deserve from unfair, underpriced foreign-grown tobacco.

In Kentucky, we have 200,000 tobacco producers. Many of them have told me that they are willing to bite the bullet once again if this is what we need to do to keep tobacco strong.

So, reluctantly, I stand in support of this legislation and urge my colleagues' support.

● Mr. HOPKINS. Mr. Speaker, the legislation under consideration is an emergency measure necessary to attempt to retain a healthy economy in the tobacco-producing community. It, quite simply, freezes 1983 price supports for all kinds of tobacco at the 1982 level.

As you recall, last year we passed the No Net Cost Tobacco Program Act of 1982. That law requires that, as of 1982, the tobacco price support and production control programs be operated in a manner resulting in no net cost to the American taxpayers, excluding administrative expenses. This simply means that any price support losses must be paid collectively by the tobacco farmers participating in the program. To facilitate this, each farmer is required, as a condition of eligibility for price supports, to pay an assessment according to the amount of tobacco marketed. For instance, in 1982, producers of burley tobacco, the kind of tobacco grown in the area I represent, paid 1 cent per pound of tobacco marketed into the no net cost account.

The 1982 crop of burley was unusually large and of exceptionally good quality. Because of a number of factors—including increasing imports and declining domestic consumption—more than one-third of the crop went under loan in the price support program. In order to cover potential losses from the sale of this tobacco, burley tobacco farmers will have to pay an assessment of more than 5 cents per pound of tobacco marketed during the 1983 season.

The legislation before us today is one step toward solving the problem of increased imports, declining exports and larger farmer contributions to the no net cost account. Imports of tobacco into this country have increased to the point where they now account for 31 percent of an American cigarette. Developing countries have entered the world marketplace with substantially underpriced, and in some cases, subsidized tobacco. When imports increase and exports decline, domestically produced tobacco is displaced, causing it to come under price support loan.

In an effort to address this, H.R. 3392 will freeze for 1 year the escalating price support loan levels for all tobacco. Without this legislation, the average 1983 loan level for burley tobacco could increase as much as 14 cents per pound.

Timely enactment of this legislation is needed because the auction markets in the Flue-cured belt are scheduled to open later this month. Any change in the price support loan needs to be announced before then. The Flue-cured producers are struggling to function under the burden of a huge surplus. The situation in the burley belt, with its excess, represents an extraordinary occurrence. Because of the need to address the problems of the Flue-cured belt, we from the burley area find ourselves being reluctant companions in this legislation. There is a need to maintain the existing differential between the price supports for burley and Flue-cured. If the burley producers did not go along with this freeze, we would find ourselves with prices too high to compete even with our neighbors in the Flue-cured region.

Tobacco farmers have been asked to bear a load heavier than the one carried by any other agricultural producer—they pay for their own program. We are here asking them to make yet another sacrifice—to freeze their potential for profit in light of rising expenses. As the ranking minority member of the Subcommittee on Tobacco and Peanuts, I say to my colleagues, especially those of a different view when it comes to this program—take note of this.

The full Committee on Agriculture has also passed H.R. 1440, comprehensive legislation to address some of the more substantive issues involved in the tobacco program. I hope my colleagues will accept the legislation before us today with the knowledge that more changes to the program are to follow.

I urge my colleagues to vote for H.R. 3392.

Thank you, Mr. Speaker.●

● Mr. JONES of North Carolina. Mr. Speaker, I rise in enthusiastic support of H.R. 3392. This possibly is one of the most uncomplicated bills that has been introduced during this session. It does nothing more or less than freeze the 1983 tobacco support prices, as set by the Secretary of Agriculture, at the 1982 levels.

The present law concerning tobacco supports requires that the Secretary take into consideration the cost of production and several other complicated formulas which would force him to increase the support price for 1983 over 1982 levels. And that is the reason that this legislation is necessary. Those of us concerned with the tobacco control program realize that this action is necessary in order to maintain our export markets.

Mr. Speaker, it is difficult for me to believe that even the most ardent opponents of the tobacco program could possibly oppose this bill. In fact, if there is any tobacco legislation they might support it would certainly be this, which will bring the tobacco farmer less, and hopefully will increase our tobacco exports which, unfortunately, have been declining in recent years. Therefore, I urge a yes vote on H.R. 3392, and yield back the balance of my time.●

● Mr. VALENTINE. Mr. Speaker, I rise today in support of H.R. 3392 to amend the Agricultural Act of 1949 by freezing the 1983 tobacco crop support at the 1982 level. Such a freeze is essential if we are to restore financial stability to the important tobacco sector of our farm economy. Such action would also improve our balance of trade by making American tobacco more attractive to world markets.

Mr. Speaker, the problems facing American tobacco producers are many, varied, and complex. Nonetheless, it is incumbent upon us as Members of Congress to take a long, hard look at these problems, to analyze the issue cooly and dispassionately, to sift the wheat from the chaff.

A famous folksinger once said: "You don't need a weatherman to know which way the wind blows." Those of us who are vitally interested in tobacco have seen which way the wind has been blowing for many years.

Every new year seems to bring with it a new onslaught. The vitally important tobacco program is confronted with attacks, it seems, from every quarter and at every turn.

These attacks are unrelenting in frequency. They represent simplistic arguments about complex questions that ultimately have a broad impact on our Nation's economy.

Fortunately, because of the leadership shown by many thoughtful Members of Congress, notable among them my colleagues from North Carolina, Congressmen ROSE, WHITLEY, and JONES, we are in a position today to correct tobacco's very real problems in a rational fashion. We can change the baby's bathwater without throwing out the baby.

Mr. Speaker, as the duly elected Representative of the Second District of North Carolina, I must confess that I have a great deal of interest in the future of tobacco—an interest mirrored by my constituents. Because as far back as anyone in this Chamber can remember, and quite a bit further, tobacco has been the economic mainstay of my district and my State.

But make no mistake. Mine is not merely a parochial interest. Tobacco is vital to the economy of a number of States. And it is essential to the economic well-being of our great Nation.

Tobacco is grown on more than 200,000 farms in 22 American States and in Puerto Rico. Total U.S. harvest of the golden leaf in 1981 was 2 billion pounds. This same crop was worth nearly $3.5 billion, which was 2.3 percent of the total for all cash crops and farm commodities. In fact, tobacco is this Nation's sixth largest cash crop.

What this means is a lot of jobs for a lot of people. More than half a million farm families, plus seasonal workers, are directly or indirectly involved in U.S. tobacco production. An estimated 1.4 million retail outlets distribute tobacco products, with related employment in the millions. At the wholesale level there are 2,400 distributors.

A complex service and industrial network further extends the contributions of tobacco to the Nation's economy. Farm and manufacturing materials, equipment and supplies, and services ranging from advertising to transportation employ millions of workers and add billions to personal and business income throughout the land.

Every nation in the world consumes tobacco. But only the United States stands as the world leader for exporting tobacco. The tobacco industry contributes more than $2 billion annually to our balance of trade.

In addition, tobacco and tobacco products generate almost $60 billion annually toward the gross national product. This figure represents approximately 2½ times the net expenditures on the industry's products, a reflection of tobacco's enormous spillover effect on the national economy. Tobacco products have always greatly contributed to local, State, and Federal Governments in the form of excise and sales taxes, and with the recent doubling of the Federal tax, that contribution will be dramatically increased.

But all is not golden for the golden leaf. In addition to the legislative attacks that I mentioned before, the tobacco industry is reeling from hard times.

The cost of raising tobacco keeps going up. The sales of tobacco are going down. And that is why, Mr. Speaker, the tobacco program needs some fine tuning.

Typical of our small tobacco farmers are Bobby and Lois Stephenson, who own a farm in Johnston County, N.C. Here is a farm family that is caught between a rock and a hard place. If the Congress were to abolish the tobacco program, they would be in deep, deep trouble—trouble so bad it would ruin them. But if we let the program continue unchanged, they still have a problem.

Their problem stems from several causes, including high production costs, and the price support level. The legislation before us today addresses the latter cause—an important one.

A recent article in the Washington Post describes the Stephenson's plight. Mr. Speaker, I ask unanimous consent that it be placed in the RECORD.

[From the Washington Post, June 26, 1983]

TOBACCO, THE SMALL FARMER'S SAVIOR

(By Ferrel Guillory)

RALEIGH, N.C.—Bobby and Lois Stephenson operate a family farm. He tends their 60 acres of tobacco. She takes care of the books. They live on the edge of anxiety.

Like tobacco farmers throughout the Southeast, the Stephensons worry that Congress will abolish the federal program that ensures that they can make a living from their crop. The government regulates tobacco farming by restricting how much can be grown and by guaranteeing farmers a base price for the leaf.

If the tobacco program would end, said Mrs. Stephenson, "We'd stop farming. That's our only security, and that's very little." Her husband, sounding less certain that they would quit farming, assserted, "We'd be at the mercy of the tobacco companies."

Should Congress worry about the Stephensons, who, after all, grow a weed to which the government attributes more than 300,000 deaths annually? Or, to put the question as it usually is posed in Congress, isn't it a contradiction for the federal government to aid tobacco farmers while simultaneously warning of the dangers of smoking cigarettes?

The question is a hardy perennial of Washington politics, as hardy as the pale green tobacco plants that are shooting out of the gray sandy soil of eastern North Carolina. In fact, the House agriculture committee is scheduled to consider two tobacco price support bills this week. But the answer that appears self-evident from afar does not seem quite so clear up close.

Even Joseph A. Califano Jr., the former secretary of Health, Education and Welfare, came to understand that it is not unreasonable for the federal government both to encourage people to avoid smoking and to subsidize tobacco farmers.

Califano called cigarette smoking "public health enemy number one." But in his book, "Governing America," he wrote: "As I reflected on the cigarette habit, I realized that not one person would quit or not start smoking if price supports didn't exist. The subsidy had nothing to do with any individ-

ual decision to smoke; if anything, it made cigarette smoking more expensive."

And yet, on the ground that the government shouldn't give support to a poison, members of Congress prepare legislation to do away with the program, which is under great strain of its own, due in part to the high price of American tobacco. The debate has been joined again as Rep. Charlie Rose (D-N.C.) and Sen. Jesse Helms (R-N.C.) have agreed to seek legislation to cure the program's ills. Sen. Jake Garn (R-Utah), sponsor of legislation to abolish tobacco subsidies, has called the government's dual policy an "offensive paradox."

But if it is a paradox, is it necessarily unacceptable? To answer that question requires posing another question: Is the United States prepared to make the growing of tobacco and the manufacturing and smoking of cigarettes illegal? No one in Congress has proposed such a ban. The country has no stomach for another Prohibition.

Tobacco, therefore, assuredly will remain a legal commodity. Its growing will continue. So long as it is legal, the cigarette manufacturers doubtless will obtain tobacco, one way or another. In deciding the future of the tobacco program, then, the issue before Congress is not stopping smoking, but whether to set in motion a change in the system for growing tobacco.

The system under which tobacco farmers like the Stephensons operate originated in the Depression as part of the New Deal's Agricultural Adjustment Acts. Until then, farmers had difficulty adjusting supply to demand, regularly overproducing, and prices dropped precipitously from 1928 to 1932. Buying of tobacco was dominated at that time by three American cigarette makers and two foreign companies, the dearth of competition also working to the farmer's disadvantage.

Bobby Stephenson's father, Wade Hampton Stephenson—named for the Confederate cavalry commander under whom his grandfather fought—recalled that in the 1930s farmers were losing their land and "all of a sudden were becoming tenant farmers." The Stephensons, father and son, own farm land near Smithfield in Johnston County, about 25 miles southeast of Raleigh.

"We were living with no plumbing in the house, no electricity, no roads, no automobile," said the elder Stephenson. He marks the creation of the tobacco program and the Rural Electrification Authority as the start of his personal turnaround. "We began to have a little money left to buy a refrigerator and a washing machine," he said. "The lights began to come on."

As a consequence of the stability and the protection afforded by the tobacco program, said Wade Stephenson, he built a modern house and his four children all went to college. "We couldn't maintain our church and our community without it," he said.

Although the pride of tobacco farmers wouldn't allow them to put it in these terms, federal price supports have in effect served as a social program. It has preserved a rural way of life, being a source of stability not only for farmers but also for the bankers and merchants with whom they deal. The tobacco program has at least slowed the decline of family farms.

It is impossible to say that any single tobacco farmer is "typical." Tobacco is produced on 203,000 farms, whose operators range across the spectrum in age, income and education. Nevertheless, Bobby and Lois Stephenson exemplify the modern tobacco farmer.

They own a 123-acre farm, on which they live in a restored 1910-vintage farmhouse. Two of their four children, all daughters, have already gone off to college. They grow corn, soybean and wheat, mostly to justify their investment in land and equipment and to provide some crop rotation. But the Stephensons clearly consider themselves dependent on growing tobacco.

Last year, for example, they got a yield of 100 bushels per acre of corn, which sold at $2.10 a bushel, for a gross income of $210 per acre. They got 2,300 pounds of tobacco per acre, which sold at an average of $1.80 per pound, for a gross income of $4,100 per acre.

Stephenson holds a 10-acre allotment, which is the government-granted license to grow tobacco. It is through allotments that the tobacco program controls production. The law, however, permits the leasing of allotments. Through such leases from other allotment-holders, Stephenson acquires the right to grow an additional 50 acres. Stephenson grows more tobacco than the average farmer, but his operation illustrates two significant developments.

One is the trend, spurred by mechanization, toward larger farm units. The average flue-cured tobacco farm was 5 acres in 1964, but had grown to 13.8 acres by 1979.

The other development is the dramatic increase in the incidence and cost of leasing. The federal government has issued 545,000 allotments or quotas, but substantially less than half of allotment-holders actually grow tobacco themselves. Rather, they earn money by leasing their allotments to farmers.

Through land sales over the last 50 years, allotments have come to be held by such non-farming entities as banks, Duke University, Carolina Power and Light Company and some local governments. Allotments are also held by elderly farmers and widows, who consider earnings from leases part of their retirement income.

Stephenson paid $50,000 last year for the 50 acres of allotments he rented. Among the eight farms from which he rented allotments, four are owned by, as he calls them, "widow women."

After Stephenson and other farmers harvest their tobacco, they take it to a warehouse where it is auctioned to buyers for domestic cigarette manufacturers and exporters. If no buyer bids more than a penny per pound above the federal support price, the tobacco is bought by a farmers cooperative—in North Carolina, it's the Flue-Cured Tobacco Cooperative Stabilization Corp.—with money borrowed from the federal government. Stabilization, then, attempts to resell the tobacco and pays the government back when it does so.

Since the inception of the tobacco program, the U.S. Commodity Credit Corp., has made $5 billion in loans to tobacco farmer cooperatives. The U.S. Department of Agriculture reported in 1982 that the CCC had losses of $57 million in unpaid principal and $152.8 million in unpaid interest. Except for annual operating expenses, these losses form the bulk of the federal subsidy. Coming over five decades, the average loss of $4 million a year by the government has been relatively modest in an age of multibillion-dollar budgets.

However, the tobacco program is showing its age. It could collapse unless reformed.

The federal price support has been indexed to inflation and risen steadily so that it now averages about $1.75 per pound. American tobacco is being priced out of the world market. Hugh C. Kiger, executive vice president of the Leaf Tobacco Exporters Association, says that the U.S. share of world exports of flue-cured tobacco fell from 60 percent in 1966 to 28 percent in 1981. Now, 31 percent of the tobacco in American-made cigarettes was grown overseas, whereas it was only 14 percent 10 years ago.

Not only has competition with foreign-grown tobacco stiffened, but the domestic sales of cigarettes has flattened. Sales dropped from 640 billion cigarettes in 1981 to 634 billion in 1982. In response to depressed demand, the U.S. Department of Agriculture has steadily decreased quotas in recent years.

Despite reductions in marketing quotas, the Stabilization Corp. has a glut of unsold tobacco. Last year, nearly one-fourth of the flue-cured tobacco grown was not bought by companies, and the cooperative took in 260 million pounds under government loan. Now, Stabilization holds 660 million pounds of unsold tobacco.

In an effort at reform last year, Rose and Helms won enactment of legislation that required farmers to pay a fee so that the price support system would be operated at "no net cost" to the taxpayer. The legislation also required nonfarming corporations to sell their allotments to farmers.

In a second effort to coax the program back to sound financial health, Rose and Helms have reached a general consensus on new legislation to impose a freeze on tobacco price supports and to place restraints on leasing of allotments.

Some congressmen, such as Rep. Thomas Petri (R-Wis.), point to such developments as the widespread leasing of allotments at high rates as reasons to abolish it. And, indeed, some tobacco farmers, disenchanted over the high lease rates, have urged a return to a free-market system, But the fundamental question remains, should Congress worry about the Stephensons?

Charles R. Pugh, agriculture extension economist at North Carolina State University, has done extensive analysis of the consequences of eliminating the federal tobacco program. His findings are that:

The price of tobacco would drop.

Production of tobacco would increase.

Land whose value has been enhanced by a tobacco allotment would drop in value.

A consolidation of farm ownership would ensue.

There would be some farm foreclosures.

American tobacco exports would go up.

Some geographical shifts in the location of tobacco program would occur.

And because tobacco is a relatively small part of the price of a cigarette, consumer prices "would not be greatly affected."

Without the program, says Frank Bordeaux, economist for the North Carolina Department of Agriculture, "The farmer would be reexposed to the very conditions he's been trying to get away from all these years. . . . Many of these people aren't as autonomous as they think they are if they didn't have the program."

The major cigarette companies, of course, have supported the program. It gives them a reliable supply of high-quality domestic tobacco. And by supporting farmers the cigarette companies preserve a broad political base for their campaign against antismoking efforts.

Although the tobacco lobby is often viewed as a unified juggernaut, the farmers and the companies do not share equal financial power. Farmers still must sell to a relatively small number of buyers. The major

cigarette manufacturers could cope much better with an elimination of the federal tobacco program than could the average farmer.

After all, American tobacco companies have diversified and several of them exist in the realm of multinational conglomerates. R.J. Reynolds, for example, also owns Del Monte Corp., Kentucky Fried Chicken and Hueblein Inc., a liquor distributor. Philip Morris Inc. not only makes money from tobacco but also from Miller Brewing Co. and Seven-Up Co. Further, American companies have assisted foreign tobacco growers. R.J. Reynolds has 90 paid agricultural extension agents in Brazil, where it also employs 5,000 Brazilians to farm tobacco.

If the tobacco program were eliminated, the current system for selling on the warehouse floor could be maintained without government involvement, but this is not what agricultural interests in tobacco-growing territory think would happen. Mostly, farmers believe the companies would opt for a contract system—an arrangement under which the company would pay a certain amount to a farmer for growing a certain quantity and quality of tobacco.

"You'd be a tenant on your own farm and can't move," said Bobby Stephenson.

Another possibility would be for cigarette manufacturers to become tobacco-farm owners, assign farm managers and grow their own. An agricultural extension agent in eastern North Carolina reported being approached for assistance recently by a consultant for a cigarette company seeking to study what it would take to run a 1,000-acre tobacco farm. The cigarette manufacturers have experience from their operations in foreign countries to draw upon.

An abrupt end to the federal program would inevitably mean considerable economic dislocation in the tobacco-growing counties in North Carolina, Kentucky and elsewhere in the southeast. But are there other ways for farmers, as well as farm suppliers, to make a living?

In fact, some agricultural diversification has already taken place. Tobacco now represents only about one-third of the farm receipts in North Carolina, down from 47 percent in 1955. Also, state government aggressively has sought to recruit new industry.

It is going to take more time, however, for North Carolina and other states to achieve the economic diversification to ensure a sound living for farmers and other rural residents. Rep. Henry Reuss (D-Wis.) has proposed that the federal government provide financial assistance for weaning tobacco farmers away from their crop in much the same way the United States has sought to cut overseas production of heroin.

Although Reuss' proposal hasn't been received favorably in tobaccoland, economic diversification remains one of the chief challenges facing North Carolina and other Southeastern states. And retaining the tobacco program would give these states the time needed to develop economic alternatives to prepare for the potential decline in tobacco consumption. Simply to abolish the tobacco program would be to ask Southeastern states to go through a cold-turkey withdrawal from their economic, cultural and historic addiction to tobacco.

However contradictory the government's policies toward tobacco may seem, a case can be made for the duality. Surely a government with a mandate to protect Americans' health cannot ignore the compelling evidence that cigarette smoking contributes to severe lung and heart disease. But to eliminate government assistance to farmers who grow tobacco would hurt the Bobby and Lois Stephensons of the Southeast economically without necessarily improving anyone's health.

Mr. Speaker, H.R. 3392 will have a broad, positive effect on the tobacco program that will eventually result in many benefits for tobacco producers.

It addresses the problem of tobacco prices. By freezing price supports at 1982 levels, it puts on the kind of damper needed right now.

The impact of increasing support prices this year would be much broader than might be immediately apparent. To do so would give tobacco companies an increased incentive to look elsewhere—that is, overseas—for more of their tobacco. In 1965, American cigarettes contained about 10 percent imported tobacco. That figure is about 30 percent today.

As domestic consumption drops, domestic surpluses grow, regardless of any restrictions placed on production by the allotment system. Under the No-Net-Cost Tobacco Program Act recently put into place, these growing surpluses translate directly into growing losses for tobacco farmers. Their contribution to the no-net-cost fund on Flue-cured tobacco has more than doubled from 3 cents per pound in 1982 to 7 cents per pound in 1983.

So who stands to lose from this terrible state of affairs? Everybody does—farmers, manufacturers, State and local governments, the Nation as a whole—everybody. Farmers don't sell enough of their product, and are saddled with assessments for the high cost of carrying surpluses. Manufacturers pay a higher price for their product and look abroad for substitutes. Governments lose revenues from the decreased trade in and consumption of domestic tobacco. And the people of this Nation subsidize those lost revenues with higher taxes, while paying higher prices for inferior tobacco products—I must remind my colleagues that imported tobacco does not match American tobacco for quality—in a generally weakened economy.

For once, let us cut through all of the rhetoric and hyperbole that characterizes so much of the dialog and debate these days concerning tobacco issues. The truth is that the realized cost of the tobacco program since it began 50 years ago has been less than one-tenth of one percent of the cost for all 13 farm commodity price support programs. The recent no-net-cost provisions have knocked even that cost out the window.

The problem is not one of cost to the Government. The problem is one of growing surpluses. In the interest of fairness, in the interest of sound economic policy, we must take the necessary action to correct this problem before an epidemic of farm failures awakens us to this very sorry state of affairs.

H.R. 3392 well reflects the wise leadership that my distinguished colleague from my State of North Carolina (Mr. ROSE) has shown as chairman of the Tobacco and Peanuts Subcommittee. I urge my colleagues to joint me in supporting this much-needed legislation.●

● Mr. DANIEL. Mr. Speaker, I rise in support of H.R. 3392, which would freeze tobacco price supports for the 1983 crop at the 1982 level.

It is desirable that this legislation be approved as soon as possible, because 1983 markets will shortly be opening. Without this action, the Department of Agriculture will be forced to set 1983 supports at a higher level, according to the present law.

Even though Congress provided last year for some adjustment in the support level, experience has shown that this has not been sufficient to improve our export situation.

It is usually true that part of the art of dealing with a problem is to acknowledge that a problem exists. The problem in this instance is that more of our tobacco is going unsold and imports are increasing. The No-Net-Cost Tobacco Program Act of 1982 (Public Law 97-218) provided that growers pay for any losses that are incurred from the tobacco program, and any tobacco that goes unsold adds to the ultimate cost to the growers.

One of the keys to the success of the tobacco program over the years has been that growers have been willing to make adjustments to keep the program sound and workable. At times, this has meant increasing or decreasing allotments. More recently, it has meant adjusting the support level to make certain that our tobacco remains competitive in the world market. Tobacco sales abroad continue to add tremendously to our balance of payments—amounting to nearly $2 billion annually.

By freezing support prices on all kinds of tobacco this year, American leaf should improve its competitive position—both on foreign markets and domestically—and growers will likewise benefit from paying less assessments. In my opinion, this is responsible management of the program and I urge enactment of the bill.●

Mr. ROBERTS. Mr. Speaker, I know of no objection to this legislation on our side. I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. ROSE) that the House suspend the rules and pass the bill (H.R. 3392).

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. ROSE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

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

There was no objection.

REPORT ON 23D ANNUAL INTERPARLIAMENTARY MEETING

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

Mr. DE LA GARZA. Mr. Speaker and my colleagues, late last night a group of Members of the House and the Senate, Senator CHARLES PERCY of Illinois as chairman for the Senate side and the gentleman from Texas as chairman for the House side, returned from the 23d annual interparliamentary meeting between the United States and Mexico.

This meeting was held in Puebla, Mexico, which is a city some 60 or 70 miles from Mexico City.

As always, the hospitality of the Mexican delegation was one that cannot be equaled perhaps any place in the world. The substantive part of the meeting though is the important factor, and that is that we as legislators meet with our counterparts and discuss all of the issues that impact on our two countries.

They, of course, present their views on issues such as trade, law of the sea, maritime issues, and certain other measures that are pending in their Congress or in our Congress, so that we might have direct and frank discussions on how it impacts on the respective countries.

I think possibly, aside from the ceremonial aspect of the inaugural session, a formal closing session, and the substantive talks in between, shortly before we left, yesterday, I think possibly it was, with all due respect to all of us who participated, the most important part of the whole visit and this was a program presented by 25,000 schoolchildren of the city of Puebla who filled, if you can visualize a football stadium, the stands on one side and around both sides, wherein they used, as you see in football games, I guess I could say, where they used placards or cards to form figures and letters that you can see from across the field.

And on the field they used flags and banners and streamers to present what I think has been something that I have never, or would ever, see in my life and something that I would hope that every American or every person in the world could see; for what these children presented in such a graphic way, and I might add again with all due respect to those of us who participated in the formal ceremonies, they said, with about 12 words, what we took hours to say in our speeches. They said it in English and they said it in Spanish, as they formed the letters in the background of that stadium. And it said: "Friendship, Understanding, Cooperation, Peace," and then they said something which I thought was perhaps the most important thing that they could say to us as legislators and as responsible officials of our two countries, they flashed across the words: "Trust us", and then, in a different color, it switched to, "We trust you."

And I do not think that I have ever had that much impact from as few words as those 25,000 schoolchildren gave us yesterday afternoon in the city of Puebla.

Mr. Speaker, I thank the Speaker and the Members for allowing me this time to present this very brief report. Later we will have a special order and give a more concrete and lengthy report on the visit and the meeting.

NATIONAL DEVELOPMENT INVESTMENT ACT

The SPEAKER pro tempore. Pursuant to House Resolution 250 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 10.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 10, with Mr. ROSE 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 Minnesota (Mr. OBERSTAR) will be recognized for 30 minutes, and the gentleman from Pennsylvania (Mr. CLINGER) will be recognized for 30 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. VALENTINE) on behalf of the Committee on Public Works.

Mr. VALENTINE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I understand that the chairman of our Subcommittee on Economic Development is on his way to the Chamber.

Mr. Chairman, as a member of the subcommittee which reported this bill, I rise in support of the National Investment Development Act, H.R. 10. I wish to offer the statement of JIM OBERSTAR, the chairman of the Economic Development Subcommittee.

Mr. Chairman, I am proud to join my colleagues, Mr. CLINGER and Mr. LAFALCE, in bringing to the floor H.R. 10, the National Development Investment Act, which is a major congressional initiate to foster long-term economic development at the local level. It is designed to solve the economic problems of local areas which would otherwise be left behind in what we hope is the beginning of a national economic recovery.

The bill has broad bipartisan support, and is cosponsored by 134 Members of the House.

The National Development Investment Act, and finish-up program for the Appalachian Regional Commission, will provide badly needed funds to promote local economic recovery, to foster economic growth and stability in urban and rural areas, and to create permanent jobs in all sectors of the private economy.

This bill reinforces the longstanding commitment of the Public Works and Transportation Committee to come to the assistance of distressed areas, to provide jobs for the jobless, and to help communities solve their specific economic problems.

The National Development Investment Act is the logical successor to the Economic Development Administration. It incorporates the experience and the lessons of the past, and addresses the changed circumstances of the 1980's.

H.R. 10 recognizes that economic recovery depends on the ability of communities and townships throughout this Nation to create jobs for their residents and to achieve economic stability. It provides matching grants to local governments to support economic development activities while giving local officials the maximum flexibility to choose the course of action best suited to their unique economic needs.

This new approach responds to the criticisms which have been leveled at the Economic Development Administration, which our new act would supersede. It scales back eligibility so that areas of greatest need will receive this assistance. Under the present EDA programs, once a community is designated as eligible, it remains so no matter how much its economic circumstances improve. Under our new bill an applicant must demonstrate distress with every application.

Second, we have tightened up the eligibility criteria. Applicants must have either an unemployment rate of 1 percent above the national average for the past 2 years, or a per capita income of 80 percent of the national average.

Areas which have lost, or are about to lose, their major employer, such as a large industry or a military base, would remain eligible for assistance under the new bill.

H.R. 10 retains the economic development tools which have proven their value over the past 18 years of experience under the Public Works and Economic Development Act.

Assistance to support local goals is provided through grants for the construction, rehabilitation, repair, and improvement of developmental facilities—the community's basic infrastructure.

Business development loans are retained, but under a new approach which recognizes local capacity. H.R. 10 provides grants to communities which, themselves, establish and administer revolving loan funds to support small business expansion and to retain existing firms.

Funds are also available to provide technical assistance and to aid communities in planning and in developing an investment strategy.

But we have made changes as well where these are necessary. We recognize the increased expertise at the local level, and have placed greater reliance on local communities to chart their own goals and set their own courses toward economic self-sufficiency.

Communities set their own priorities and devise their own economic development strategies.

Gone is the project-for-project's-sake approach to economic development. Under the new legislation, each project will have to be an integral part of the community's recovery strategy.

The need for private involvement is recognized and required.

There is less Federal financial responsibility as well as a lowered Federal oversight. A 50-percent non-Federal match is required for all development investment grants.

In a further refinement of the process, the Secretary of Commerce is charged with selecting those projects which have the most potential—those which will give the most progress for the dollar. The bill contains the criteria against which those projects will be measured.

H.R. 10 authorizes $500 million per year for 3 years for these programs: $425 million each year for development investment, and $75 million per year for planning and strategy development.

To make sure the money reaches the largest number of applicants, a limit of $2 million is set on each application. The revolving loan fund is limited to $1 million per applicant.

The second title of the bill contains the finish-up program for the Appalachian Regional Commission, as proposed by the Governors of those States. The Appalachian Regional Commission has made tremendous strides in bringing increased economic diversity to this region. However, the job is not yet finished; the task is not complete. The proposal developed by the Governors provides for an orderly phaseout of the programs, and for attainment of long-sought goals of establishing adequate transportation, and of bringing jobs, community development, private investment, and basic health care to this area.

For fiscal year 1984, the bill provides $298 million to fund these programs: $215 million for highways, $83 million for the nonhighway activities.

Mr. Chairman, this bill is the product of 3 years of work, including 16 days of hearings in Washington and in other parts of the country, and has been developed with the assistance of local officials and their representatives: mayors, county, and township officials, and economic development district and other regional officials. In short, it bears the indelible imprint of the experience gained over many years by the real experts in economic development: local public and private officials and community leaders.

Last year, the Public Works and Transportation Committee and the Banking, Finance and Urban Affairs Committee joined in bringing to the floor very similar legislation. H.R. 6100 passed this body on August 12, 1982, by an overwhelming margin of 281 to 95.

H.R. 10 passed the Public Works Committee this year by a unanimous vote of 50-to-0, and has strong bipartisan support throughout the House.

I urge your support for H.R. 10. It is a very modest proposal in view of the condition of many local economies and the number of workers still unemployed—but it is an opportunity to do something positive to encourage economic recovery.

□ 1230

In conclusion, Mr. Chairman, I am pleased to have this opportunity to stand in for the chairman of the Economic Development Subcommittee. This legislation is most important to my State of North Carolina which includes areas of substantial need. Economic development and job creation is vital to towns and communities throughout North Carolina and the Nation. This bill is a constructive step toward promoting economic recovery.

Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey (Mr. HOWARD), the chairman of the committee.

Mr. HOWARD. Mr. Chairman, I rise in strong support of H.R. 10, the National Development Investment Act. This legislation provides assistance to distressed communities to expand employment opportunities, to improve necessary public facilities, and to establish an economic climate more conducive to private investment.

I want to take this opportunity to commend JIM OBERSTAR, chairman of the Economic Development Subcommittee, for his dedication and leadership in drafting and refining the National Development Investment Act. This economic development initiative has been carefully shaped to respond to the economic needs and realities of the 1980's. JIM OBERSTAR and other members of the subcommittee are to be complimented for their commitment to funding economic development approaches which will stimulate job creation and local economic recovery.

As has been customary on this committee, this bill is the product of bipartisan efforts. BILL CLINGER, ranking minority member of the subcommittee, has been a major contributor to this economic development legislation. Also, I want to thank my colleague, the ranking member of the Public Works and Transportation Committee, GENE SNYDER, for his cooperation. The fact that this legislation was reported out of committee by a 50-to-0 vote attests to this bipartisan spirit.

In addition, I wish to express a special word of appreciation to members of the House Banking, Finance and Urban Affairs Committee and Chairman ST GERMAIN for moving this bill forward so expeditiously.

Title I of the National Development Investment Act provides $1.5 billion over the next 3 years to promote local economic development, to repair, and improve core capital facilities, and to initiate economic recovery strategies that create jobs and facilitate economic growth. Title II extends both the highway and nonhighway programs of the Appalachian Regional Development Act. Finish-up funds are provided for Appalachian area development programs through fiscal year 1988 and for construction of the Appalachian highway system through fiscal year 1991.

H.R. 10 provides grants for the construction, rehabilitation, repair and improvement of developmental facilities. In addition, it permits States, economic development districts, and local governments to establish locally administered revolving loan funds to support small business expansion and to retain existing firms. Funds are available to provide technical assistance and to aid communities in developing an investment strategy.

This legislation builds on the previous economic development and job creation measures which have been enacted by the Public Works and Transportation Committee over the years. This program will fund community-generated projects which create jobs in the private sector, leverage additional investments into public facilities, and build a solid foundation to revitalize economically depressed areas.

The National Development Investment Act has been thoroughly examined in congressional hearings over the last 2 years. It is sound legislation

which is appropriate and necessary to address some of the economic changes facing this Nation. H.R. 10 recognizes that local communities facing fiscal strains and high unemployment caused by economic changes, both cyclical and structural, cannot solve their problems alone. It provides Federal support, which must be locally matched, to enable rural and urban communities to improve the basic public facilities which are essential for sustained economic growth. It requires a long-term strategy to tackle the problems unique to that community. It encourages small business development and job creation actions. It is directed to areas of greatest need and it offers a true partnership among all levels of government and the private sector.

I urge the passage of H.R. 10. It is a realistic proposal aimed at developing long-range economic strategies, addressing regional and local disparities, and promoting private and public capital investment. It improves the programs currently administered by the Economic Development Administration and it puts in place an outgoing economic development assistance program. It is a chance to say to people in the 13-State Appalachian region, where unemployment is still 30 percent above the national average, "we are not going to abandon you in your time of need." It is an opportunity to show high unemployment communities without the financial means to improve their economic climate that the Federal Government is willing to offer them a helping hand. It is a way to do something positive to encourage economic recovery.

Mr. CLINGER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to indicate at the outset my commendation and sincere congratulations to the chairman of the Economic Development Subcommittee, the gentleman from Minnesota (Mr. OBERSTAR) for his unflagging work in bringing this bill to the floor. He has been most accommodating to Members on the minority side and has taken into account many of our suggestions for improving the bill and for creating a leaner, tighter bill. I think the results of the bipartisan cooperation which the chairman, the gentleman from New Jersey, spoke about are abundantly clear in this legislation. It does represent, I think, a give and take on both sides of the aisle to come up with a package which we feel will address the critical economic development needs in the country.

I would also like to commend the chairman of our committee, the gentleman from New Jersey (Mr. HOWARD) for his leadership in this effort and in bringing this bill to the floor at this time.

Mr. Chairman, the National Development Investment Act is intended to address stagnation of our Nation's economy because of inadequate and failing infrastructure systems, an issue I think that has become high on the list of the Nation's priorities of recent months and years. These are the very systems which enabled our Nation to achieve prosperity in the past.

H.R. 10 addresses that problem and is aimed at rebuilding the economic base of our Nation's distressed areas.

As we are apparently, and seemingly every day it becomes clearer, on the threshold of a recovery in our national economy, there are always some areas of the country that are going to be left behind that will not enjoy the same rapidity of recovery as the rest of the country. Many factory workers simply will not find their jobs waiting for them at plants that have been closed forever.

These distressed areas are going to need some additional help in order to participate in economic development and growth and that has been the historic role of EDA.

I would point out also, I think that EDA provides a significant role in that as the Federal Government has imposed greater responsibilities and greater standards for various types of infrastructure on the communities, it seems to me incumbent that the Federal Government has a continuing responsibility to at least help fund to meet those standards to some small degree.

I would like to make it clear at the outset that this is not another Government handout program that simply shovels millions of Federal dollars toward isolated economic development projects. The past has shown us that this approach simply does not work. And I would differentiate H.R. 10 from H.R. 2554, the emergency jobs bill, which I do not personally support and make the point that this is significantly different. This is a tighter focused concentrated bill.

Instead in this bill we are involving the Federal Government in a new approach and I think a significant new approach. The current administration, I think, has rightly criticized EDA for a number of serious flaws and shortcomings such as eligibility criteria which would have permitted and which now presently does permit over 80 percent of the Nation to qualify for funding, and a loan portfolio, which has been criticized as having a current delinquency rate of nearly 40 percent.

This bill addresses and I believe corrects those shortcomings that exist in the present legislation. In this legislation we have addressed these and other criticisms of the agency. One of the most significant revisions was to insure that when an area reaches a level of prosperity or employment and it no longer meets the distress qualifications in the act, it no longer is eligible for funding and must apply for funding each time it seeks a new project, it must meet those distress criteria. That is far different from the situation as it exists today. Thus, eligibility criteria will be more highly targeted and is going to apply to less than 40 percent of the Nation. I make the point again. We are reducing the eligible areas of the country, those eligible to apply for funding, from 80 percent of the population of this country down to less than 40 percent. I think that represents a serious and sincere tightening of a worthwhile program.

We have also eliminated the direct loan and loan guarantee programs. In their place a revolving loan program is made available to States and local communities for up to a maximum loan of $1 million to provide seed capital to small business. The local community, not the Federal Government, selects and monitors the loan portfolio. And I would also point out that this is required to be matched by the local community. This is not again a handout. The local community must make a significant investment in this project or in this program in order for them to be eligible to participate in the program.

□ 1245

The emphasis of this legislation, as I say, is on the local community, and the emphasis is on cooperation at all levels of government. In order to be considered for funding under H.R. 10, a community must utilize every tool at its disposal. It must enlist the cooperation of private industry, and it must develop a coherent strategy. Something we have learned over the last 15 years is that it is extremely important to have ongoing economic development and economic development that has a chance of success. We in this legislation call it a development investment strategy, which is simply a long-term, carefully planned community course toward economic self-sufficiency.

Certain key factors are essential for any area to support development and thus become economically viable. And they must be considered as a part of the overall development strategy. These, again, are factors that we have learned throughout the years must be present for there to be any hope of an investment taking root and creating private sector jobs, and they include: There must be available land present, there must be the presence of sufficient public facilities or at least the capability of developing those public facilities, there has to be an availability of capital. The tax policy on investments is a critical item for successful economic development. Certainly the skill of the labor force must be taken into account, and the ability of the

State and local governments to provide financial assistance.

We place emphasis on these factors because we have learned through experience that they might be present for economic development to work.

The most significant factor in a community achieving economic growth and stability is the involvement of the private sector. And the whole point of this program is to create private sector jobs. In this bill, the level of private sector dollars committed to a community's development is very important in the Secretary's selection of those projects to receive funding. That represents, I think, a major departure from the approach taken to economic development by EDA in the past, but one which undoubtedly will prove vitally important to the future.

The President in his state of the Union message said that "We who are in government must take the lead in restoring the economy." I think that, in terms of investment, there is a need for that kind of continuing involvement, albeit on a much-reduced scale. I think that this bill certainly addresses itself to some of the very real problems that we face. In our committee we have considered the question of economic development in a strictly bipartisan manner, as the gentleman from New Jersey (Mr. HOWARD) indicated. Both sides of the aisle unanimously reported H.R. 10 on a 50-to-0 vote. What we have come up with is a united commitment to assisting our distressed communities in an innovative fashion based on coupling a community's existing resources with a limited amount of Federal assistance to produce a workable, cohesive, and well-planned approach to economic self-sufficiency.

Mr. Chairman, title II of H.R. 10, which authorizes a program to finish the work of the Appalachian Regional Commission, is the product of our legislative process at its best, in my opinion.

This program was devised by the 13 Appalachian Governors, Republicans and Democrats alike, in consultation with Members of Congress from both parties. Our Economic Development Subcommittee held hearings on this program both in Washington and in Appalachia.

There are two basic reasons why I particularly urge my colleagues on this side of the aisle to support this legislation.

First, the way ARC does business is consistent with the effort of our party and our administration to return more authority from Washington to the States and to the local committees.

ARC projects are not dreamed up in Washington but initiated through negotiations in the States and in the communities in Appalachia. Priorities are set in the region, not in Washington. State and local officials identify their needs and realistic ways to meet them.

At the same time, this unique ARC way of doing business, and one which I think has stood the test of time and is universally agreed to be an effective delivery system of what are, obviously, going to be limited Federal resources, this unique delivery system makes it possible for the Federal Government to guard the national interest in the spending of Federal dollars. The Federal cochairman, currently Winifred A. Pizzano, an outstanding native of Pennsylvania, is appointed by the President to work in partnership with the Appalachian Governors to set ARC policy.

This, in my opinion, is the kind of New Federalism that works.

The time and the funding for all of these programs is limited, and I would stress that. The program is a phaseout program, which has been agreed to by all 13 of the Appalachian Governors on a bipartisan basis. So this is a precisely defined finish-up program, a program with a fixed sunset hour, which I think is essential. It is a program that I believe my colleagues from all parts of the country can take pride in supporting.

So, Mr. Chairman, I would urge support of H.R. 10 because I think it does provide an ongoing involvement of the Federal Government at a greatly reduced level from what presently exists; it refines the programs that have worked well; it eliminates those programs on which there is a feeling they have not worked as well and, in general, I think it represents a real step forward in improving our economic development programs at the Federal level.

● Mr. SNYDER. Mr. Chairman, I rise in support of H.R. 10, the National Development Investment Act.

Briefly stated, I rise in support of H.R. 10, the National Development Investment Act.

Briefly stated, H.R. 10 does two things. First, it completely revises the programs provided by the Public Works and Economic Development Act of 1965 and authorizes new economic development programs through fiscal year 1986. And second, the bill extends the Appalachian Regional Development Act by adopting a finish-up program for the Appalachian highway system and the area development programs funded through the Appalachian Regional Commission.

H.R. 10 addresses past criticisms of the economic development program and provides a new look at addressing the economic development needs of the 1980's. It channels assistance to distressed communities where there is a reasonable expectation that this assistance can contribute to the economic vitality and diversification in the area.

As I mentioned, H.R. 10 cures many of the faults in the existing EDA program. For example, the bill simplifies the qualifying criteria and eliminates long-term designations. This will result in a decrease in the number of areas that currently qualify from the present 80 percent of the Nation to approximately 40 percent. Moreover, H.R. 10 abolishes the direct loan guarantee program which has been severely criticized by the administration.

Frankly, I have not been a supporter of the EDA program. However, it has become obvious to me that Congress is not going to allow this program to die—at least not for the foreseeable future. Despite strong administration opposition, the EDA program has been saved time and time again. Even though the authorizations for the EDA program expired in fiscal year 1982, funding for the program was not only continued in fiscal year 1983 under the continuing resolution, but was increased by $100 million in the emergency jobs legislation enacted earlier this year.

Under these circumstances, it would seem to make sense to enact H.R. 10. Why continue to spend funds under a program which everyone recognizes has flaws and can be improved? Should we not make the improvements in the EDA program so that Federal funds can be spent in the most efficient and effective manner? I think the answer is obvious. If Congress is going to continue to fund the EDA program, then we have an obligation to fix it up.

In closing, Mr. Chairman, I strongly believe that the private sector is the mainstay of our economy and the proper place for the vast majority of permanent meaningful jobs. I hope Congress maintains that perspective.

I urge my colleagues to support H.R. 10.●

Mr. HOWARD. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. MINETA), a member of the committee.

Mr. MINETA. Mr. Chairman, I rise in support of H.R. 10, and I wish to congratulate the gentleman from Minnesota (Mr. OBERSTAR) and the ranking minority member, the gentleman from Pennsylvania (Mr. CLINGER), for their leadership in bringing this bill to the House. I would like to thank the chairman, as well, for his part in bringing this urgently needed legislation up.

Mr. Chairman, the National Development Investment Act is urgently needed. Passage of this legislation will help solve the serious problems of decaying infrastructure, high unemployment, and lack of capital in distressed areas, currently facing many of our urban and rural communities.

This legislation has been carefully crafted to eliminate the problems of

the original Economic Development Act. Eligibility criteria have been tightened, local governments will be required to work in cooperation with the private sector, and the Federal share of development money has been reduced to 50 percent for capital projects to assure local commitment.

The program will no longer continuously feed communities which are not helping themselves, but will instead require a commitment by the community to work toward successful economic improvement.

Given the current poor fiscal condition of our States and localities, it is imperative that the Federal Government continue to assist local communities in their efforts to promote economic development. Productivity and growth will be further eroded if our local economies continue to deteriorate.

I urge your support of this measure.

Mr. HOWARD. Mr. Chairman, I yield such time as he may consume to the gentleman from North Carolina (Mr. CLARKE), a member of the committee.

Mr. CLARKE. Mr. Chairman, I rise today in strong support of H.R. 10, the National Development Investment Act, which will continue the important work of the Appalachian Regional Commission and the Economic Development Administration.

I wish to commend Members of both parties on the Subcommittee on Economic Development, especially Chairman OBERSTAR, the ranking minority member, Mr. CLINGER, and the members of the Public Works and Transportation Committee, especially Chairman HOWARD, for their fine work in advancing this important legislation to the floor of the House.

Since its inception in 1965, the Appalachian Regional Commission has brought an unbelievable amount of help to States in the Appalachian area. It has enabled counties and cities to construct new or expanded water and sewer systems; made possible vocational education buildings in high schools and technical colleges; provided needed additions to hospitals and libraries; brought new facilities for industrial development; given major upgrading to the highway access system throughout Appalachia; and made possible other public projects which could not have been accomplished without ARC help.

The Appalachian Regional Commission has raised the level of education and health in the States it serves. It has helped to create jobs and reduce unemployment throughout the region.

The goal of the Commission in the next several years is to bring the same kind of assistance to those counties and municipalities which were not able to participate fully in the work of the Commission in its earlier years. These areas need and deserve the Commission's help.

With the Appalachian Regional Commission's record of successful accomplishment already demonstrated, I urge my colleagues' support for H.R. 10.

Mr. CLINGER. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio (Mr. WYLIE), the ranking minority member on the Committee on Banking, Finance and Urban Affairs, which had jurisdiction of this bill.

Mr. WYLIE. I thank the gentleman for yielding.

Mr. Chairman, I must oppose this legislation before us today, and I do so somewhat reluctantly because I do realize that the gentleman from New Jersey (Mr. HOWARD), the gentleman from Minnesota (Mr. OBERSTAR) and the gentleman from Pennsylvania (Mr. CLINGER) have worked very hard on this legislation, and I certainly do respect their position. However, H.R. 10, the National Development Investment Act, reauthorizes Economic Development Administration and Appalachian Regional Commission programs at a combined level of well over $4 billion. While I am in full agreement with the objectives of this bill—the promotion of economic development in distressed areas of our Nation—I share the administration's concern that the level of funding proposed is excessive.

The single greatest threat to continued broadly based economic recovery—a recovery which will benefit all regions and sectors—is the specter of high interest rates. Real interest rates are still at historically high levels, even though they have come down recently. But the prospects over the last few days that interest rates might go back up causes one concern and holds very serious implications for the key sectors of our economy, such as housing and autos, on which our hopes for recovery rest.

The primary reason that real interest rates remain high, of course, is our inability to bring Federal budget deficits under control. Until the financial markets are convinced that we, in Government, are prepared to make the hard choices necessary to do so, the expectation of future deficits and future inflation, caused by the financing of such deficits, will prevent substantial improvement on the interest rate front. In addition, the Federal Government now consumes well over half of all the private credit available in our capital markets—again, because of deficit spending, as well as off-budget credit activity. As private credit demand increases with economic recovery, the phenomenon known as crowding out will thus also apply upward pressure on interest rates.

While the intent on H.R. 10 is laudable, therefore, and EDA programs have traditionally enjoyed widespread support, enactment of this legislation would only exacerbate our budgetary problems. In other words, although H.R. 10 may well authorize popular programs, they are programs we just cannot afford.

Further, there exists some degree of disagreement over the success of EDA programs. At this point, I would like to quote from a letter written by OMB Director Stockman to Chairman HOWARD of the Public Works Committee, a copy of which was sent to me:

> The bill would continue to subsidize inefficiency. Firms and industries no longer viable would be artificially propped up. Delinquencies or defaults on federally assisted financing, now running at 40 percent of the current EDA portfolio, would continue.

Stockman went on to state that:

> Instead of relying on past ineffective approaches to economic development, the administration seeks to stimulate economic expansion and job creation for this Nation as a whole through tax reductions, regulatory relief and fiscal constraint. For those cases where a more targeted approach may be required, the administration has supported funding for the Community Development Block Grant program ($3.6 billion program level in fiscal year 1984) and the Urban Development Action Grant program ($0.5 billion program level in fiscal year 1984). In addition, the President's Enterprise Zone initiative will stimulate private development in particularly distressed areas.

In conclusion, I will say again that I share fully the intent of the bill before us; economic development is an objective on which we all can agree. What concerns me, however, is that, in voting for H.R. 10, Members may inadvertently be contributing to the very problems—excessive deficits and high interest rates—which are largely responsible for our current economic difficulties. I urge my colleagues, therefore, to keep these concerns, and the administration's position, in mind when voting.

Mr. OBERSTAR. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. LUNDINE), a member of the Committee on Banking, Finance and Urban Affairs.

Mr. LUNDINE. Mr. Chairman, I rise in support of H.R. 10, the National Development Investment Act. This legislation replaces authorizations for the Public Works and Economic Development Act and the Appalachian Regional Development Act which expired in September of last year. Since then, these important programs have only continued in existence by virtue of stopgap funding contained in the continuing resolution.

It is important to national economic revitalization that we approve this legislation without further delay. Solutions to many of our economic problems can only be found at the local level, and therefore, the State and Federal governments must continue to provide support to facilitate development of innovative local efforts to address economic problems.

The bill before us today is particularly suited to assist in this effort. It authorizes $500 million annually for fiscal years 1984, 1985, and 1986, to fund public facilities construction and to establish locally administered revolving loan funds to assist small business and to retain existing businesses which promote economic development and create jobs.

Great care has been taken in this legislation to address the past criticisms of administration of EDA programs. To insure that projects funded under this legislation are part of an overall development strategy, preparation of a development strategy by local concerns interested in assistance is required. To insure that assistance goes to the most distressed communities, eligibility for assistance under the legislation will be determined by a combination of need as defined by high unemployment or per capita income below the national average, and the ability to prepare an adequate development strategy which provides maximum private sector leveraging for Federal dollars.

I am particularly pleased that this legislation contains a provision which allows funding for matching grants for both technical assistance and capital funds to promote employee stock ownership. Such assistance is particularly important in cases where employees seek to purchase plants or firms which otherwise would be shut down.

Employee stock ownership plans (ESOP's) have grown significantly in recent years; there are more than 5,000 of them in America today. Most of these ESOP's hold only a small percentage of a company's stock. Such stock plans can facilitate the capital expansion of a business, broaden the base of ownership, and provide an incentive for improved productivity.

In a small, but growing, number of cases, however, ESOP's have been used by employees to acquire a majority interest in a firm. There are more than 250 such firms in the United States today. In most of these cases, the motivation of the employees for purchase of the firm was to preserve jobs. The most widely publicized case recently has been the effort by employees of the Wierton, W. Va., steel mill to purchase and operate the largest employer in their town.

The success of this option has been examined and confirmed over the last few years during hearings by the House Banking Committee on which I serve, the House Small Business Committee, and the Senate Finance and Small Business Committees. There appears to be three main reasons why businesses which are on the brink of closing can be turned around to operate profitably through employee-ownership. First, a particular division of a conglomerate may suffer from absentee management. If, instead, it is guided by those at the plant level who are familiar with its products and operation, performance may well improve. Second, a plant may be part of an older, declining firm, even though its own operations are profitable. Finally, in this era of fast tax writeoffs and frequent mergers, a parent company may even abandon plants which are still profitable in search of greater returns on investment.

Most often, access to technical assistance and help in leveraging private credit for potential employee-owned firms is crucial to their success. The employee ownership provisions of this bill build on the limited, but important, past involvement of EDA under their title IX program.

The advantages of such assistance is no more vividly illustrated than in a case which enabled the employee purchase of a specialty steel firm in my congressional district in Dunkirk, N.Y. In 1976, EDA granted $10 million to the State of New York which was, in turn, loaned to 35 management employees to purchase the Al Tech Specialty Steel Corp. Since then, the record of Al Tech has been very successful. Perhaps the most impressive fact is that within the first 2 years alone, Al Tech employees paid more than $10 million in Federal income taxes.

I also want to express my strong support for title II of this legislation which extends the Appalachian Regional Development Act by adopting a finishup program for the Appalachian highway system by 1991 and the area redevelopment program by 1988.

Since coming to Congress, I have been an advocate for the Appalachian Regional Commission and have worked specifically to secure the necessary funding for the completion of the Appalachian development highway system. The Appalachian highway program has been particularly important to the area of Appalachia which I represent, providing essential support for the construction of the yet-to-be-completed Southern Tier Expressway. This highway provides an important link for western New York to the rest of the State and Appalachia and has already reduced the traveltime from upstate New York to New York City from 10 hours to 7 hours. Completion of this highway is the single most important public project in the region and is essential to the economic development of the southern tier of New York State. A phaseout of this preferential highway funding program, as provided by H.R. 10, will provide the necessary support for the completion of vital segments of the Appalachian highway system, including the Southern Tier Expressway.

If we are to adequately address the serious economic problems we face, this legislation must go forward. I urge my colleagues in the Senate not to permit this bill to die in that body as they did during the last Congress, but rather to join in moving forward with the House to design an effective program for local economic development.

As many in this House know, I believe our Nation must move in coordination with a national industrial strategy which must have, as one focus, local economic development initiatives such as we consider here today. Such a strategy must be based on increased cooperation between local, State, and Federal governments as well as between the private sector and government at all levels. Absent such a coordinated industrial strategy, as is the case today, the legislation before us becomes more important because it does encourage the type of cooperation between various levels of government and the type of leveraging of Federal dollars necessary to economic growth.

I am hopeful that in the coming months, we will devote a great deal more time to considering how we can better coordinate the important objectives and structure of this legislation with other economic policies and development programs at the Federal level. To the extent that we can do so, I am convinced that we will be utilizing both our public and private resources more effectively to improve productivity and foster economic growth.

□ 1300

Mr. CLINGER. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from California (Mr. SHUMWAY), a member of the Committee on Banking, Finance and Urban Affairs.

Mr. SHUMWAY. I thank the gentleman for yielding this time to me.

Mr. Chairman, I have the utmost respect for the gentleman from Pennsylvania, (Mr. CLINGER), and his work and his support of this bill, and it is for that reason that I am reluctant to rise in opposition to the bill; nevertheless, I feel constrained to do so. I likewise have that same kind of respect for Members on the other side of the aisle who have labored long and hard to bring this bill to the floor and believe that it is the kind of therapy that our economy is in need of.

Mr. Chairman, I rise in opposition to H.R. 10, the National Development Investment Act. I do so with some reluctance. I am well aware of the widespread support for EDA and ARC programs by Members on both sides of the aisle; further, my own district has, in the past, benefited from EDA assistance. As has been mentioned, the Public Works Committee favorably reported this legislation by a vote of 50 to 0; the Banking Committee, to which it was jointly referred, reported it by voice vote. I therefore, have little

doubt as to the ultimate outcome when we vote tomorrow.

I would nevertheless like to outline my reasons for opposition. First, the administration does not support this legislation but, rather, has recommended the orderly phaseout of the Economic Development Administration and the Appalachian Regional Commission. The administration's view is that categorical economic development programs, such as those of the EDA, have generally not resulted in net economic gain. By distorting capital and labor flows, according to the administration, such programs have allowed certain geographical areas to disproportionately benefit relative to others.

Although I appreciate the sponsors' efforts to more strictly target the bill—an effort which addresses one of the most serious problems with EDA programs as traditionally implemented—here, too, the administration argues that some 60 percent of the Nation's counties would remain eligible. I am aware that this figure may be open to question, but the fact that the matter of eligibility is disputed at all is cause for concern.

Finally—and in my view most importantly—I must ask whether we can really afford this legislation, no matter how popular it may be. The prospect of Federal budget deficits in the $200 billion range and up for the foreseeable future is the single greatest threat to the economic recovery now underway. As private credit demand grows with increased business activity, the credit markets will experience even greater pressure. At a time when the Federal Government already consumes well over half of the credit available, the inevitable response of interest rates—already historically high in real terms because of concern about future deficits—is not difficult to predict.

The funds authorized by H.R. 10—$1.5 billion over 3 years for EDA and more than $2 billion for ARC programs—are not especially large relative to the entire Federal budget. Nevertheless, the money authorized is money which will be borrowed and consumed by the Federal Government, either through direct spending or indirectly through credit assistance, at the expense of the private sector.

In short, Mr. Chairman, the firms and regions that this legislation is intended to benefit may well be better off as a result of a healthy, sustainable economic recovery. To the degree that we persist in passing legislation—no matter how popular and attractive—that we cannot afford, we threaten such recovery. I, therefore, urge that H.R. 10 be rejected.

Mr. OBERSTAR. Mr. Chairman, I yield 2 minutes to the gentleman from Kentucky (Mr. PERKINS), the chairman of the Committee on Education and Labor.

Mr. PERKINS. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in strong support of H.R. 10, the National Development Investment Act. This legislation authorizes the continuation of the Economic Development Administration and the Appalachian Regional Commission.

Title I contains the authorization for the Economic Development Administration (EDA). EDA has over the years provided valuable assistance to the district I am privileged to represent. It has enabled the local communities to develop the necessary economic infrastructure to provide for the creation of jobs in the private sector. The continuation of this program will provide the necessary means to continue to foster economic progress.

I would be remiss if I did not commend the chairman of the Subcommittee on Economic Development, Mr. OBERSTAR, for the hard work he has done in crafting this legislation, as well as the members of his subcommittee and the Committee on Public Works and Transportation. This subcommittee visited the Seventh District of Kentucky last year and saw not only the progress that has been made, but also the unmet needs of this area.

I strongly support the passage of H.R. 10, title II which provides for the Appalachian Regional Commission finish-up program developed by the Appalachian Governors at the request of Congress. This legislation is absolutely necessary to assure continued progress toward a sound base for economic stability and growth in Appalachia. It would be tragic to abruptly terminate a program that has contributed so much to the welfare of one of the areas of greatest need, and potential, in our Nation.

Let me review the situation in my own district that leads me to this conclusion. As I look back over the life of the Appalachian Regional Commission's programs, many signs of improving conditions are evident.

In 1960 over half of the people in my district lived in poverty as defined by generally accepted standards. By 1976 this figure had dropped to one-fourth. Per capita personal income was less than half the national average in 1959. Between 1970 and 1979 it climbed from 60 to 73 percent of the average.

In the early 1960's, unemployment had been almost three times that of the Nation. By 1981 my district had gained more than 43,000 jobs and brought the unemployment rate down to more nearly that of the Nation in the late 1970's.

The decrease in population that took place between 1960 and 1970 has been reversed and in the decade of the seventies population grew by 25 percent while the Nation as a whole grew by slightly over 11 percent.

These changes are encouraging. There are a number of reasons for this progress. Certainly the Commission program and other activities supported by it have contributed significantly.

However, as the Governors observed in their report to Congress in December 1981, the job is not done. My district still lags behind the Nation in many indicators that spell continued problems. Although substantial gains have been made in income levels, one-fourth of the population is still below the poverty level, and there are wide disparities in income. About one-third of the counties have incomes averaging only 50 percent of the national average. Unemployment is one-third higher than the national average.

What especially troubles me is this: Unemployment in most of the counties in my district, and elsewhere throughout Appalachia, is still on the rise, in contrast to the rest of the Nation.

For example, in my district, unemployment was running at 18.3 percent at the end of April, an increase of 4 percentage points over the 1982 average. In other words, although the Nation's economic recovery began in February of this year, and national unemployment figures began to turn down, unemployment in the Appalachian region was still rising dramatically.

As of the end of April, there were only two counties in my district with unemployment rates below 11 percent, and there were six counties with unemployment running over 20 percent, including Letcher with a rate of 35.4 percent.

Even though we have seen this region make dramatic strides in its efforts to close the economic gap from which it has suffered so long, the unemployment figures I have cited suggest that Appalachia has been hit substantially harder by the recession than the rest of the Nation.

So I am deeply concerned about the effort to eliminate a program such as ARC, which has as its mission the creation of new jobs. In my opinion, it would be shortsighted and heartless to cut off such a program at this moment in our Nation's history.

We must not allow the gains already made to be lost. A firm foundation for future growth has been established. But we must see Appalachia through this further period of economic distress until we are confident that the region is once more solidly on the path of economic growth with the rest of the Nation.

Mr. CLINGER. Mr. Chairman, I yield 4½ minutes to the distinguished gentleman from Kentucky (Mr. ROGERS).

Mr. ROGERS. I thank the gentleman for yielding this time to me.

Mr. Chairman, I want to add my strong support of H.R. 10, and especially to title II of H.R. 10, which would authorize a finish-up program for the Appalachian Regional Commission.

Last year, in considering H.R. 6100, the predecessor legislation to H.R. 10, I emphasized the progress ARC has made in getting health care out to the isolated parts of Appalachia. I pointed out that the Commission had funded a network of clinics and hospitals, with a goal of putting a primary health care facility, often staffed with a nurse practitioner or physician assistant, within 30 minutes driving time of every person in the region.

But I also pointed out that some 60 of our 397 counties still remained beyond the reach of this network and that the finish-up program would help reach these. Progress has been made since last August 12, when we debated this legislation, but the ARC health program cannot be completed without the passage of H.R. 10.

I have supported all of the provisions of title II because the ARC finish-up program it authorizes is a carefully considered, sound one with bipartisan support at local, State, and Federal levels.

Today, however, I would like to call attention to that portion of the bill which is especially important to the very poorest communities in the Appalachian region. It provides for a change in the philosophy of the original ARC enabling legislation, which dictated that funds be concentrated on those areas that had the best chance for economic growth.

This philosophy led to the successful development of many growth centers but allowed ARC to provide little assistance for the most isolated Applachian counties, among which are some of the poorest counties in the entire Nation.

These counties, in fact, are classic examples of one of Appalachia's historic problems: they are so poor that they have no way of raising money to help themselves through such devices as local bond issues, or to provide the local share to attract dollars from other Federal agencies.

The bill before us would take steps to help correct that problem by setting aside $15 million from ARC's annual appropriation for 5 years to help these counties obtain some of the basic components of a decent standard of living, such as clean drinking water and safe sewage disposal system.

More than 1 million Appalachians live in the distressed counties targeted by ARC to receive these funds. They live in communities ranging from settlements of 50 to 75 persons to small cities 5,000 to 7,000 population. Many live on scattered homesites and farms.

The lack of basic water and sewer facilities not only limits their opportunity to meet critical housing needs; it virtually guarantees disinterest on the part of private investors.

When ARC is terminated, there will be no single source of help for these counties. Therefore, ARC has taken the lead through the bill before us to insure that the Appalachian States and the Federal Government will assume some responsibility for these counties, to give them some basis for future hope and a better living standard.

Projects provided by these special funds might range from a small, package sewage treatment plant serving a half dozen homes at a cost of about $25,000, to a $100,000 water system serving a settlement of 150 people, to a small city sewage treatment plant at a cost of $1 million or more.

Even as ARC is phasing out, we can provide assistance to these distressed counties at a reasonable cost, under the terms of ARC's finish-up plan.

I urge my colleagues to consider these "poorest of the poor" in casting their votes for this bill.

Mr. OBERSTAR. Mr. Chairman, I yield 3 minutes to the gentleman from West Virginia (Mr. WISE).

Mr. WISE. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise today in strong support of H.R. 10 to amend the Public Works and Economic Development and Appalachian Regional Development Acts. As a member of the Committee on Public Works and Transportation, I can tell my colleagues that coming from Appalachia, and West Virginia in particular, I strongly supported H.R. 10 in committee and I thank my full chairman, the gentleman from New Jersey (Mr. HOWARD), and the subcommittee chairman, the gentleman from Minnesota (Mr. OBERSTAR), for focusing the committee's attention on this issue in a timely manner.

H.R. 10, of course, was reported by a 50-to-0 vote.

Mr. Chairman, I live in the heart of Appalachia, West Virginia, and my district includes many towns and communities that need the assistance that will be provided by this measure. Visiting any part of West Virginia quickly shows how much the Appalachian Regional Commission has contributed to the development of my State and my region. Let me take Members for just a moment on a tour of my district and they will see the impact the Appalachian Regional Commission has had and will continue to have on our growth and development.

Of course, this legislation provides grants to States' economic development districts and the local governments to encourage economic development, development that occurs, for instance, if you drive the four-lane artery of Appalachian corridor G that has opened up Kanawha County, Boone County, Lincoln County, Mingo County, and Logan County. The new development where there was nothing 10 years ago, now one sees businesses beginning to flourish.

An industrial park will bring new jobs to Jackson County, and that is there because of Appalachian Regional Commission assistance.

Another Appalachian highway has opened up Nicholas County, and as I drove to Summersville the other night, I followed cars with many different license plates from across the country, drawn there now by easy transportation.

Go to Putnam County, for instance, and visit Eleanor, and see the vocational technical center that trains people for new occupations. Drive up on Cabin Creek, a coal-mining community right now hard hit by unemployment, and see people getting primary health care for the first time at the Cabin Creek Clinic.

Go to one of the many senior centers in my district, many there because of the Appalachian Regional Commission, and see the opportunities that it created for seniors, opportunities, Mr. Chairman, not handouts, and I think that is important to concentrate on because what we are talking about is not a dole, not a continuation of a benefit program, not continuation of something that, when it is spent, runs out. We are talking about growth and opportunities.

The people of the Third Congressional District well appreciate the value of the Appalachian Regional Commission. The people of West Virginia certainly do. It has been a valuable program and we want it to continue over the phaseout period. We know that it will bring the opportunity, the growth, and the climb back from the recession that we are in.

Mr. Chairman, I urge all my colleagues to join with me.

Mr. CLINGER. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Connecticut (Mr. MCKINNEY), a member of the Committee on Banking, Finance and Urban Affairs.

□ 1315

Mr. MCKINNEY. Mr. Chairman, I would like to congratulate my friends, the gentleman from Minnesota (Mr. OBERSTAR) and the gentleman from Pennsylvania (Mr. CLINGER), for the hard work they have done on this bill. As a member of a congressional group along with my friend, the gentleman from Pennsylvania, let me say that this has been a major concern of ours. As a officer of the Northeast-Midwest Economic Advancement Coalition, it has been a concern of ours.

Connecticut is probably one of the richest per capita States in the United States, and yet our development is

very uneven. We, unbelievably enough, have two of the top poverty level cities in the United States of America—Hartford and New Haven. They are among the top 12. Bridgeport, Conn., which I represent, is not far behind. We are the seat of the brass industry no more, we are the seat of the ball bearing industry no more, and we are the seat of the electric appliance industry no more—the specialty steel business, maybe. I could go on and on and talk about Dictaphone, and so on.

We have used the old economic assistance program to great effect within the city of Bridgeport. I do not think in our case it has been wasteful or profligate, and I do not think it has been short-ended. I think it has created economic activity which sustains today, so that in a city with all our problems, we still only—and I use that word, "only," with great sadness—have a 10-percent unemployment rate, where we could have had a 17- to 20-percent unemployment rate.

The National Development Investment Act, I think, is an even better concept. I have some problems with public works, and I am willing to realize that it is not a totally perfect solution. The fact of the matter is that it brings in a private-public partnership, and it looks forward to something more than just temporary short-term jobs. I think the chairman and the ranking minority member are to be commended on that.

I also, Mr. Chairman, feel that we have to recognize that in this particular investment climate, we are not going to get those base industries, which this country must have for our national defense and which this country must have to be a world leader, off the ground without some sort of assistance, some sort of prioritizing, and some sort of effort on the part of the Federal Government.

Last but not least, no one is more concerned than I am with the forcing of credit, having been a 14-year member of the Committee on Banking, Finance and Urban Affairs and serving on the Subcommittee on Financial Institutions. There is a shortage of credit in this country. There is no question that credit is forced out of the market by the Federal Government, but I would suggest that the tragedy is that so much of it is forced out of the market by the Federal Government through waste and stupidity. The Grace Committee has stated that $92 billion alone, I believe, is within the Defense Department. So it seems to me that we should recognize that if this program is used correctly, as I expect its proponents want it to be and I hope it will be with their oversight, this will at least be credit which will produce jobs, which will produce income, which will produce taxes, and which will take people and put them back to work, and that is where in fact savings and credit in the United States come from.

Once again, Mr. Chairman, I commend the committee. We have exercised the jurisdiction, and I am very proud of what it has come forth with. I hope that the House will pass this bill in an overwhelming fashion.

Mr. OBERSTAR. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. DE LA GARZA), chairman of the Committee on Agriculture.

Mr. DE LA GARZA. Mr. Chairman, I thank the gentleman for yielding this time to me, and I take the time to commend the members of the committee, along with the respective chairmen, including the subcommittee chairman and ranking members.

Mr. Chairman, as one of the cosponsors of the original EDA bill, let me say that we looked at the time with great expectation and with great optimism, as we always do with all legislation that we enact, and let me assure the Members, Mr. Chairman, that this is one of those bills that has evolved into all the expectations that we had at that time.

I know that there are problems, and some Members may be concerned about reducing credit or taking money out of the private sector, but in areas such as mine in south Texas, where we have low income, high unemployment, and many other problems that the private sector cannot take care of by and of itself, the EDA has been our salvation in many areas.

I can assure the Members that in my area one can walk around through all my congressional district and point to the rural water supply district, point to the factories, point to the fisheries installations, and point to where the jobs are and realize this is true.

Sometime ago, I saw a very graphic presentation by one of our economic development districts. No one spoke; They just showed slides showing how much money went in from EDA, how much money went in from the private sector, and how many jobs were there at that time. No one spoke. I wish that all of the Members could have seen that presentation, because that was what the initiators of this program were looking for, and there it was fulfilled in my congressional district where we can count the jobs. And we can probably count the savings accounts and probably count the bank accounts of people that would not otherwise have a job or a steady job, as many of them were migrants that had to rely on seasonal employment. Many jobs are there now because of EDA and similar programs. I might add that we have had exemplary leadership from the professionals at our regional headquarters from EDA, and cooperation with local interests.

Mr. Chairman, I commend the committee, and I hope that we can continue with this type of program that enhances the quality of life and makes it possible for the individual to care for himself, and his family as all of us would want him to do.

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

Mr. CORRADA. Mr. Chairman, I rise in support of H.R. 10, legislation to amend the Public Works and Development Act of 1965.

The bill before us today, the National Development Investment Act of 1983, would modify and expand the various programs of the Federal Economic Development Administration, an agency that has been an invaluable tool since its inception in helping distressed areas such as Puerto Rico to combat high unemployment.

The EDA's programs to help develop public facilities such as roads, ports, water and sewage systems, and education and health facilities fund projects at the local level. In doing so, EDA gives our Nation's cities, and the cities and towns of Puerto Rico, direct Federal assistance for economic development. This assistance has been extremely flexible in providing productive job opportunities, and in helping develop infrastructure so necessary for progressive economic development.

Mr. Chairman, our colleague and floor manager for this bill, Congressman JAMES OBERSTAR of Minnesota, has once again done a commendable job in reporting this legislation which, I would like to note, has the strong bipartisan support of the House Committee on Public Works and Transportation.

It is necessary to pass this authorization since the continuing appropriations resolution for fiscal year 1983 kept alive the programs of the Economic Development Administration and the Appalachian Regional Development Commission.

In passing a similar bill last year in the 97th Congress, the House clearly recognized the importance of EDA in helping the country on the road back to economic recovery.

In passing the emergency jobs stimulus earlier this year, the Congress provided additional funds to EDA to help put people to work in a very short period of time. EDA was provided $100 million in additional funds for public works grants and the response to this provision from Puerto Rico can provide an indication of EDA's proven and time-tested popularity.

The legislation before us today authorizes $500 million for each of the next 3 fiscal years for a new economic development program to replace the existing public works grants authority. It also provides funds for the highway program of the Appalachian Regional Development Commission, and a total

of $399 million for ARDC's nonhighway programs.

In addition to the public works provisions for which $425 million of the $500 million will be allocated, H.R. 10 sets aside $75 million for a very important program of technical assistance grants to help mayors and their communities develop broad, long range economic development plans. It also allows them to come up with a development investment strategy which would analyze a specific area's economic problems and priorities, and help develop other available resources on the Federal, State, and local level to help communities achieve self-sufficiency for that area.

Since 1965 and the inception of EDA, Puerto Rico has made wise and imaginative use of the regular programs of EDA such as business loans and guarantees, technical assistance projects to municipalities and governmental entities on the island.

A total of $126,366,000 in Federal assistance in regular EDA programs benefited Puerto Rico since then. This included the development of 91 public works projects in the amount of $71,165,000 plus 40 business loans and guarantees at a level of $28,079,000 in loans and $16,695,000 in guarantees and 48 technical assistance projects at a level of $2,993,000.

In addition, the island utilized a total of $1,254,000 in Federal funds for 16 planning grants, and undertook 7 economic adjustment projects with $6,180,000 in Federal funds.

Applications which display a high ratio of private investment to public funding would be given highest priority, and this provision assures that Federal assistance will be used to leverage additional investment from the private sector.

Given the constrained resources at the Federal level, I believe the language in H.R. 10 calling for increased involvement of the private sector and the cooperation between mayors and private investors will greatly benefit the living environment in urban areas.

Mr. Chairman, H.R. 10 is a positive and reasonable approach to modifying the existing programs of EDA for economic development.

It merits our support, and I am hopeful that the House vote on this legislation will indicate the strong support for the continued presence of the Federal Government in economic development programs throughout the Nation, including Puerto Rico.

Mr. Chairman, I commend the gentleman from Minnesota (Mr. OBERSTAR) and the ranking minority member for the excellent and commendable work they have done on this bill.

Mr. CLINGER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would just like to respond to some of the points that have been made during the debate this afternoon. I was particularly interested in the remarks by the gentleman from California whose opinion I respect and with whose concern for this bill I am very sensitive. But I would make a couple of points with regard to some of those concerns.

However one may feel about the Economic Development Administration, whether one is pro-EDA or anti-EDA, I think it has become abundantly clear over the past 2 years that EDA is going to be with us and that it is not going to go away. Whereas I can respect the administration's feelings that it would like to see EDA phased out and block grant programs replace it, as a pragmatic matter that is just not going to happen.

The point that I think should be made here is that the program that we now have, as administered under the Public Works and Economic Development Act of 1965, as amended, has many of the programs in it that the administration most seriously objects to, and what H.R. 10 does is to eliminate those very programs it feels have been ineffective and wasteful and creates a program which will insure, we believe, a cost-effective program. So even if one may have reservations or be skeptical about the Economic Development Administration, this bill represents a vast improvement over what exists to the present time, and I think it also needs to be said that the program is going to be with us.

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

Mr. CLINGER. I yield to the gentleman from Arkansas.

Mr. HAMMERSCHMIDT. Mr. Chairman, I want to associate myself with the remarks of the distinguished gentleman from Pennsylvania (Mr. CLINGER), the ranking minority member of the EDA Subcommittee and state as a former member of that committee and ranking minority member of the subcommittee, I am very pleased that he is taking this active role.

Mr. Chairman, H.R. 10 passed out of the Public Works and Transportation Committee by a unanimous 50-to-0 vote. This bipartisan effort by a full committee is, in my opinion, due to two facts. First, that EDA's existence is a political reality. Money has been appropriated for EDA without any authorization and the recent jobs bill included $100 million in emergency jobs legislation for EDA. All this is with the administration expressing its strong opposition to the EDA program. The second fact is H.R. 10 will result in a complete overhaul of the EDA program.

H.R. 10 cures many of the current faults found with EDA. H.R. 10 makes the qualifying criteria simple and straightforward and requires the aplicant to requalify with each application. This will result in a decrease of the areas that currently qualify from the present 80 percent of the Nation to approximately 40 percent of the Nation resulting in the targeting of the aid to distressed areas. Further, H.R. 10 will abolish the direct loan guarantees administered by Washington and allow those functions to be carried out by revolving loan funds at the local level.

These changes are well thought out and make sense to both those who support EDA and EDA's critics given the programs existence.

H.R. 10 also continues the Appalachian regional program along the lines of the Government finish-up plan.

As stated in H.R. 10, the private sector is the mainstay of our economy and the proper place for the vast majority of permanent meaningful jobs. I hope Congress maintains that perspective. However, I believe EDA will exist in one form or another for the next several years and thus reorganization to make EDA more efficient.

Mr. CLINGER. Mr. Chairman, I thank the gentleman from Arkansas (Mr. HAMMERSCHMIDT) and I would just like to publicly acknowledge the impact that the gentleman has had on this bill, not only on this bill, but on economic development programs over the many years that he served as ranking minority member of the Economic Development Subcommittee.

The one point that I would make is that the Office of Management and Budget under Mr. Stockman insists over and over again that EDA does not create any net improvement in the number of jobs in this country, and that just flatly is not true. We have study after study and evidence piled up to the ceiling where we can demonstrate that EDA has had a significant impact in many areas of this country, not creating short-term public service employment jobs, leaf-raking, makework jobs, but indeed long-term, permanent private sector jobs. To me that is what economic development is all about, creating private sector jobs which returns something to the economy rather than taking something out of it.

Finally, I would point out that the budget that the administration objects to, with the $4.3 billion, is a little misleading, because it combines a 3-year EDA authorization with a 5-year ARC nonhighway program authorization and a 10-year ARC highway authorization. So it is a little misleading to say that this is a vast budget buster because we are really talking about a combination of three programs over a 10-year period. We only deal in 3-year increments in the Congress, and in that context this is well within the budget authority we have set. Finally,

I would say that it is well below the budget authority that is contained in the Public Works and Economic Development Act as it exists now.

So, Mr. Chairman, any way we look at this thing, we improve the program by enacting this bill.

Mr. Chairman, I have no further request for time, and I yield back the balance of my time.

Mr. OBERSTAR. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from Minnesota (Mr. OBERSTAR) is recognized for 3 minutes to conclude debate.

Mr. OBERSTAR. Mr. Chairman, I want to make it clear that this is economic development legislation, and that this is a program to promote long-term job-creating industries that will create permanent employment in the private sector. This is not a quick-hitter, short-term economic recovery, put-people-back-to-work type of program. This is basic economic development legislation to assist communities which will not share in the Nation's general economic prosperity, regardless of how resounding a recovery we may have. We hope this prosperity will come and indeed it now appears to be painfully, step by step, taking place. But regardless of how strong that recovery is, there are communities and there are areas that are going to be bypassed. This legislation helps fill those gaps, and it does so in a way that provides communities, States, counties, and areawide economic development districts the greatest amount of flexibility to design those programs and projects which will serve their areas as they see fit to help create jobs where they are most needed, without Washington hovering over and telling them how to do it or what to forbear from doing.

We have devised here, I think, the ultimate economic development legislation for the decade of the 1980's and beyond. We have built upon the practice, the experience, and, yes indeed, the mistakes of the past, and we hope and we feel very confident, on the basis of our hearings, that we have corrected the mistakes, cleared the path and charted new ones for economic development in the future.

Mr. Chairman, I want to thank my colleague, the gentleman from Pennsylvania (Mr. CLINGER) who has step by step walked with me along the path of creating this new legislation. It is not very often that we do that in the Congress, that we take the slate and wipe it clean and start with fresh ideas and create something new and solid, something that really does look to the future without holding on rigidly to the past. We have done that in this legislation thanks to the splendid bipartisan cooperation on both sides of the committee aisle.

I want to thank the genteman from Connecticut (Mr. MCKINNEY) for his splendid observations on the need for this legislation even in a State such as his which overall has general prosperity but which has pockets of distress and a serious need for a helping hand to help chart the course for the future. I thank the gentleman for his support of this legislation. I appreciate again all the support the members of our committee have given us.

Finally, on the subject of the Appalachian Regional Commission, our subcommittee traveled through that area, held hearings there, and received testimony from witnesses throughout the region. I can say, from that record, that what we have charted for the future of Appalachia is a modest close-out program, one that is needed to help that area which is so close to getting itself upright again after 100 years of neglect. We cannot cure that long a period of decline in the 18 years we have had in our experience with ARC, but just a few more years will put it over the top in the key areas of health, education, vocational training, community facilities, and highway programs.

Mr. Chairman, I urge the support of the full House for this legislation.

● Mrs. BOGGS. Mr. Chairman, I rise to express my enthusiastic support for the National Development Investment Act. The work of the chairman of the subcommittee, the gentleman from Minnesota (Mr. OBERSTAR), and for the ranking minority member, the gentleman from Pennsylvania (Mr. CLINGER) for formulating a most responsible bill is certainly praiseworthy. Their experience, dedication, and leadership along with the knowledge of other subcommittee members combined with long hours of work have fashioned a piece of legislation that will make major improvements in the effectiveness of our Nation's economic development initiatives. I would also like to recognize the leadership and vision of the full committee chairman, the gentleman from New Jersey (Mr. HOWARD), and ranking minority member, the gentleman from Kansas (Mr. SNYDER) in insuring that the House would again have the opportunity to express its approval of this much-needed legislation.

EDA assistance has been important to the district I am privileged to represent, the New Orleans and Jefferson Parish areas in addressing critical infrastructure needs and in providing or—importantly—retaining jobs. At a time when the need for shoring up the infrastructure and encouraging industry is so important and the need for jobs is so great, it is essential that we breathe new life into our economic development program.

H.R. 10 consolidates the most successful features of the previous program and changes features that have been unsuccessful. This measure represents a restructuring and tightening of EDA programs and provides a focused, streamlined, cost-effective approach. The new approach scales down eligibility requirements by setting up very clear and specific criteria so that areas of greatest need will receive assistance.

This proposal assists local government in developing a strong economic base to support growth and encourage economic renewal, while at the same time giving local officials the maximum flexibility to choose the course of action best suited to their economic needs. By placing the responsibility for development largely at the local level, by requiring a strategy for the area concerned that includes long-term goals, and by limiting Federal grants, the impetus for continuing economic development with the use of private and public nonprofit financing is reinforced.

Aimed at rebuilding the economic base of our Nation's distressed areas, this bill puts emphasis on infrastructure repair and rehabilitation, instead of new construction, to help overcome decades of public capital neglect. It concentrates its impact on small businesses—which, not at all incidentally, generate two-thirds of the Nation's new jobs—by establishing locally administered revolving loan funds to provide seed capital business startups and expansions.

This legislation combines the strengths of the EDA with the developed professionalism of communities in economic development planning and operation. It is an excellent prescription for addressing our economic development needs. I am proud to be a cosponsor of H.R. 10, the National Development Investment Act, and I urge you to join me in supporting its passage.●

● Mr. NOWAK. Mr. Chairman, I rise in support of H.R. 10, the National Development Investment Act, which includes reauthorization and refinement of programs under the Economic Development Administration (EDA).

In recent years there have been efforts to abolish EDA. However, our experience with this agency in western New York indicates it has been a valuable resource, providing badly needed funds to foster economic growth and stability and to create jobs.

H.R. 10 would revise the EDA loan and grant programs, placing particular emphasis on targeting these limited Federal dollars to certified distressed communities and also specifically assisting small businesses which are such a vital component of our Nation's economy. This legislation, therefore, would continue a prime EDA role, namely providing sorely needed seed money to stimulate private investment

and the creation of permanent and meaningful jobs in the private sector.

Unemployment has risen to 17.5 percent in Buffalo, N.Y., and the national rate is still hovering at the 10-percent mark; thus, from both my districts' point of view and the Nation's, we need the targeted assistance the Economic Development Administration has proven it can provide.

In recent years EDA has provided assistance to the Erie County, N.Y., Industrial Development Agency, which has used these funds for a variety of purposes including establishing a revolving loan fund which was particularly helpful to small, growth-oriented firms lacking access to easy sources of investment capital.

With EDA seed money, the ECIDA-affiliated Buffalo and Erie County Regional Development Corporation provides permanent working capital, in the form of near equity financing to employment-generating manufacturing companies locating or expanding in the area.

In 1982, the RDC closed loans totaling $3.16 million, leveraging an additional $19.875 million in private sector financing participation for 12 area firms.

By the end of 1982, the RDC had loaned a total of $7.8 million for 38 local manufacturing company expansions which have created or retained 2,033 jobs. In conjunction with other agencies and the area's commercial lending institutions, RDC loans have leveraged more than $40 million—4:8:1 leverage ratio—in additional expansion funding.

Thus, it has been my experience that EDA has worked well to help stimulate private sector growth and development and I support this legislation which would continue EDA as an invaluable element in the long-range revitalization of our national economy.

Finally, I would like to commend our colleagues from Minnesota (Mr. OBERSTAR), the distinguished chairman of the Subcommittee on Economic Development, for the leadership, patience, and perseverance he exhibited during the last 2 years in developing this important legislation.●

● Mr. RAHALL. Mr. Chairman, I rise to express my strong support for H.R. 10, the National Development Investment Act. This legislation establishes a successor agency to the Economic Development Administration and adopts the Governor's finish-up program for the Appalachian Regional Commission (ARC).

Under title I of this act, States, economic development districts, and local governments would be able to receive a 50-percent matching grant to encourage economic development, diversification, and adjustment. In contrast to the previous EDA program, this act will target funds to the most distressed areas of our country. To qualify for funds a community must meet one of the following criteria; unemployment 1 percent above the national average for the most recent 24-month period, per capita income of 80 percent or less than the national average, or an unexpected sudden rise in unemployment brought about by a factory or base closing. This bill will authorize $500 million annually for 3 years under title 1. Funds can be used for the construction of public facilities, the establishment of a locally administered revolving loan fund that would assist small businesses and help to retain them, and other projects that promote development and create jobs.

Those of us who live in Appalachia are most pleased with the inclusion of title II in this act. Title II adopts the Appalachian Governor's phaseout program for ARC. ARC has been the major catalyst with reversing population trends, encouraging the further development of the region's energy resources—mainly coal—providing safe drinking water for many communities, improving access to medical care, and building vocational centers for our children. H.R. 10 directs our attention to some of the most pressing problems still facing Appalachia, such as the need for an efficient highway system and adequate health care, for those areas that badly need help from the Federal Government.

The bill accelerates construction of the ARC highway system for completion by 1991, authorizing $215 million for fiscal year 1984 with graduating increases to $364 million in fiscal year 1991—$83 million is authorized for nonhighway programs for fiscal year 1984 and fiscal year 1985, $79 million for fiscal year 1986 and fiscal year 1987, and $75 million for fiscal year 1988. This will allow for the completion of the primary health care program under ARC by the end of fiscal year 1986 and the completion of other area development projects by the end of fiscal year 1988.

Mr. Chairman, as I travel throughout my district I find a great deal of suffering remaining in our small towns an rural areas. My State, West Virginia, still leads the Nation in unemployment with nearly 20 percent of its workers jobless. One county in my district, McDowell, has an unemployment rate close to 40 percent. We cannot afford any more plant closings. Many communities in West Virginia need assistance, such as that provided in H.R. 10 to create development districts which will provide urgently needed jobs.

I wish to thank both the chairman of the Committee on Public Works and Transportation, Congressman JAMES HOWARD, and the chairman of the Subcommittee on Economic Development, JAMES OBERSTAR, for their help in bringing some fairness to this administration's policies. This legislation shows a continued commitment by Congress to small and rural America and I urge its adoption by the House of Representatives.●

● Mr. BORSKI. Mr. Chairman, the Economic Development Administration has provided much-needed support for vital economic revitalization projects in Philadelphia over the past 10 years. EDA grants have leveraged millions of dollars of local money to renovate commercial areas, rehabilitate port facilities, and make improvements in industrial parks.

The largest single project to date has been the American Street Industrial Conservation District program. The loan fund for this project has awarded 32 loans totaling $10 million for investment in this area, creating 1,022 new jobs and retaining 2,113 existing jobs. Development is continuing in this District and, if additional funds are approved through the emergency jobs bill passed earlier this year, 2,100 more city residents could benefit through the creation or retention of jobs.

Today I rise in support of H.R. 10, the National Development Investment Act. This legislation will not only reauthorize but restructure the EDA, generating permanent, private sector jobs in areas of the country that have experienced great distress.

It is not a quick-fix, short-term jobs bill. It authorizes $500 million annually for the next 3 years to promote economic and regional develpment, and assist local governments in building the necessary public facilities to support private investment. The Federal Government will provide a 50-percent grant to States, local governments, and economic development districts for the construction of public facilities, or to establish locally administered revolving loan funds to assist small business or to retain existing business. This leverages private investment, and requires that public officials and private enterprise work together to solve local economic problems. As such, it is an effective tool for stimulating private investment, employment, and productivity in targeted areas.

Mr. Chairman, in the past we have heard criticisms of the EDA. This bill, however, has been carefully authored to address these shortcomings.

One of the key changes in this bill is the requirement of local governments to develop a total investment strategy. This replaces the piecemeal project-by-project approach used in the past, and thus concentrates resources in a far more coordinated economic development effort. Private sector and intergovernmental cooperation and coordination is required to identify local economic problems. Local officials must give a history of their investments in the area and their sources,

address ways to solve the problem, and identify the projects and benefits of such projects. This comprehensive approach will give local officials the maximum flexibility to choose the course of action best suited to their economic needs, while allowing for Federal dollars to be spent far more wisely.

This is a modest bill, yet it gives us the opportunity to do something positive to encourage economic recovery. It provides for a true partnership between the Federal, State, and local governments with the private sector. With the current poor fiscal condition of our States and localities, it is crucial that the Federal Government continue to assist local communities in their efforts to promote economic development.

I would like to commend the author of this legislation, JIM OBERSTAR, who chairs the Subcommittee on Economic Development, for his leadership on this innovative approach to economic development. His continued dedication in searching for solutions to our twin concerns of employment and infrastructure repair are indeed admirable.

I would also like to commend my colleague from Pennsylvania, BILL CLINGER, the ranking minority member of this subcommittee, who was instrumental in the 97th as well as the 98th Congress in fashioning and supporting this bill.

H.R. 10 was reported out of Public Works by a unanimous 50 to 0 vote. I hope that the bipartisan support this bill received in committee will be duplicated in the full House, and I strongly urge my colleagues to support this vital legislation.●

● Mr. SUNIA. Mr. Chairman, I rise in strong support of H.R. 10 today, and wish to offer my remarks in the form of an extension and revision of my remarks, if there is no objection.

Mr. Speaker, H.R. 10 is a very important bill and an important piece of legislation for my district—the territory of American Samoa.

I am happy to speak in favor of H.R. 10, the legislation that we are debating today. As a member of the Subcommittee on Economic Development, I have tried to be a diligent participant in the hearings leading to development of this important bill. I am pleased to be a cosponsor and to be an advocate for the Economic Development Administration (EDA).

Our subcommittee, under the thoughtful leadership of Chairman JIM OBERSTAR, has carefully reviewed the present and past activities of the Economic Development Administration and the Appalachian Regional Commission. We have heard from dozens of witnesses from all parts of the country who have had experience with these programs. There was virtually unanimous agreement among them that we need to continue Federal programs which provide development assistance to economically distressed urban and rural areas. The only negative comments were from the representatives of the administration.

The bill has an unusually broad base of support among Democratic and Republican Members of Congress, big city mayors, small town leaders, county officials, and professional economic development practitioners—the gamut of political and interest group leaders.

Of particular importance to me and the people I represent, is the value of economic development funds for rural areas. While funds for development in large urban centers as provided by the Department of Housing and Urban Development have been maintained during the past 2 years, funds for most rural economic development programs have been cut. And, if the administration had had its way, programs, like EDA and ARC would have been abolished, while development programs in the Farmers Home Administration (FmHA) would have been cut by 75 percent and folded into a block grant.

Our committee has examined the program and has responded to criticisms by tightening eligibility; requiring a development strategy to be prepared by local governments with participation by the private sector; and reducing the Federal share to 50 percent for capital projects to assure local commitment. This means that funds will go to the neediest communities who have a strategy for economic self-improvement—this is very important.

The problems of rural areas are severe, to quote from the Reagan administration's rural development strategy:

> Progress has not visited every rural region. Many rural areas continue to suffer poverty, isolation, and decay of facilities. On the average, rural America still lags behind urban America in measurable indicators of income, education, and housing conditions.

The National Association of Development Organizations (NADO) which represents locally based economic development organizations located principally in small cities and rural areas has said:

> Without the help provided by this legislation, many of the nation's small communities will not be able to expand or even to retain their economic bases and will again lose population. One result would be additional burdens on major cities as unemployed rural youth would migrate in search of jobs. What is needed is a nationwide approach, such as H.R. 10, which gives balances consideration to both urban and rural economic development needs.

This, in conclusion, Mr. Chairman, I cannot support H.R. 10 too strongly—it is good for my district and it is vital to our Nation. Thank you for the opportunity to include my humble comments—even as a nonvoting Congressman.●

● Mr. MOLLOHAN. Mr. Chairman, I am pleased to associate myself with the many positive aspects of H.R. 10, the National Development Investment Act of 1983, which we are considering today. This bill—if enacted—would be extremely beneficial to the First Congressional District which I represent as well as the entire State.

While the economy seems to be improving throughout the country, West Virginia does not appear to be encountering the economic upturn that other, more fortunate areas are experiencing.

Many of you are familiar with the high unemployment and severely depressed economy of West Virginia—a tragic situation for the State's proud people and aggressive business community. People are not working; factories are not producing; cities and counties are not able to make ends meet; and the State overall is not in a position to continue many longstanding programs, services, salaries, and projects.

As a cosponsor of this measure, I believe H.R. 10 goes a long way toward addressing both the symptoms and the underlying causes of West Virginia's economic misfortune. By extending and consolidating the programs of the Economic Development Administration (EDA) and reauthorizing the programs of the Appalachian Regional Commission (ARC), we seek to make long-term structural adjustments which will facilitate economic recovery. Both EDA and ARC have made significant contributions to my district and to the State of West Virginia over the years. A continuation of these programs is essential at this particular time.

The passage of H.R. 10 will assure the availability of EDA grant money to establish a wide range of economic and community development strategies in distressed areas, including money for public facility construction, economic adjustment planning, and locally administered revolving loan funds to assist area business and industrial growth.

My entire district qualifies for EDA assistance and, if H.R. 10 is adopted, I know West Virginia will have an opportunity to help itself, because I will personally make First District city and county officials aware of EDA's ability to help local economies and, in turn, help the entire State's economy. I will also work with the private sector to strengthen its involvement in economic and community development activities.

In addition, H.R. 10 provides direction for the finish up of ARC through fiscal year 1988 for its nonhighway programs and through fiscal year 1991 for its highway programs.

During its existence, ARC has helped West Virginians in so many

ways. Many essential public facilities—county courthouses, fire stations, water and sewer systems, and recreation areas—would not have been possible without ARC and EDA assistance. On many occasions, these Federal programs served to round out the financing package at a point when the future of the project was uncertain.

Further, ARC's area development assistance to community health centers, hospital, vocational education facilities, libraries, and housing complexes are responsible, in large part, for West Virginia's meaningful health and social gains.

Building interstate-grade highways in mountainous West Virginia is not easy, but ARC's highway development aid has been instrumental in furthering State transportation goals. My district and adjacent areas have been most fortunate in that ARC's highway development aid helped build U.S. Route 50 from Clarksburg to Parkersburg, as well as U.S. Route 48 from Morgantown to Cumberland, Md.

Significant progress has been made throughout Appalachia, but ARC's helping hand is still needed, and I fervently support its continuation as directed by the finishup plan included as part of H.R. 10.

I heartily commend the members of the House Public Works and Transportation Committee, as well as the members of the House Banking, Finance and Urban Affairs Committee for their timely consideration of Development Administration and the Appalachian Regional Commission.

Knowing that this bill will give individual communities an opportunity to regain control of their economic futures by helping them solve the problems of high unemployment, decaying infrastructure, and lack of capital in distressed areas, I urge my colleagues to join in support of H.R. 10.●

● Ms. KAPTUR. Mr. Chairman, I would like to express my strong support for H.R. 10. This legislation would provide assistance for local and regional economic development—area-based development which is vitally needed today. The news of a nationwide economic recovery masks the severe and deep-rooted economic dislocation which continues in areas across America.

The bill provides $1.5 billion for economic development programs over the next 3 fiscal years. These programs would include the support of infrastructure development. Our Nation's infrastructure—its bridges, ports, roads, sewage disposal—are essential to our economic growth. The Nation's infrastructure is in terrible disrepair. A recent CBO study estimated that it would take $53 billion a year to correct the infrastructure problem between now and 1990. The funding in H.R. 10 is a modest, but important step toward the country's reconstruction.

Moreover, H.R. 10 would require applicants to prepare development investment strategies. As a result, localities would have to fit any funding they receive into a master plan. Short-term projects would have to accord with a long-run plan. The development investment strategies would also include identifying other possible sources of funding (Federal, State, local, or private sources). A small amount of H.R. 10 funding could then be leveraged with funding from these additional sources.

H.R. 10 also extends the Appalachian Regional Development Act. It is no secret that the Appalachian region is one of the most underdeveloped in this country. The completion of the Appalachian highway system for which this bill provides should contribute to the region's vitalization.

Finally, I would like to express my support for the Banking Committee amendments to be offered by Congressman LAFALCE. In particular, I am strongly in favor of the amendment which would prohibit assistance for projects intended to relocate industrial or commercial plants from one area to another. Rotating companies around the country does not, in sum, benefit this country. In fact, these transitions are not costless, as communities struggle to cope with the dislocation caused by a plant's departure and, oftentimes, as communities struggle to cope with the costs of rapid growth. The Federal Government should not be assisting this counterproductive competition between different areas.

H.R. 10 is a good bill. Nationwide economic recovery does not benefit all areas of the country equally. The need for economic assistance targeted to needy areas remains. The economic recovery also would benefit from another push in the right direction. Infrastructure development helps insure growth in the economy far into the future.●

□ 1330

The CHAIRMAN. All time has expired.

Mr. OBERSTAR. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore. (Mr. DE LA GARZA) having assumed the chair, Mr. ROSE, 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. 10) to amend the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965, had come to no resolution thereon.

GENERAL LEAVE

Mr. OBERSTAR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 10.

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

There was no objection.

HOUSING AND URBAN-RURAL RECOVERY ACT OF 1983

The SPEAKER pro tempore. Pursuant to House Resolution 248 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1) to amend and extend certain Federal laws that establish housing and community and neighborhood development and preservation programs, and for other purposes, with Mr. MINETA 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.

Under the rule, the gentleman from Texas (Mr. GONZALEZ) will be recognized for 1 hour, and the gentleman from Connecticut (Mr. MCKINNEY) will be recognized for 1 hour.

The Chair recognizes the gentleman from Texas (Mr. GONZALEZ).

Mr. GONZALEZ. Mr. Chairman, I yield myself such time as I may require and reserve the balance of the time.

Mr. Chairman, I take considerable and great pride in bringing before the House the pending bill, H.R. 1, which is the Housing and Urban-Rural Recovery Act of 1983.

The designation of this bill as H.R. 1 should be a very clear indication of the urgent importance of this Nation's housing policy, not only as a question of economic policy, but as an absolute human imperative.

I must say that even though I am very proud of the fact that we are being offered this opportunity to present H.R. 1, that this bill was a result of a crying need that has emanated from our American citizens throughout the country.

The Subcommittee on Housing and Urban Development for the past 2 years conducted the most extensive and comprehensive set of hearings in the history of that or any other committee. Despite the tremendous opposition, not on the merits of the policies and the programs, but because of budgetary imperatives and constrictions, we had to confront a very headstrong opposition to even a minimal consideration of the sustenance of these programs for the past 2½ years;

so that at the beginning of this Congress, or not later than 2 weeks after the formation of the committees, the subcommittee got to work and immediately subtracted from the original H.R. 1 two emergency sections; first, to help these American families who are about to lose the great American dream, a home, due to unemployment, and the other to help those poor, destitute persons who have no home and are forced to live in the street.

Again, this was the result of a burgeoning critical need that we saw and heard as late as last December in the lameduck session in which we had emergency hearings for such a problem as the home mortgage assistance program.

Finally, even though the committee acted expeditiously and did act in line with the designation of that bill as a housing emergency bill for the homeless, as well as assistance for the homeowner, and actually this assistance was not an entitlement program, it was a loan program. Even that is today languishing in the Senate, opposed bitterly as a basic principle of program and policy.

There is no denial of the need, as there is no rebuttal of the need and the burgeoning cries of the need emanating from the American people and the reason and the basis for the structure of H.R. 1, which we are presenting here today.

Every living creature has certain absolute needs: Adequate food, adequate health, and adequate shelter. It does not matter what order of life we are talking about, for not even the simplest one-cell microbes can survive without those essential minimum conditions. From the bottom of the ladder of biological things up to ourselves and our fellow human beings, survival is not possible without adequate shelter. That is what this bill is all about, shelter, and that is the one single issue before us here today.

The position of the present administration is that Government has no need to be involved in the business of providing shelter. It claims that there is plenty of adequate housing already in existence, although there is no rebuttal of the factual testimony and the facts to buttress that testimony and even despite the flimflam and the attempted brainwashing of our people in the so-called recovery, is this need denied.

The claim that there is plenty of adequate housing already in existence is not borne out by the facts of the testimony presented by witnesses, Americans from every single geographical center or region of this country in both urban as well as rural. The administration is not troubled at all that for millions of Americans it is not possible to pay the rents or the mortgages for that housing. As I am speaking to you, I am receiving these cries, pitiful cries for help and assistance, not even a bailout, but just the ability to have credit allocated, where for once it would be for Americans of the most stable kind, the people who have been paying on a home for as long as 15 years and want to hold on to the only connection they have with the soil of this great country.

The administration is not concerned that because millions cannot afford a decent life, that those millions are forced to live in conditions that are at best intolerable and at worst impossible, not because these people are any less human, not because they have tried their best not to help themselves, because they have given up trying is it that they live in degradation or cold, as this last winter, and dying on our streets. As I have said repeatedly, we do not have to go to Calcutta, India, any more to see people dropping dead on the streets from exposure.

□ 1340

We had them right here in this country, in this Capital this last winter, and still we have an impervious, hard-shelled resistance, obstruction to even a minimal lifeline of help to these great American families.

They live in such conditions because they have no choice.

Franklin Roosevelt said early in his Presidency that the picture of America was an America where one-third was ill housed, ill clothed, and ill fed. This is the economic recovery that our President is talking about? This is where we are fast approaching.

In the interim period these housing programs that we are fighting desperately now to save have housed America.

The miracle of the world was performed because of housing programs, because of Government intervention under FHA which this administration was considering abolishing early in the inception of this administration. Had it not been for this subcommittee they would have succeeded. Let us face it. This is the fight that is confronting us today.

I say what a horrible tragedy it would be to turn mischievously the hands of the clock backward this way where we can say now that just in the last 2½ years the number of substandard, unacceptable dwellings has increased by more than 10 percent. This is adequate housing when the programs of a President and an administration call for the elimination of the only programs and policies that have housed Americans and performed, I repeat, the miracle of the world?

In 1940 over 60 percent of America's housing was substandard. When the President was talking about one-third ill sheltered, he was talking about really being ill sheltered, shelterless. But the standard of quality of the housing was so deteriorated in 1940 that over 60 percent was undesirable.

In 40 years' time, by 1980, that figure was less than 7 percent. But in 2½ years' time it has gone to over 10 percent.

Why? Because this is a burgeoning country. This is made up of living human beings that do not stand still, and the needs of the country grow with its growth. I do not care what is said today or what has been said here about economic recovery plans that are so nebulous. We do not know what recovery they are talking about. They are talking about an economic recovery to what? To halfway full employment? We do not have it.

Or are we talking about the dream of home ownership? Even the most staunch supporters of this will admit that that is a dream gone lost. It is not entertained any longer now by the average American family.

This is our fight. This is what we are talking about. This is the issue.

I say that we must be responsive to those needs and that no matter the claims, no one will ever, will ever hogtie this country. Nobody will ever put this country in binders. So we are going to have, despite all of this opposition, a need to house Americans.

We may lose a battle, but eventually we are going to be responsive to the American people. I mean the American people, not just one segment, not just one area of our population, but to the crying national needs.

Every one of us knows the truth of the matter and the truth is this: there is no way we can insure that our fellow human beings, our fellow citizens, can live in decent homes unless those less fortunate among us get some kind of help through the Federal Government. There is not a country in the world that has created a housing program for its people without a national commitment.

The issue is a President who says that you cannot trust the American family to pay back the loan at 10 percent, which is a meager thing that we came out at as a lifeline in our so-called emergency mortgage assistance program, but even that would have saved, it would have saved in the intervening months since March, it would have saved more than 25,000 families, their shelter, and their attachment to the land.

They are gone now. The hammer has come down on those homes, and all they were asking was for an allocation of credit, of resources, so that they could continue to hold on to that home.

The record of the depression showed the American families kept their pledges and paid in such quantities their debts back that the Government made money, over $350 million, by the

time they closed the books on the old Home Owners Loan Corporation.

Ours was just a sort of half baked, weak imitation of the Home Owners Loan Corporation. Why? Because of this distorted and perverted priority reflected by a President who says you cannot trust these people; this is a squandering of our resources. But he says I have got to have $10 billion to bail out the biggest banks in this country because they trust some foreigners to pay their debts and pay their loans.

What kind of perversion of priorities is this? Has the Congress reached the point where it will accept this perversion continuously? I do not think so.

I think this is an issue in which the line is drawn, just as clear as if I were to erect a 10-foot wall here in front of me. That is the line. I ask my fellow Congressmen to vouch for the fact that the need, reflected in this bill's attempt to answer and fulfill, is minimal. Even at that, we are trying to compromise.

I do not know how much more we could go in seeking a compromise on our side without capitulating on principle, which I will never do, or on basic policy and program, which, again, I do not think I was elected to do.

This has always been an issue with me from the beginning. But we know the truth of the matter and the truth is that there is no way we can have a national commitment for housing unless we make a national commitment.

Every one of us also knows that the type of help and the extent of it must vary with the conditions. Some families need more room than others. Some need less financial help than others. Some can get along with a little boost toward making over and rehabilitating with their own sweat and muscle as we have seen in one State after the other.

This is what this bill does. It provides the type of help necessary to meet the wide range of needs that our fellow citizens have if they are to obtain decent housing within their financial and physical means. That is the way this bill will provide help.

This is not a generous bill. Let me say that personally it is one that I have compromised beyond my own personal wishes. But, as I said, and I repeat, it is an attempt to compromise.

Up to now the biggest argument has been either, that it would be a budget breaker or that it was administratively unfeasible.

□ 1350

Today I have introduced a substitute, an amendment by way of a substitute, in an attempt to meet 100 percent of those criticisms. In this substitute we provide the exact figure with one exception, and that is rural housing, where this administration is against it, period. They do not want any type of rural housing.

Now, the rural needs are great or maybe even greater than some of the cases of urban needs.

Let me assure you of that. I have been to the rural sections.

As a matter of fact, as long as our country allows what continues to happen even today, 2 years later; just take a drive, less than an hour and a half away from this Capitol and you will see unbelievable housing conditions for our farmworkers.

Oh, sure, compared to the total vast labor force we have in this country, they are a drop in the bucket, but since when is human life degraded and cheapened, even if it involves one life, in our American way of doing things?

I invite my colleagues and my fellow Americans, if they have any doubts about the need, to come and take a trip. They do not have to go far, just to the Eastern Shore here. They will see something that I think even they would agree needs to be improved.

I take great pride in bringing before the House the pending bill, H.R. 1, the Housing and Urban-Rural Recovery Act of 1983. The designation of this bill, H.R. 1, is a clear indication of the urgent importance of this Nation's housing policy—not only as a question of economic policy, but as an absolute human imperative.

Every living creature has certain absolute needs—adequate food, adequate health, and adequate shelter. It does not matter what order of life we are talking about—for not even the simplest of one-celled microbes can survive without those essential, minimal conditions. From the bottom of the ladder of biological beings, up to ourselves and our fellow human beings, survival is not possible without adequate shelter. That is what this bill is about—shelter—and that is the issue before us today.

The position of the administration is that Government has no need to be involved in the business of providing shelter. They claim that there is plenty of adequate housing already in existence. It does not trouble them at all that for millions of Americans, it is not possible to pay the rents or mortgages for that housing. It does not concern them at all that because millions cannot afford the good life, those millions are forced to live in conditions that are at best intolerable and at worst impossible. Not because these people are any less human; not because they have not tried their best; not because they have given up trying, do they live in degradation or cold or in run-down and overcrowded places. They live in such conditions because they have no choice: they are the poor or the near-poor. And they are also the reasonably skilled, what we might call the working poor, who cannot afford to buy a home at today's mortgage interest rate of nearly 13 percent, or who cannot afford to pay immense rents on decent apartments. The administration does not make the connection between lack of personal means, lack of wealth, and a life lived out in unsanitary, indecent, or inadequate housing. They deny that it exists at all. But it does, and that is the issue.

Every one of us knows the truth of the matter, and the truth is this: there is no way that we can insure that our fellow human beings, our fellow citizens, can live in decent homes, unless those less fortunate among us get some kind of help through the Federal Government. Every one of us also knows that the type of help and the extent of it must vary with conditions: some families need more room than others; some need less financial help than others; and some can get along with as little as a boost toward taking over and rehabilitating, with their own sweat and muscle, an empty but redeemable house. And that is what this bill does: it provides the types of help necessary to meet the wide range of needs that our fellow citizens have, if they are to obtain decent housing within their financial and physical means.

This is not a generous bill; it in fact provides only a survival program for housing. It provides for vastly less housing assistance than the Nation needs, but the administration is opposed even to a token effort. They want no effective housing program at all. The bill is not generous because it conforms with the very limited budget authority that was provided for in the House budget resolution. Yet, it does not abandon the principle that this Congress must keep faith with its 35-year-old commitment to a safe, decent, affordable home for every American. That is the question we face with this bill: since we know there is a need, and since we know the need can only be met through a positive, comprehensive Federal housing program, are we going to keep our commitment; are we going to work toward meeting that need? The issue is that simple. The provisions of this bill are many, and they are as complex as they are numerous, but every vote on this bill comes down to that simple issue: are we going to provide a reasonable effort toward providing absolutely essential help to people who are unable to afford one of life's absolute essentials, which is decent shelter? It does not matter how high flown the debate may be, nor how complex the particular amendment, I want to assure my colleagues that every item in this bill, and every stand that I will take, rests on the simple test of whether or not the proposition actually would help people achieve their goal of decent housing at a price they can afford to pay. If there

is a great disparity between what the opponents of this bill want, and what the administration wants, and what the Housing Subcommittee and the Banking Committee call for in this bill, it is because the administration wants no housing policy, and no meaningful housing program of any kind, while we do.

Let me cite an example. The administration advances the view that there ought to be a housing voucher program, and that all existing housing production programs ought to be scrapped. As an economic theory, this housing voucher program could work only if it provided adequate subsidies, and then only if it were an entitlement. Without those conditions, it could never replace the existing housing assistance programs. But what has the administration brought forward? A proposition that would provide housing vouchers for maybe 80,000 families that are not already being helped. Even then, these vouchers would be set at such a low level they would not pay rent on any decent place, in any kind of market where there is any strong demand—which is the case in almost all markets. The administration's voucher program would provide rental assistance for less than 80 people in each one of America's 946 towns of 25,000 or greater population. Suppose you were to hand out a dozen housing vouchers even in a town of 2,000—who among us would say that the result would be to create a vast new supply of privately constructed rental housing? And so, when you examine the administration's voucher program, when you measure it against the real world, it is seen for what it is—a sham, a Trojan horse that would allow them to proclaim that they have brought America the great gift of a new housing program, when, in fact, they would destroy what little of a housing program we now have left, save only a token 10,000 units for the elderly and handicapped.

I remind my colleagues that even if H.R. 1, were to be enacted as reported from the committee, the funding level for housing would still be 60 percent below what existed in 1981. At the proper time, I will offer an amendment that approximately conforms the funding levels to the budget conference and to closely track the funding levels agreed to in HUD appropriations conference, which will represent a still greater cut. But no matter how great the reduction from the 1981 level is, the fundamental question is still whether we have a housing program at all. After all, what the administration wants is a production program that would, in all likelihood, not even be adequate to finish existing commitments. What they recommend is a closeout, a shutdown of any Federal assistance for new housing construction—this in the face of their own admission that there are at least 1.1 million families who today live in substandard units and pay better than a third of their incomes for housing. What is needed, what we recommend, and what this bill provides, is continuation—continuation of programs that are clearly needed, programs that have met the test of time, and programs that work.

Let me turn to a few of the issues that will come up during the course of action on this bill.

First, community development block grants. Congress has, from the beginning, insisted that community development block grants be something more than general revenue sharing. We know that communities themselves are best equipped to set out a community renewal and redevelopment strategy, and that is why this block grant was developed. But we also know that unless the funds are targeted in a way that benefits the truly needed, and unless there is some means by which to insure good planning and careful administration, the whole concept of community development block grants will be destroyed. Unless we have targeting and planning and some kind of ability to measure results, CDBG would not only fail to benefit the truly needy, but would in all likelihood fail to accomplish anything that we intend or envision. Therefore, this bill requires that 51 percent of CDBG funds be expended on activities that benefit persons of low and moderate income. It will require that communities maintain their existing planning methods, and it will establish a uniform reporting system, so that Congress can gage how well the program is actually operating. These are commonsense provisions that insure the CDBG program operates effectively and prudently, and that it benefits areas and people with the greatest needs.

The administration, which does not blink at imposing huge paperwork burdens on the hapless, poor welfare recipients, or the powerless and impoverished applicants for food stamps, all in the name of prudence and efficiency, says that any effort to target or plan or evaluate CDBG programs is unreasonable. But, in fact, their aim is to reduce CDBG into a general revenue sharing program, and then later claim that it ought to be killed altogether because there is no way to determine what effect the money has had.

Up until this time, there has been bipartisan agreement that the CDBG program should be targeted, and that cities receiving these funds should undertake reasonable planning efforts, provide reasonable reports, and be reasonably accountable. Yet, the administration persists in adamantly opposing these commonsense approaches. Since they will not accept any kind of reasonable guidance on what the intent of Congress is and has always been with regard to the CDBG program, we have no recourse other than to write into explicit law how this program is to operate.

Let me turn to an assisted housing issue. The pending bill provides for a maximum rent of 25 percent of a family's adjusted gross income, for those residing in assisted housing. In addition, the bill sets out how adjusted income is to be arrived at. For example, food stamps would not be counted as income, which the administration wants to do, despite the warning from its own Assistant Secretary for Research and Development that this idea most severely affects the lowest income—and that it could have disastrous consequences for the poorest of the poor.

In this case, we can expect to hear all manner of demagoguery, but the issue once again comes down to the question of a fair and effective housing policy. You will hear it said that since a vast number of poor Americans who cannot live in public housing are paying more than 25 percent of their income for rent, it is not unreasonable to expect people who live in assisted housing to pay 30 percent or more. But it is senseless and cruel to say that as a matter of policy all the poor should be equally impoverished. It is like arguing that because God did not provide an ark for everyone, He should not have caused Noah to build one. The fact that we have people in need of housing does not support the argument that those who live in public housing ought to be paying more; it, in fact, supports our argument for more housing production. But notwithstanding logic or need, the administration wants to drive the working poor out of public housing altogether, and it wants to impose a huge new burden on those who remain. They want to do this in the name of reducing the deficit—but the whole operating subsidy for the entire public housing stock of this country, for a whole year, would not operate the Pentagon for even one full 8-hour shift. Let me tell you how the administration's rent increase program actually works—and this is an actual letter from a man who lives in public housing in Erie, Pa.

> My rent has increased from $65 a month to $89 a month . . . We only receive $169 twice a month cash assistance and out of that I've got to pay $89 for rent, $124 for food, clothing, medical expenses and bus fare. There are no jobs anywhere. We've got an unemployment rate in Erie in excess of 30 percent . . . Reaganomics is killing me and my family.

The fact of the matter is that the poor, who have already had to endure vast reductions in food stamps, and for whom there has been no way at all to increase their cash income in the face of inflation, simply cannot pay stiff increase in rents for assisted housing and expect to survive. Unless the rent

provisions of H.R. 1, are adopted, tens of thousands of poor people will have no choice but to leave public housing, and go back to unsafe, inadequate, wholly indecent housing. Why? Because the Reagan rent increases will force them to choose between living in bad housing, or the impossibility of economic survival. Many will leave public housing to take their chances back in the slums and tenements, because there will be no other way that they can hope to meet their irreducible need for clothing, for food, for transportation, for those absolute essentials of existence.

Finally, let me point out that this bill includes with it new approaches for the production of assisted housing, through a flexible subsidy for multifamily units. This flexible subsidy, developed largely by my friend and able colleague from New York (Mr. SCHUMER) is a less expensive, more expeditious way to obtain new or rehabilitated multifamily units than the section 8 new construction program. And there is a great need for affordable units. How great? Not long ago, 216 new units became available in the South Bronx, New York. There were 6,000 applicants for those units. That is how great the need is. And the fact of the matter is that we ought to produce as many as a half million low-cost homes each year, if we are going to meet all the need for good quality, affordable housing. The administration, itself, through its own Housing Commission, admits to the absolute need for affordable housing by better than 1.1 million families that now pay exorbitant amounts of their income for substandard housing. What would they provide for that million families? Inadequate housing vouchers for 80,000. A token 10,000 units for the elderly and handicapped. Nothing—nothing at all—for those who are poor that they have no real choice other than public housing. In the face of needs that everyone knows, we cannot abandon our housing production programs in favor of a handful of housing vouchers that would not be adequate to pay the rent in a decent place in any active market.

And that summarizes the issue. For the ill-housed, this bill provides the continuation of programs that work. The administration proposes abandonment of those programs. They simply want to deny the fact that there is need for decent new housing, and they aim to consign the poor and the near-poor to hopeless despair. But we have a responsibility to continue our commitment to decent and affordable housing—for, as I said at the outset, every living creature has certain basic, irreducible needs, and among those is adequate shelter. This bill aims to provide shelter to those who need help, no more and no less. And this country cannot, in good conscience, abandon its commitment to the American people, nor fail to keep faith with the commitment of a safe, decent, affordable home for everyone, the poor as well as the fortunate, the little as well as the big.

ASSISTED HOUSING PROGRAM

	Appropriations conference		H.R. 1 amendment	
	Units	Budget authority	Units	Budget authority
Public Housing				
New construction	5,000	$900,000,000	5,000	$900,000,000
Indian	2,500	389,550,000	2,500	389,550,000
Amendments	NA	200,000,000	NA	200,000,000
Interest rate adjustments	NA	200,000,000	NA	200,000,000
Modernization	NA	1,550,000,000	NA	1,620,430,000
Total	7,500	3,239,000,000	7,500	3,309,980,000
Section 8				
Rent supplement/RAP conversions	45,000	2,148,903,000	45,000	2,148,903,000
Existing regular	35,000	2,100,000,000	41,017	[1] 2,461,052,000
Loan management	5,000	75,000,000	5,000	75,000,000
Property disposition	10,000	705,000,000	10,000	705,000,000
Moderate rehab	5,000	328,575,000	5,000	328,575,000
Amendment	NA	391,000,000	NA	391,000,000
Section 202	14,000	1,926,400,000	14,000	[1] 1,926,400,000
Deferred authority	NA	1,500,000,000		
Section 235			6,300	166,600,000
Rental production			75,000	900,000,000
Total		12,412,000,000		12,412,510,000
Less recaptures		−2,500,000,000		−2,500,000,000
Total new budget authority	121,500	9,912,928,000	208,817	[2] 9,912,510,000

[1] H.R. 1 amendment provides that $1,926,400,000 in budget authority for Sec. 8/202 and $573,600,000 for regular existing Sec. 8 will be provided out of recaptures of prior Sec. 8 and public housing funds.

[2] Budget resolution provides $10,848,680,000 in budget authority for assisted housing, $935 million more than provided for in the appropriations conference or in H.R. 1 as amended.

COMPARISON OF H.R. 1 AMENDMENT AND BUDGET RESOLUTION

	H.R. 1 amendment	Budget resolution
CDBG	$3,500,000,000	$3,500,000,000
UDAG	440,000,000	440,000,000
Urban homesteading	24,000,000	12,000,000
Neighborhood development grant program	5,000,000	0
Emergency assistance for homeless	100,000,000	0
Neighborhood reinvestment corporation	16,000,000	16,000,000
Public housing and section 8	[1] 5,988,000,000	7,991,000,000
Public housing operating subsidies	1,450,000,000	1,450,000,000
Public housing daycare grants	3,000,000	0
Section 202 housing loan authority	628,000,000	628,000,000
Congregate housing	4,000,000	4,000,000
State/Federal demo program	25,000,000	0
Section 235 loan assistance	167,000,000	0
Multifamily production program	900,000,000	0
Rural housing loans and rental assistance	2,096,000,000	2,077,000,000
Rural housing grants	43,400,000	27,000,000
Solar bank	35,000,000	25,000,000
Crime and riot insurance	17,000,000	17,000,000
Flood insurance	117,000,000	71,000,000
Flood studies	59,000,000	59,000,000
HUD research	19,000,000	18,000,000
Housing counseling assistance	4,000,000	4,000,000
Total	15,640,000,000	16,339,000,000

[1] Assuming $2,858,000,000 rescission.

Mr. Chairman, I yield such time as he may consume to the gentleman from Rhode Island (Mr. ST GERMAIN), the distinguished chairman of the Committee on Banking, Finance and Urban Affairs.

Mr. ST GERMAIN. Mr. Chairman, I too rise in support of H.R. 1, the Housing and Urban-Rural Recovery Act of 1983, and I have to give every plaudit and commendation to our colleagues on the Committee on Banking, Finance and Urban Affairs, but in particular the chairman of the Subcommittee on Housing and Community Development, my beloved colleague from Texas (Mr. GONZALEZ), for his untiring efforts in bringing forth the first major housing authorization bill since 1980 for consideration by this House.

Our committee bill is the result of a 2-year effort on the part of the House subcommittee and represents our committee's effort to address the housing and community development needs of this Nation as we in the House perceive them.

I also want to pay special tribute to the staff of the Subcommittee on Housing and Community Development, under their able staff director, for the herculean efforts they have put into this legislation. In this instance staff certainly has been of invaluable assistance.

H.R. 1 was reported out of the Committee on Banking, Finance and Urban Affairs in early May, well before the budget issues in the first budget resolution were resolved and prior to the Committee on Appropriations had completed its action on H.R. 3133, the HUD-independent agency appropriation bill.

The committee-reported bill therefore provides for higher authorization levels than were subsequently agreed to by the House Budget Committee and the conference on the budget resolution. An amendment will be offered by the gentleman from Texas (Mr. GONZALEZ) and myself that will bring the authorization levels contained in the committee-reported version of H.R. 1 down to the levels set forth in the budget resolution and as are contained in the conference report on the HUD-independent agency appropriation bill.

Mr. Chairman, I regret that we had to further reduce the authorization levels in H.R. 1 because the levels set forth in H.R. 1 were, in the committee's view, minimal levels necessary to meet the low- and moderate-income housing needs and the community development needs that we believe our Nation requires.

Be we believe that this House and the other body would be in no mood to consider these higher authorization levels for assisted housing and community development. The members of the Committee on Banking, Finance and Urban Affairs, and I believe I speak for both sides of the aisle, feel that it is absolutely necessary for Congress to approve this year's housing authorization bill.

Our responsibilities revolve not only around setting the authorization levels for our HUD programs but in providing the policy direction that we expect the administration to follow and the necessary program changes that we believe must be made to make our programs responsive to the housing and

community development needs of our Nation.

Perhaps in a better climate this Congress can consider in a more rational manner our assisted housing and community development needs.

Mr. Chairman, I commend my senior Republican colleagues on the Committee on Banking, Finance and Urban Affairs, the gentleman from Ohio (Mr. WYLIE), and, yes, we do have a gentleman from Connecticut (Mr. McKINNEY), for the cooperation that they bring to our consideration of H.R. 1 and the responsible attitudes of this House. I also want to commend their staff for their cooperation as well on this matter.

I believe that we will be able to go to conference with the Senate and present the President with a housing bill that meets our responsiblities as elected representatives of our constituents and our responsiblities as members of the Committee on Banking in addressing the housing and community development needs of our Nation.

Mr. Chairman, I look forward to a very productive debate when we get into the amendatory process, which I hope will be early on this week, and for a successful conclusion to this very lengthy effort, wherein a great many parties have expended a great deal of time, so that we can go forth and meet with the honorable Senate and discuss the needs of this Nation.

Mrs. BOGGS. Mr. Chairman, will the gentleman yield?

Mr. St GERMAIN. I am happy to yield to the gentlewoman from Louisiana, a very distinguished former member, a graduate, an alumnae of the Committee on Banking, Finance and Urban Affairs.

Mrs. BOGGS. I thank the gentleman for yielding and for his kind remarks.

Mr. Chairman, I would like to join my remarks with those of the gentleman from Rhode Island (Mr. ST GERMAIN) in commending the subcommittee and the full committee and of course the chairman and ranking members of the full committee and the subcommittee for their diligent work, and the staffs for their very comprehensive attitude toward the multiple housing and urban development and rural development problems and challenges throughout this country.

I should also like to particularly mention that with the flooding that has been so rampant over the entire United States, there is new interest among all Members from every part of our country in the flood control programs and the flood insurance program. I would like to especially thank the committee for including within this bill the authorization for the continuance of the flood mapping program and the flood insurance program. I thank the gentleman for yielding.

Mr. ST GERMAIN. I thank the gentlewoman for her very, very kind, meaningful remarks.

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

Mr. McKINNEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this country has not had a housing authorization bill since 1980.

I consider that to be a tremendous tragedy. I do not think that in these times when things move along so quickly that we can stand not to review and not to make some changes in the basic housing law of the United States.

□ 1400

There is a great deal that is wrong with H.R. 1, not the least of which is as it is presently printed it is a gigantic budget blockbuster. I found myself, as ranking member of the Housing Subcommittee, confronted on the one side by an administration that was totally unrealistic at $8 billion and by a committee bill that was totally unrealistic at $24 billion. In fact last year we appropriated somewhere in the neighborhood of $17.8 billion.

Reality should have suggested to the White House, and should definitively have suggested to the committee, that both of those figures were out of balance.

I am delighted to hear that today there will be an amendment to the committee's bill put in by my friend, the chairman, the gentleman from Texas, which will bring this authorization bill into line with the appropriation amounts, though it remains not programmatically correct as we would like to see it.

I think the chairman of the full committee and the chairman of the subcommittee are well aware that the minority at no time has tried to be dilatory in the consideration of this bill. It has been this Member's feeling that a bill was needed so desperately that I was willing to get it to the full House floor as quickly as possible so that the elected Members of this body could work their will and we could go to conference.

I find it a tragedy that once more we are confronted with an authorization, following an appropriation. If this continues I begin to question the necessity, in fact, even the advisability of having an authorizing committee, because our work is being done for us by people who do not spend all of their time concerned with the intricacies of housing.

I mentioned the financial problem which I think has been solved. The programmatical problems are so severe that I question whether they can be solved. I would be confused as to how my vote would be cast if this bill were proper in the appropriations phase, but if it were simply as unacceptable in the appropriations phase as it is in the programmatical phase, I would not have any problem voting against it.

Some of the things that really bother me about this bill are that very great improvements that we made to try to make things work better seem to have been put backward. Community development block grant programs got tied up in so much redtape, so much bureaucracy, that in fact many of our communities found themselves buried in paperwork. We did a great deal to cut back on that paperwork. We had made the whole process much simpler. We had followed along with the same intent that Secretary Harris had when she started the urban development action grant program and that I had when I separated the Neighborhood Reinvestment Corporation from HUD. We had made community development block grant process a simpler process, a speedier process, but I am afraid this bill programmatically takes us right back to ground zero. In fact, it makes it a complicated, difficult, and very convoluted process for the communities and cities of this country.

I want to thank my friend, the gentleman from Texas (Mr. BARTLETT) for at least getting an amendment put into this bill which would allow cities to say that they had complied.

A qualification was put on the community development block grant program which states that 51 percent or more must go to low- and moderate-income families. I feel the 51 percent is an arbitrary number. I feel it is an unnecessary number. The average community is now dedicating about 60 percent of their money to that category. But I feel that 51 percent done on a yearly basis is an absolute disgrace because it is going to totally tie down the hands of our communities.

I offered an amendment within the committee which would have had the 51-percent test based on an average of 3 years. This would have given a community, for instance, with the first year, the right to buy property, to move on and do the other qualifications within the next 2 years of the 3-year cycle, proving that they had lived up to the means and the desires of the committee and the House of Representatives at the end.

Fifty-one percent will not work, cannot work, and is terribly cumbersome on a yearly basis.

I am very disappointed that the committee did not see fit after weeks and weeks of negotiations and many meetings between staff on both sides to allow communities as a matter of last resort to build new low- and moderate-income housing as part of a neighborhood strategies area. How many of us

have had cities and towns where we have almost finished with a neighborhood strategy area, everything is almost done, and there are one or two or three impossible lots that tear down the whole progress we have made by becoming resting places for junk cars, garbage, dope addicts and all of those other things that seem to grow in urban neigborhoods. I felt to give the mayors of this country who are responsible for their communities this one little bit of help to finish off would have been helpful. However, everybody dashed forth and said that I was trying to change the program.

I would suggest to my colleagues that the language was so severe it would have taken the utmost qualification and accounting to prove that you were eligible for the housing.

This bill rolls back the maximum rent that anyone can pay from 30 to 25 percent of income. I do not want to raise anybody's rent, but I find it hard put to go back to Bridgeport, Conn., or Stamford or Norwalk and turn around to the average factory worker, janitor, the working men and women of my district to say that those who are on public welfare are only going to have to pay 25 percent of their income, while many of my constituents, particularly in Fairfield County are paying 35, 40 and sometimes as high as 45 percent of their income for basic dwelling. And I think that 30 percent is painful, but taken up at a slow basis, it certainly is fair across the whole row.

I think that the expansion of deductions to registered gross adjusted income makes this even more of a travesty. In fact we are giving more help to those at the lower end than those who are struggling, double working families and trying to maintain themselves. It is something that we certainly should have looked at.

I feel very sorry that we did not have an opportunity within this bill to test the voucher system. And as the chairman of the subcommittee knows, this ranking member does not like the voucher system much either, but there is a saying in this town, "If you don't prove something and finally put it to bed, it is going to be around bothering you forever." And it seemed to me that this was the bill to try in a demonstration program in various different areas a voucher program in a rural area and in a big city and in a medium size city and in a small town to see if in fact rental vouchers, free market movement, might not be a simpler way to house Americans who need help being housed.

There is in this bill a monstrously large multifamily housing incentive for new construction. This is, once more, here we go. If this program in fact comes into effect we are building a project program, we are building a builders program. Only 20 percent of the tenants in these new buildings would be required to be in low- and moderate-income circumstances. What we are doing is developing a program which will be used to build a project, to get a builder started, we are not developing a program that is going to help low- and moderate-income people. How can we justify the Federal support of 80 percent of the construction of $900 million, when we are only going to affect out of that $900 million 20 percent of those who are low income? Plus the fact that one of the qualifications for this is a severe rental shortage. Where is a severe rental shortage? A severe rental shortage is in the cities that force through rent control and in fact included on new buildings that are just being constructed.

I have been ranking member of the District of Columbia Committee for 6 years. I have served on it for 13. I invite my colleagues if they wish to see new apartment construction that is not luxury apartment construction, drive down Route 95, drive down Route 1 in Virginia. Do not come to Washington. Because you are never going to find it, because the minute we put rent control in on this city and included new construction, there was no new construction done.

The Wylie amendment which has been offered on previous housing bills would have allowed communities to keep rent control but not on new construction.

□ 1410

What we are doing with this multifamily housing program is, to turn around and reward the cities that have rent control by saying, "Here, we are going to give you the money to build some apartments, and we are only going to require that in fact 20 percent of that help go to low income."

My friends in the House, we need a housing bill. I hope that during the consideration of this bill an accommodation can be reached that will take this bill to conference. There are things that desperately need to be done at the Department of Housing and Urban Development. They cannot be done and we cannot effectively know where we are going without a new housing authorization. We are presently today, I would suggest, stuck in the largest morass of interpreting regulations, deregulations, overregulation criteria, that all of us, whether we come from Louisiana, like the gracious gentlewoman who complimented us, or Fairfield County, find it almost impossible to get anything meaningful done for our cities and towns.

And we need to get this behind us because there are so many other things that need to be defined and determined, such as the status of public housing authorities, right on across the entire list of the involvement of the Department of Housing and Urban Development.

I have appreciated working with my chairman. We have, though, a different opinion. We have enjoyed working together. I want a housing bill as well as he does. We have our programmatical differences, but they certainly have not been personal. I have appreciated the effort.

Mr. Chairman, I yield 7 minutes to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Chairman, I rise in opposition to H.R. 1, which is the bill before us. I rise in opposition to H.R. 1 in its present form. I understand that there will be amendments offered or have been offered which will substantially change the thrust of H.R. 1, and I am pleased about that, certainly. I do want to compliment the chairman of the Housing Subcommittee, the gentleman from Texas (Mr. GONZALEZ), for his tireless efforts in holding those many, many hours of hearings on this very, very important subject that is now before us. I also want to compliment the ranking minority Member, the gentleman from Connecticut (Mr. MCKINNEY), for his attention to duty, and Chairman ST GERMAIN for his expert leadership in bringing the housing bill to the House floor.

We are all for a housing bill. We need a housing program. We have not had one, as has been suggested, for about 3 years. I think it is very important that this body express its will on a housing program and on a housing bill and establish the parameters that we think ought to be placed into law as far as a housing program is concerned.

There has been, I think it is fair to say, little willingness on the part of the Members of the other side to come up with a consensus housing bill. I think it is unfair to say today that the administration is against a housing bill.

H.R. 1 is so excessive that it is ludicrous, in my thinking; $25.6 billion in new budget authority cannot be sustained in our present economy. Even in the area of housing, we need to ask whether we can afford $25.6 billion in new budget authority. The prospect of a Federal budget deficit of $200 billion constitutes our greatest threat to affordable housing, in my judgment. At a time when the Federal Government consumes over one-half of the total credit available in the marketplace, adding that much money to that deficit would surely kill off a housing program that is now really coming to life again.

I think it is not fair to say that the administration is against a rural housing program. We think that the section 502 rural housing program is excessive in amount. I have found that

there is more abuse in this section 502 program than probably any housing program in history. This is what is known as a deep subsidy program. It pays interest down to 1 percent on loans. There is almost a 20-percent foreclosure rate in this program. There are a lot of houses in the inventory right now. As a matter of fact, on Friday, the Farmers Home Administration announced that, rather than direct the moneys to individual counties in Ohio, it would pool all of the moneys on a statewide basis. This means that something like $73 million would be available in a pool for the section 502 program in the State of Ohio.

Now, that seems to be like a very adequate amount for the rural housing program. But when compared to the administration's budget recommendations, H.R. 1 is almost $16 billion higher. As a result, I looked upon a freeze at the fiscal year 1983 levels as a split-fee-difference compromise with the administration and a rational effort to come up with a housing bill that could be signed into law.

We do not want to do a vain thing here and just debate the housing issue. We want to try to come up with a bill that can be signed into law. Even when compared to the higher than warranted funding found in the completed action of the HUD appropriations bill, H.R. 1 is out of line. H.R. 1 is $5.5 billion higher on the HUD programs alone.

Now, we understand that Chairman GONZALEZ, along with Chairman ST GERMAIN, will offer an amendment or a series of amendments which will bring H.R. 1 down to about $17 billion or $16 billion. I have not been able to examine that amendment in detail, but I applaud their efforts in this regard. But even a comparison of budget authority figures leaves some major spending issues unaddressed.

For instance, H.R. 1 repeals the tenant rent increases enacted as a part of the Omnibus Budget Reconciliation Act of 1981. On its face, that does not mean much in terms of Federal spending. However, if you look at the Congressional Budget Office cost estimates for this one provision, you will be astounded by the figures you see there. According to CBO, this change in tenant rent would increase outlays by $174 million in fiscal year 1984, an increase to over $1 billion by fiscal year 1988. That would total approximately $4 billion in increased outlays for the next 5 years.

Now, these figures would even be higher, except that CBO estimates there will be a 1-year lag between the rents as they are decreased and the additional operating subsidies.

The program which has to do with the community development block grants, this would be burdened by a statutory requirement that 51 percent of the community development block grant funds must be used to benefit persons of low income and moderate income. This change naturally leads to a series of other provisions dealing with how you measure benefits to low- and moderate-income-persons for various community development projects. This causes a lot of decisionmaking at the HUD level, which I think encumbers the community development block grant program.

In addition to that, there are other programs which are embodied in this bill which I think add to it unnecessarily. A new $1.3 billion multifamily housing production program, I think the timing on this is very bad.

A resurrected neighborhood development grants program authorized at $15 million.

A new program of non-interest-bearing advances for section 202 elderly housing.

A $100 million farm home program of housing preservation grants, which has never been subject to any hearings.

With the budget problems that we have, I do not believe that we can afford H.R. 1 in its present form and, as I say, I am glad to hear and I am encouraged by the words of the chairman of the Housing Subcommittee and the chairman of the full committee that a more reasonable bill will be forthcoming through amendments that will be offered on the House floor tomorrow.

□ 1420

Mr. GONZALEZ. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from California (Mr. BROWN) for purposes of a colloquy.

Mr. BROWN of California. I thank the gentleman for yielding this time to me.

Mr. Chairman, before I pose a very simple question to the distinguished chairman, I would like to compliment him on the legislation which he has brought to the floor. Looking at the committee report, I agree wholeheartedly with the statement on page 2 that the committee's recommendations contained in this bill are modest in comparison with the housing need, and it is an effort to maintain our commitment to the housing needs of the poor and the elderly in our district. I want to assure the gentleman of my wholehearted support for the legislation.

In my district, we have made particular use of the provisions with regard to housing for the elderly and for rural housing, programs which are sometimes under attack. I would like to assure the chairman that these program have accomplished more good for the people in my part of California. I might mention that our distinguished colleague, the gentleman from Florida (Mr. PEPPER) was in my district last week dedicating a program of 36 units of senior housing which has been undertaken several years ago. There are no funds available for such programs today, and this could be the last of a very important program if it were not for the support given by legislation such as has been brought to the floor today.

Mr. Chairman, if I could, I would like to propound a question to the distinguished chairman, and this has to do with a clarification of a provision, section 119, of the act, which has been amended to allow distressed areas within identifiable but unincorporated communities in urban counties to qualify for UDAG pockets-of-poverty assistance.

As we understand it, Mr. Chairman, urban counties will be able to qualify, distressed pockets in small communities that are similar to small cities except for incorporation in the same manner that small cities now qualify as pockets.

Am I correct in this assumption?

Mr. GONZALEZ. If the gentleman will yield, yes, the gentleman is quite correct. That is the precise intention of the subcommittee. Permit me to clarify that the gentleman refers to section 119 of the 1974 act.

The CHAIRMAN. The time of the gentleman from California (Mr. BROWN) has expired.

Mr. GONZALEZ. I yield 5 additional minutes to the gentleman from California (Mr. BROWN).

Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I gladly yield to the chairman, the gentleman from Texas.

Mr. GONZALEZ. The need for this was very dramatically illustrated when we made a trip. The subcommittee went to California, and a gentleman there came up to the hearing and brought out the plight of such unincorporated communities. So the intention is very clearly that it would allow distressed pockets within unincorporated communities in urban counties, which have many of the characteristics of municipalities that are incorporated, to qualify for UDAG pockets-of-poverty assistance. It was to fill in that gap that this language is included in this version of the bill.

The qualification of pockets in small, unincorporated communities, would be handled in the same way as it is now for small incorporated communities. We would expect that the counties would identify the pockets of unincorporated areas that are historically and geographically recognized as a community. A pocket in such a community, of course, meets all of the requirements of a pocket of poverty that apply to similar small cities.

As I said, and repeat, we would expect the county to initiate the process by identifying the unincorporated

community based on a variety of census-defined areas, such as census tracts, block groups, enumeration districts, or other such areas that are defined by the U.S. Census Bureau. In the same way that it is currently handled for small cities, the county in this case would submit the information to HUD as part of the application process.

Mr. BROWN of California. I thank the chairman very much for these assurances, and I would just like to point out to the gentleman what he perhaps already knows: that I represent portions of two very large urban counties adjoining Los Angeles. They are in the process of rapid growth. Many of these areas that we are talking about perhaps will be cities within 5 years or 10 years, but currently, because they are not incorporated, they have difficulty in qualifying, and it is in recognition of this problem that I sought clarification from the chairman. I am very pleased at the response that he has given me.

Mr. GONZALEZ. Let me, in turn, on behalf of the subcommittee, thank the gentleman for his interest and his concern and his diligence in being responsive to the needs of his area. This is a real need and it will fulfill what I consider to be an obligation on our part to try to answer that need in this program. What it does is to make available to these areas that ought to be, and I think the Congress never intended to exclude them, from the UDAG program.

Mr. BROWN of California. I thank the chairman again, and I yield back the balance of my time.

Mr. GONZALEZ. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK. I thank the gentleman for yielding this time to me.

Mr. Chairman, I want to thank the chairman of the subcommittee and the chairman of the full committee for their persistence in pushing ahead with this legislation against a variety of obstacles.

The House will be making a very momentous decision this week when we take up the housing bill. What we have on the part of the Reagan administration is an effort to implement an ideology that says that helping housing get built is simply none of the Federal Government's business. We have been in a severe and profound housing depression for many years. We began to see some increase in housing earlier this year, but it is threatened. Interest rates have already gone up. The most recent action of HUD was, giving in to market pressures, to increase the mortgage rates for federally assisted programs.

The central part of the Reagan housing program is to end virtually all programs by which the Federal Government helps housing be constructed, not because of a decision that we no longer need Federal assistance, not because of a view that the market is going to take care of it, but because of the ideology of this administration which says as it reads the Constitution of the United States, it does not see anything in there about housing.

So its decision, which will be faithfully implemented in the Republican substitute, will be to say that there will be no more Federal housing construction programs with the exception of, I think, about 10,000 units of housing for the elderly and the handicapped, to be built only by nonprofit institutions.

Mr. Chairman, my experience, and I think that of many other Members, is that when I go to my district, when I meet with people, a demand, a request, a plea for affordable housing by the poor, by the elderly, by moderate-income people with large families is one of the most difficult requests we get, because the housing in many parts of the country simply is not there.

I will be putting into the RECORD later today material from the Attleboro area of my district, not the most crowded of the urban areas that I represent, but an area in which there is a desperate need for housing in which people who are engaged in work with the elderly and work with children and work with distressed families over and over have this need for housing and simply cannot find it.

What the bill that came out of the subcommittee and the full committee will do is to establish a new housing production program. We have had, since the Gerald Ford administration, a Republican program known as section 8 housing. People have felt that section 8 new construction costs more than we could afford. Whatever the merits of that debate, it has been decided that there will be no more section 8 new housing or substantial rehabilitation.

□ 1430

The question is whether we will do anything in its place. What this administration has done in housing is similar to what it has done elsewhere, although it has been more extreme here than in any other policy area. They begin by analyzing the existing program and making the not surprising finding that they are false, they have problems. Government gets into things and does not do them perfectly; sometimes it does them badly.

The problem is not their analysis of past programs but their prescription, because this administration is not proposing that we improve, renovate, or make more cost-efficient housing production programs. Their prescription is that the Federal Government should do nothing to build housing except very limited units for the handicapped and elderly and only by nonprofit institutions.

What the committee has come up with is a bill which would provide some new housing construction.

Now, in a ploy which my friends on the other side have become very good at, they first deny the need for anything at all, and then they scoff because what we come up with is not quite big enough. I agree that it is not big enough. I agree that with the emphasis on budgetary constraints, we have come forward with a program which does not have enough in community development block grants, which does not build enough housing for the elderly, and which does not do enough to preserve the existing housing stocks in public housing and elsewhere which we have.

But it does make an effort to do something, and the choice is between that and a program from the other side which carries forth the David Stockman nobody-is-entitled-to-anything philosophy or the Samuel Pierce "HUD-shouldn't-be-involved-in-housing philosophy," which says that we should not have a new unit of construction.

We do have, I guess, a variant of the food stamp program for housing, which is the new Republican approach to dealing with housing, and it will provide, if that is all we have got, some additional money to some people, but it will not directly help housing to be built. It is far too marginal a program to lead to the construction of new housing, and the result will be, come October 1, that there will be no new housing.

And we are already there, by the way. People know that who have had an opportunity to discuss with the Housing and Urban Development Department proposals for new housing construction, other than that very limited program whereby nonprofit programs are provided for the elderly—a good program but hardly an adequate one for the whole country. They are just hearing today, if they call HUD, that we have no new programs, either for construction of new housing or for substantial rehabilitation. Those programs have been stopped and if this administration has its way, they will not be allowed to continue after October 1.

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

Mr. GONZALEZ. Mr. Chairman, I yield 5 additional minutes to the distinguished gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK. Mr. Chairman, I thank the gentleman for yielding me this additional time.

Mr. Chairman, the new production program requires that 20 percent of

the units be set aside for low- and moderate-income people. We hope it will provide even more. The gentlemen from the other side say it is not enough. I agree that it is not enough. If they would support us in allocating more money, we could get more low-income and moderate-income units.

The reason this program does not call for more low- and moderate-income units is that we are under these budgetary constraints, and it requires some subsidy. But it is not only those at the low- and moderate-income level, 80 percent of the median and below, who need housing. The real estate section of Saturday's Washington Post is full of articles on the subject. The U.S. Savings & Loan League is telling us that the dream of housing for all Americans is going out, that people, if they are young, can no longer expect to own houses unless they are wealthy.

We are trying to address that, but with regard to the budgetary constraints, yes, with less than ought to be done. But we are told that we cannot afford it. We are told we cannot afford it by an administration which can build an MX missile at $20 billion plus. We are told that we cannot afford it by people who tell us we can afford $8.5 billion for the IMF.

Now, that is off budget, Mr. Chairman. When we call something off budget, it is not real dollars. It is not supposed to bother us, but it has a budgetary impact, and it seems to me inappropriate for the Federal Government to be allocating $8.5 billion additionally for the IMF and then to tell Americans who are literally homeless, who are living in excessively crowded conditions, with far too much of their income spent on housing, that we cannot afford any money to build them a new production program at all.

If Members on the other side or Members anywhere or people in the administration think our particular new production program is not a good one, let us talk about it. But we will not hear that from them; we will hear that we cannot afford to do anything at all. We can afford $3 billion for agricultural subsidies, we can afford the MX missile, we can afford $8.5 billion for the IMF, but we cannot afford a penny for a new production program in which the Federal Government helps housing to get built and adds to the housing stocks in a country where we badly need additional housing.

We have the view from this administration that we have overhoused and that resources should be shifted out of housing. They submitted a budget by which the Federal Government would have made money off the housing programs because of their desperate desire to fund it elsewhere.

We have one chance now this week in the House and later on, on the other side, to keep the Federal Government in the business of helping people build housing. If we do not, if we fail with this bill, if it fails on the other side, or if it is vetoed, people will wake up next year to a situation in which there are no programs whatsoever to help people get desperately needed housing built, and it would be too late then to undo the great damage.

There are other provisions in this bill that are important. There is an amendment in there which I sponsored that would prevent HUD from allowing buildings that were built as subsidized units from being sold off for upper class condominiums. There are two projects right now, one in the city of Boston and one in the city of Philadelphia, built with Federal subsidies by developers for low-income people, and the developers have walked away. I do not know why, but they have walked away. HUD is now going to be in possession of the buildings, and in those cases, HUD plans sales, the result of which will be that the poor people who in good faith relied on the Government's word and moved into that housing would be thrown out because they are in an area that is gentrifying. The housing would be bought by people who would throw out the poor and put in new levels of income or perhaps condominiumize them. They would profit substantially by this Federal subsidized housing, and the people for whom it was built will be thrown out in the streets.

HUD refuses to do anything about it. This bill includes a provision which would prevent HUD from consumating those sales. It would say, yes, sell the property, but if poor and moderate income, people with families, people struggling to make it, single parents worried about their children and trying to provide them a decent place to live, had moved in there in good faith on that assumption, then we will not allow them to be thrown out because somebody decided to take his or her tax advantage and sell the units for condominiums. That is in our bill.

We have in our bill provisions to restore the rental level from 25 to 30 percent. The poorest older people in this country, elderly people living on SSI, on minimum amounts of income, people who live in public housing, have been told by this Congress and this President in 1981, "You are not paying enough rent." It used to be that when your social security check went up, your rent went up. This administration had taken care of that. That is no longer the case. Today your rent goes up even when your social security check does not go up. We have broken the linkage. People who got no social security increase on July 1 still get a rent increase, and they are the poorest people in America and live in public housing.

This bill says to the elderly:

No, we will go back to the 25 percent. We don't think you should get a 20 percent increase in your rent when you got no increase in your income if you are living at a desperate poverty level.

The bill does other things as well. Does it do all that ought to be done? Obviously not. It does not do half of those things. But if is an effort, with the constraints that the budget imposes on it, to meet some of the most desperate needs of this country, and the administration's answer is an ideologically based, rigid negativism that will leave us badly off.

Mr. Chairman, I include at the conclusion of my remarks the following material:

MEMORANDUM OF JOANNE MOORE TO CONGRESSMAN FRANK ON HOUSING PROBLEMS IN THE ATTLEBORO AREA

I was invited to a meeting at the Welfare Office last week by Mr. Silva regarding the plight of the homeless person and family in the Attleboro area. In attendance were representatives of numerous local agencies who are being asked to deal with the problem. As you know, we get numerous calls asking us to find housing for people . . . from what I heard at the meeting, our calls are only a fraction of what some of the other agencies are experiencing.

Welfare pointed out what they can and can't do—the difficulties that they are experiencing when they try to find apartments etc. They are interested in working with the whole community in trying to set up a place where a temporary shelter might be established. Mr. Silva mentioned the feasibility of using a building from the Foxboro State Hospital as a site . . . or unused building at Taunton State.

New Hope cited the difficulties they are experiencing in getting people to leave the shelter since there are no apartments to rent—particulary for AFDC mothers.

Manfield Housing Authority Director said that they were building 9 units for low-income families and had 217 applications. N. Attleboro the same. Public Health nurse in N. Atleboro made a special plea for a United effort.

The meeting soon evolved into a discussion on the very real unavailability of housing even for the intact low or middle income family who want to rent. It was decided to form an ongoing committee to come up with some recommendations. I offered to serve on the committee, since Mr. Silva had specifically asked if there was any plan in Congress to address the housing problem . . . he hadn't realized that Sec. 8 was dead.

I have enclosed a report and survey done by the Office for Children which was the only real data submitted to back up the problem:

HOMELESSNESS IN THE GREATER ATTLEBORO AREA

(By Janet Sylvia, Child Advocate Coordinator)

Long held dreams of the American citizen of owning a white house with a white picket fence may not come to fruition in our society today because of unemployment, high interest rates and the economy in general.

Homelessness in the greater Attleboro area is not unique to the state of Masssachusetts. This is a problem I have observed in the past eight and one half years as a

Child Advocate Coordinator for the Office for Children. Through the Help for Children caseload, I have been able to document the needs, gaps in services and barriers relating to this issue. Oftentimes, parents will call the HFC program seeking housing resources of which there are few. They have been referred to local housing authorities and South Shore Housing which services this area for subsidized housing. Waiting lists at the local housing authorities are a mile long or a two-year wait. Sometimes a family's name will be moved up on a list because of political pressure. The South Shore Housing uses a lottery system to place names on a list.

Families with more than two children experience great difficulty obtaining adequate housing due to the fact that landlords who own tenement houses have divided the tenements in half so they rent out three room apartments, thus, resulting in double the rental income to the landlord. Three bedroom apartments in the Attleboro area are scarce! There has never been enough low to moderate income housing in Attleboro.

Many homes have been condemned in North Attleboro, thus, leaving the tenants displaced. The town of North Attleboro is addressing this matter now. Most of these families end up in motels if they can not move in with relatives. Those families that do go to motels have little resources available to them. Usually they are funded by the local Salvation Army, a church or the Help for Children Program. These financial resources are only temporary. Those who are on AFDC could not apply for emergency assistance because it did not come under the emergency assistance regulations until quite recently. There are two such families residing with their children in a North Attleboro motel now.

Because of Attleboro being a jewelry industrial area, families have moved up here from the southern states with the hope of obtaining employment. These families have been known to the Help for Children Program since they have been referred by other agencies which could not service them financially or with housing resources. For example, in the recent past, DPW has referred a family, new in the area and without resources, because first they must have a residence in order to receive an AFDC grant.

Many of the HFC information calls are related to a lack of housing, housing resources or inadequate housing. Many of these have been a result of evictions for non-payment of rent. If these recipients have already used their emergency assistance during the year they are not entitled to use it again until that year is up. Thus, leaving them homeless. Most families have to rely on classified ads, many of which are discriminatory, i.e., one child accepted, rent is an exorbitant amount. Landlords will tell potential tenants they do not want divorcees, welfare recipients, Hispanics and Puerto Ricans.

Our minority populations such as Puerto Ricans, Hispanics, Cambodians, Laotians and Guatemalans end up renting in out pocket areas of Attleboro, thus paying higher rents for substandard housing. The Health Agent and the Building Inspector can not keep up with the requests. However, I must state they do their job and well!

We have a number of adolescents who are out on the street because their families have disowned them, they left foster care because of some problem and they are runaways. We have no drop-in center, soup kitchen, visible Salvation Army Unit or shelter.

Because of revitalization of downtown Attleboro and North Attleboro many families have been displaced. Due to having to relocate, these families have had to face great hardships such as having to leave the area, due to lack of available housing, ineligibility of emergency assistance and discrimination.

Women who are staying at our Battered Women's Shelter, New Hope, experience the same difficulties when they become displaced. A great many of these women from other areas decide to relocate in the Attleboro area because the support systems for the battered women and their children are here.

Mr. McKINNEY. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. BARTLETT).

Mr. BARTLETT. Mr. Chairman, I rise in strong opposition to H.R. 1 in its present form.

Throughout this session during this spring, I have been active, as have the gentleman who have spoken earlier, in the hearings and in the debate, and I would take a moment to commend my colleague, the gentleman from Texas (Mr. GONZALEZ), chairman of the subcommittee, for his diligence and openness. I commend also the chairman of the full committee, the gentleman from Rhode Island (Mr. ST GERMAIN), and likewise commend the ranking members on the Republican side of the Committee on Banking, Housing, and Urban Affairs.

What is wrong with H.R. 1 is not the intent of the sponsors but the result of what this housing bill, H.R. 1, does in its present form, because the emphasis in housing should, in fact, be on housing and should be on the opportunities for decent, safe, and sanitary housing for all Americans and on increasing those opportunities. The emphasis should not be on Federal programs, on Government agencies, on politics, or on promises that cannot be kept or on how many Federal housing units one can put in this bill.

The emphasis ought to be on providing opportunities for decent, safe, and sanitary housing for Americans at all economic levels, and particularly for increasing the opportunities for homeownership for low- and moderate-income Americans.

Mr. Chairman, I would commend the chairman for his announcement that we will not have a debate purely over funding. I would commend the chairman of the subcommittee for his statement that he would reduce the funding in H.R. 1 from $22.2 to $15.8 billion. That increase, if it were allowed to stay in H.R. 1, would in fact have decreased the opportunities for housing, would have increased interest rates across the board, and ultimately would have denied Americans new housing opportunities.

□ 1440

So that the debate will not be on funding alone, but will be on those significant program changes from existing program levels and existing management and existing housing programs that are beginning to work, those significant changes in the programmatic changes in H.R. 1.

Now the debate will be on the merits or the demerits of this bill, those changes in programs, those changes that could in fact hurt the cause of good housing. Those changes that, in fact, make housing and the ability of our cities and our housing authorities more complicated to deal with housing and would in my judgment help fewer people.

I would cite this afternoon several of the demerits of those program changes and the severe disadvantges of this bill. First, as has been mentioned several times, this bill would roll back from a decision that was made 2 years ago, from 30 percent of tenant income for housing to 25 percent of income. That is an unfair and an ill-timed rollback and I will have more to say on that later, as will I think a number of Members from both sides of the aisle.

In addition, this bill would add new construction. It would add so near as this Member can tell approximately 15,000 new units of subsidized housing that would be newly contructed and the construction subsidy would come from this bill at a cost of $900 million.

I would point out to the Members that that $900 million is not an add-on. In fact, it would be the same amount as is included in the appropritions bill, but that $900 million to assist middle-income Americans and that $900 million to assist apartment builders would, in fact, come from what would otherwise be assisted housing in section 8 for low- and moderate-income Americans; so it is charging those low- and moderate-income Americans to increase new construction for middle income, and I do not think that is fair.

This bill would add to the cost and the burdens of administering the community development block grants with some changes. Now, the committee did make some changes to make that less onerous, but in fact this bill would return in part to the bad old days when community development block grants did not resemble a block grant at all, but resembled a series of categorical grants.

This bill has significant omissions that I think will be addressed by amendments from this side of the aisle. This bill does not prohibit rent controls in cities which receive Federal funds for housing and, in fact, in that sense the Federal Government would work against itself.

This bill would continue prevailing wage rates on rehabilitation of public housing, in fact, when the prevailing wage is almost impossible to obtain and we could renovate and rehabilitate 20 to 40 percent more units using the same amount of money.

This bill does not, and it should, increase FNMA loan limits in high-cost areas to allow FNMA to serve the needs of housing.

I said a minute ago that this bill, we are not going to deal directly with the funding, but with those program changes because the funding is about the same on the surface; but, Mr. Chairman, I would at this time detail some of those other costs of funding, those costs that will never show up in the budget calculations, but they are just as important to the taxpayer and they are just as much funding increases, would add to interest rates paid in this country, if you begin to recognize the taxpayer as a taxpayer and forget about layers of government.

Now, the costs that are added into this bill that I am talking about are costs that are attributable to structural changes in existing programs that would occur if H.R. 1 were adopted.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. McKINNEY. Mr. Chairman, I yield 3 additional minutes to the gentleman from Texas.

Mr. BARTLETT. Mr. Chairman, these are hidden costs, costs that cannot be shown in a bookkeeping document, such as a budget, but costs that are, nevertheless, real and must be paid by someone sometime.

The most obvious example is the rollback in tenant rent contributions from 30 to 25 percent. I would support such a rollback if, in fact, that lower figure were in line with what other taxpayers are paying for their shelter costs; but on the average, the American people pay 33 percent of their income for shelter and on the average, low-income Americans who are not subsidized, pay 50 percent of their income for housing costs. This one rollback along, while it looks like small amounts of money individually, and it is, in fiscal year 1984 would mean $174 million in additional Federal costs. By fiscal year 1986, adoption of this 25-percent rule, the difference would be $1 billion in outlays, which translates into either cost overruns adding to the deficit and adding to the interest rate for all Americans, or would translate into less funds available for those same Americans.

There are other changes in the tenant rent determination that will cost the Federal Government more, but will never show up in this bill as a budget authority or funding figure. By excluding an additional $100 for each elderly person from each tenant's adjusted income, you add $62 million in Federal costs. By excluding extraordinary medical expenses in excess of 3 percent of income, you add $198 million. By excluding child and dependent care expenses, you add another $30 million.

There are other structural changes in the assisted housing section which will have an impact on our budget. The 50th percentile of recent mover rents, as opposed to the 40th percentile, which was previously discussed, would add approximately $97 million in fiscal year 1984 and $485 million over the period of the fiscal years 1984 to 1988.

Mr. Chairman, what I am trying to say is that these are real dollars that will add to the funding costs of this bill, even though we do not see them reflected in the budget authority figures that we are used to dealing with.

Who pays for these figures? It is clear the taxpayer does. What difference does it make if he pays additional Federal taxes or additional taxes at the State and local level so that they can comply with the Federal requirements? The net result is the same.

Mr. Chairman, the point I have attempted to make is that we cannot look to the budget authority figures alone in determining the costs of these programs. Someone either now or later must pay the piper. With many of these structural changes, it is now. H.R. 1 forces upon us immediate Federal outlay expenditures that this country can ill afford, expenditures that are not listed on the budget authority figure, but are real. Other provisions of the bill simply shift the increased costs to the State and local governments. The taxpayer is going to suffer in the end because he pays taxes at all levels.

Therefore, I caution my colleagues to beware of the siren song of reduced authorization. It is not only how much we spend, but how we spend and when we spend that is important. Without major changes in the structure of the programs in H.R. 1, reduced authorization levels will not be the answer. Spending less money on bad programs is not good government. Spending the same amount for good programs is.

I thank the chairman and I thank my colleagues.

Mr. GONZALEZ. Mr. Chairman, I yield 5 minutes to the distinguished gentleman and a very valued member of the subcommittee, the gentleman from New York (Mr. LUNDINE).

Mr. LUNDINE. Mr. Chairman, I rise in support of H.R. 1, the Housing and Urban-Rural Recovery Act of 1983. I wish to commend the chairman of the Housing Subcommittee (Mr. GONZALEZ) for his effort and leadership in developing this comprehensive housing legislation and also for offering amendments to bring the authorization levels in the legislation into accord with those recently approved by Congress in the first concurrent budget resolution for fiscal year 1984. I also compliment the full committee chairman, the gentleman from Rhode Island (Mr. ST GERMAIN) and the ranking subcommittee member, the gentleman from Connecticut (Mr. McKINNEY) for their contributions to this legislation.

There remains much uncertainty in the Nation's housing markets. While it appears the most severe housing recession since the Great Depression has ended, the prospect for recovery in housing continues to change with each month's economic reports. New predictions of rising interest rates have again dampened earlier hopes for a vigorous upturn in housing construction and sales during the second half of the year.

This continues to pose very serious problems for Federal housing policy. Two years of stagnant housing activity have seriously aggravated an existing shortage of decent and affordable housing for the great majority of American households. Persistently high mortgage interest rates have forced all but a small percentage of home buyers out of the market for new homes and rising demand for existing housing has made it increasingly difficult for lower income households to obtain housing that is either adequate or affordable.

The Reagan administration continues to ignore these serious housing problems. It lacks any comprehensive housing policy and remains unwilling to even consider such a policy. From the outset, this administration has dedicated itself to destroying all existing Federal housing efforts. It has successfully halted all but a token level of federally assisted new housing construction and has severely restricted housing-related services to the poor. Now, after two of the worst years on record for housing, the administration persists in seeking to restrict all remaining housing assistance, including vital aid to home buyers provided with FHA mortgage insurance and Federal secondary mortgage market activities.

In place of our current housing programs, the administration has offered only inadequate housing vouchers, limited block grants, and a vague promise that tax benefits and reduced regulation will induce the private market to do what it has been unwilling to do—provide housing to meet the needs and budgets of the majority of American households. This approach has not worked in the past and is clearly inadequate to meet current housing shortages.

In a series of speeches earlier this year, I attempted to outline an alternative policy to guide Federal housing efforts during the next few years. Given the administration's hardened views on housing assistance and the lack of consensus in Congress on the future direction of Government housing programs, it appeared that only an interim housing policy would be possible for the foreseeable future—a policy designed specifically to address

our most pressing housing needs while beginning to lay the groundwork for new, less costly approaches to meeting low-income housing needs.

Essential to such an interim policy is an effort to shift more of our limited housing resources to less costly housing rehabilitation programs and to programs, like the elderly housing program, that meet pressing housing needs while also freeing existing housing for repair and occupancy by young families. An interim policy must also seek to strengthen existing programs to assist moderate income home buyers both directly with mortgage insurance and loan guarantees and by expanding our secondary mortgage financing system.

As part of this policy, Congress must begin to build a new consensus regarding long-term housing goals and priorities, as well as develop new housing programs that permit an expansion of housing assistance within the tighter budget limits of the next decade.

I support the housing authorization legislation currently before the House and believe it will do much to implement the kind of interim housing policy I have advocated. H.R. 1 continues existing programs that meet the most pressing housing needs of the poor, while offering new proposals that could serve as models for less costly housing assistance programs in the future. It shifts increased priority to housing rehabilitation and neighborhood preservation efforts, and strengthens current programs to facilitate private home construction and finance.

In short, H.R. 1 offers what the Nation has lacked for the past 2 years—a comprehensive approach to our current housing problems and an indication that new, more efficient approaches are being devised to preserve the Government's traditional commitment to decent housing for all Americans.

Mr. Chairman, I wish to highlight a number of the provisions in H.R. 1 that I think are particularly noteworthy and deserving of support. The legislation, as amended by the Gonzalez amendment, would provide $9.9 billion in new budget authority for low-income housing assistance. This is a significant reduction from prior authorizations and a level of spending consistent with the fiscal year 1984 budget resolution.

In an effort to continue to serve as many of the Nation's poor as possible, the bill shifts funding priorities for assisted housing by increasing the proportion of funds allocated to the section 8 existing housing program and the section 8 housing rehabilitation programs. Rather than providing new public housing construction, H.R. 1 seeks to preserve the public's existing investment in public housing by increasing funds for project operation and modernization, and by making additional funding available to meet problems in troubled housing projects.

Housing rehabilitation is given much greater emphasis in this legislation than in any prior housing authorization. In addition to providing a larger proportion of funding for public housing repair and the section 8 rehabilitation program, H.R. 1 seeks to continue funding for rehabilitation grants under the section 312 program, institutes a new program of assistance to neighborhood organizations to finance neighborhood preservation activities, and includes housing rehabilitation as an eligible activity under a new multifamily housing production program.

In rural housing, H.R. 1 also makes needed changes to encourage housing rehabilitation under the current section 515 rental housing program and authorizes a new rehabilitation block grant program to assist small communities in converting existing structures into needed low-income rental housing. This constitutes a major change in rural housing policy, one that could significantly increase housing opportunities in many rural areas for a fraction of the cost of current new housing construction.

Other provisions in H.R. 1 offer creative examples of how urgent housing needs can continue to be met through more efficient use of scarce Federal resources. The multifamily housing production program in title III of the bill offers minimal "up front" financial assistance to developers to promote construction of up to 100,000 units of multifamily rental housing. Unlike current rental construction programs, assistance would be offered through local public agencies and designed to meet the specific housing needs of a community and would not necessitate expensive long-term Federal subsidy payments.

Of equal importance is the proposed changes in the section 202 elderly and handicapped housing program contained in title II. By revising the financing and subsidy mechanisms for the section 202 program to eliminate costly section 8 payments, the proposal significantly reduces the cost of providing new housing for the elderly. Through the improved use of program funds, it would be possible to assist some 36,000 units of section 202 housing during fiscal year 1985, with the same amount of budget authority currently provided for only 14,000 units.

I have only addressed a few of the important program and policy changes contained in H.R. 1. The legislation incorporates many additional provisions that are unlikely to demand headlines, but make important and much needed improvements in our basic housing laws.

I call upon my colleagues to consider the needed changes that are incorporated in H.R. 1 and to recognize the effort that has been made to reduce housing costs and devise creative approaches to meeting pressing housing needs. I support the Housing and Urban-Rural Recovery Act of 1983 and urge its adoption.

□ 1450

Mr. McKINNEY. Mr. Chairman, I yield 5 minutes to the gentlewoman from New Jersey (Mrs. ROUKEMA).

Mrs. ROUKEMA. Mr. Chairman, it seems to me that the problems with H.R. 1 go beyond the spending limits and the program changes that are included in the bill. Some of my colleagues, notably the gentleman from Connecticut (Mr. McKINNEY), have already highlighted a number of the problems in the bill, such as the limitations in the CDBG program and the multifamily housing program.

I would like to focus, however, on one particular failure that I see in the bill, and I take here the opposite position of the previous speaker, my colleague from New York (Mr. LUNDINE). I am referring to the program of housing payment certificates or vouchers.

Unfortunately, there was no effective effort made in committee to work with the administration on this initiative. This was true even with respect to a demonstration voucher program for something like 25,000 units, a proposal which was made in committee and one would assume that there would have been room within the increases in funding for assisted housing that have been appropriated in this bill for such a modest demonstration program.

However, efforts to provide such a demonstration were inexplicably opposed on party lines.

This stands in stark contrast with the more bipartisan approach taken by the Appropriations Committee. Despite the lack of authorization, the Appropriations Act for 1984 provides deferred budget authority sufficient to permit a 25,000-unit demonstration contingent upon an authorization bill being enacted.

At least the Appropriations Committee has made an effort to come up with a compromise that could be enacted, rather than being strictly confrontational on the subject of vouchers.

I believe all members of the Committee on Banking, Housing, and Urban Affairs want a housing bill this year. It will be the first in 3 years. However, the rigid approach taken by the majority when they excluded the minority from any aspect of developing the legislation is not conducive to compromise.

In my opinion, much of this bill perpetuates the inefficiencies of the bureaucracy and in some cases compounds our problems. I think the case could be made, as the gentleman from

Connecticut (Mr. McKINNEY) has previously stated on the multifamily housing program, that we are now initiating a yet more costly program with a shallow subsidy. However, only 20 percent of this costly program will be set aside for low-income housing.

That, to me, is not the purpose of a new housing bill. It seems to me that we should be looking for innovative, cost-efficient ways of providing housing. Again, I would like to point out, the voucher system is not a cure-all. It is not a panacea. But it certainly seems to provide a method of looking at a problem in a new way, and it is worthy of the modest pilot project that has been proposed by the Appropriations Committee.

I regret that the Banking Committee has refused to go along with this approach.

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

Mrs. ROUKEMA. I am happy to yield to the gentleman.

Mr. McKINNEY. I just would like to join with the gentlewoman in her remarks. I find it very difficult, as someone who quite frankly really was not too enthralled with the voucher idea or housing payment certificates—they will not work where I represent, I am convinced, because of our low vacancy rate—but I do feel, as I said in my statement earlier, that they needed to be examined and investigated under a demonstration setup.

I think the Appropriations Committee was very wise in putting aside 25,000 units to demonstrate. I think we made a great mistake and I tried to amend it within the committee.

But it would seem to me everybody on the committee would really want to put this issue to rest one way or the other since it has been sort of moving around for about 10 years. No one seems to really know and appreciate what the gentlewoman has said.

I am at least glad we have in the bill a stipulation that would bring HHS and HUD together because that, of course, is now where we have the rental income supplemental payments and it is the most gigantic voucher program in the world already going on with no coordination and direction.

Mrs. ROUKEMA. I thank the gentleman and I yield back the balance of my time.

Mr. GONZALEZ. Mr. Chairman, I yield 3 minutes to the distinguished Commissioner from the great Commonwealth of Puerto Rico (Mr. CORRADA).

Mr. CORRADA. Mr. Chairman, I rise in support of H.R. 1, and would like to commend the House Banking, Finance and Urban Affairs Committee and its Subcommittee on Housing for bringing this vital legislation to the House floor.

This legislation bears, once again, the talents and leadership of the Housing Subcommittee Chairman HENRY GONZALEZ and other committee members who have, with considerable patience and diligence, acted responsibly in paving the way for what will hopefully resolve a problem of considerable proportions, that of the necessity to reauthorize our country's housing and community development program.

Mr. Chairman, one of the highest priorities in the midst of our current economic situation should be to preserve and protect those time-honored and vital housing programs at the Federal level. For years, these programs have adequately provided a decent shelter for the citizens of the Nation and Puerto Rico.

This bill reauthorizes the most important housing and community development programs administered by the Department of Housing and Urban Development.

It will also continue the rural housing programs administered by the Farmers Home Administration. It will start up a new rental housing program.

But, perhaps most important of all, this bill modifies in a positive and constructive manner, the existing housing programs which—in Puerto Rico over the years—have helped U.S. citizens attain the right to a decent living environment.

I believe it fair to say, Mr. Chairman, that the report on this legislation is both a concise and vivid document that will help us understand the present housing problems and how best to continue the Federal role in this fundamental area.

The report notes that there is a national and historic commitment to a housing policy that must be continued, and that H.R. 1 is definitely a survival program in the current recession to continue a fair and decent national housing policy.

The community development block grant (CDBG) program is proposed to be reauthorized, at a level of $4.5 billion for each of the next 3 fiscal years.

This total is approximately $1 billion more than the current level of the CDBG program which, in the current fiscal year, is providing a total of $115,516,000 to help every municipality in Puerto Rico with projects to carry out a wide range of activities geared toward neighborhood economic revitalization, economic and urban development, and the provision of improved community facilities and services.

The higher total will allow our island's mayors an annual reassurance that—if the funds are appropriated to the level of the new authorization—the problems caused by inflation and high construction costs will be adequately met.

A total of 10 of our our island's 78 municipalities receive guaranteed funds on an entitlement basis under the CDBG program.

In June, the CDBG State block grant program for the current year was approved, which will allow the 68 smaller municipalities on the island help meet the needs of low-income families, at a level of $54,796,000. The approval of our nonentitlement, or small cities program, which is operated by the Municipal Services Administration of Puerto Rico, constitutes a new approach in Puerto Rico. Under H.R. 1, we would be reauthorizing this program for fiscal years 1984, 1985, and 1986.

The State block grant program will meet three objectives.

First, it will focus benefits on low- and moderate-income persons, the most needy in our society. Second, it will help eliminate slums and blight in various neighborhoods throughout the island and, third, meet economic development needs so pressing in Puerto Rico.

The tightening of various rules and regulations of the CDBG program on the national level provided in H.R. 1, are met with approval in Puerto Rico, for it helps us continue to focus on the areas of need in various municipalities throughout the island.

In the case of a companion urban program, the urban development action grant program is reauthorized at a level of the current national total of $440 million. This program has my strong support.

In recent years, the UDAG program has provided an invaluable tool to both large and small cities in increasing private sector investment in helping solve urban problems.

Since the UDAG program began in 1978, Puerto Rico's participation in this program has consistently increased. UDAG grants focus aid to cities and counties experiencing economic distress. UDAG grants have brought into play considerable private investment in Puerto Rico to help construct, throughout the island, shopping centers and hospitals, merchant and retail centers, housing units for low- and middle-income families at lower interest rates, and other construction projects which serve the dual purpose of creating construction as well as permanent jobs.

The most recent estimates for this program, which I consider essential, is that Puerto Rico has utilized a total level of Federal funding of more than $71 million since the program began.

This has funded 69 projects throughout Puerto Rico but, most important of all, has generated an additional investment of $259,972,552 from the private sector.

The provisions in H.R. 1 which would allow substantial technical assistance to smaller communities are, in my opinion, necessary in helping many

small towns throughout the Nation which lack the expertise to develop sound, imaginative and practical proposals, and the committee properly notes that simple dissemination of information on the UDAG program is not enough to help those communities lacking the full-time staff to develop good proposals.

Title II of this legislation authorizes the various low income assisted housing programs and other programs such as public housing operating subsidies, public housing modernization, section 8 rehabilitation and conversion program and others.

In rejecting the proposal for a housing voucher program to substitute many of these programs, the committee has opted to continue the traditional and effective role of the Federal Government in helping low-income families. These programs have been and continue to be important to us in Puerto Rico to house and shelter many of our low-income families. Continuation of the traditional HUD role is welcome news in Puerto Rico. The bill breaks new ground in the case of title III.

Title III provides $1.3 billion for fiscal year 1984 for a new program, to help State and local governments build or rehabilitate multifamily rental and cooperative housing. This housing is needed in areas with a severe shortage of affordable alternatives.

Finally, Mr. Chairman, title IV reauthorizes the various rural housing programs of the Farmers Home Administration.

In Puerto Rico, for the most recent fiscal years for which data is available, the island received a grand total of $76,836,000 for housing programs of the Farmers Home Administration.

The reauthorization of rural housing programs, as well as the other reauthorizations contained in H.R. 1, will offer reassurance that the national role in housing will be continued. It is a sound, solid piece of legislation and it has my support. It comes at a time when the need for decent and affordable housing has been heightened by high interest rates and the severe recession from which we appear to be finally emerging.

I commend the committee and the House leadership for bringing this bill, shaped as it is, to the House floor and urge my colleagues to support it.

□ 1500

Mr. GONZALEZ. Mr. Chairman, I thank the distinguished Commissioner Representative from Puerto Rico and also for his assistance with respect to some of the programs that we have incorporated in H.R. 1, because he and some of the constituents he represents were very instrumental in some of these sections.

Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Minnesota (Mr. OBERSTAR).

Mr. OBERSTAR. I thank the chairman.

I want to compliment the chairman on the splendid work that he has done, and the committee and the ranking member, Mr. MCKINNEY, also for bringing forth H.R. 1, the Housing and Urban-Rural Recovery Act of 1983.

The legislation will reaffirm and strongly reinforce the longstanding national commitment to the well-being of our Nation's cities. The legislation will also strengthen and restate the essential elements of our national housing program. And I know the committee has labored long and with great detail over this legislation, to examine these programs, in their every facet, and has brought forth a piece of legislation that our Nation's cities both large and small desperately need. I do rise to express a matter of concern about the urban development action grant program for small cities.

This year, some 2,000 cities across the country will lose eligibility for what has come to be recognized as a very important development tool to regenerate, strengthen local economies, even at a time when many of those cities are experiencing severe economic recession and distress.

The 1980 census will not gage the extent or the impact of the deep recession that many small communities have experienced particularly in the last 2½ years.

My own hometown of Chisholm, Minn., is located in a county which has 26.9-percent unemployment. That is 1 out of every 3 workers out of a job. Yet, the city has been notified that it will not be eligible to compete for UDAG's in fiscal year 1984.

Another example in another county, Taconite, Minn., in Itasca County, Taconite has been notified that it will not be eligible for the UDAG program for small cities; yet the county in which it is located has 22.4-percent unemployment.

Other small cities throughout Minnesota, throughout the Great Lakes States, the New England, Middle Atlantic States, the great industrial heartland of the United States, are in the same problem, principally because the census data collected for the 1980 census will not reflect the distress of the current recession.

Now, as I examined the program for large cities and for urban counties, I find that they are allowed to include unemployment as a factor in their qualification formula as well as the employment lag. Two additional factors along with the four basic factors for small cities.

Now, while unemployment data and I recognize there is a problem here, unemployment data is not collected for small cities per se. Chisholm does not show up in the U.S. Department of Labor statistics. But the Labor Department does collect data for the balance of the county. We use that information for the Economic Development Administration programs.

We have provided in the bill that was debated just prior to this one, H.R. 10, the National Development Investment Act, an alternative; that a city, to qualify for the program, could use either unemployment at 1 percent above national average unemployment for the past 24 months or it could use the per capita income, 80 percent of the per capita income, similar to the UDAG formula.

Now, it would seem to me that it would be a measure of fairness to small cities to allow them to use the unemployment data as a measure of distress. The Labor Department does make those certifications, does declare certain areas to be labor-surplus regions. And there is a specific formula written in the law; standards already exist; you would not be creating anything new.

So, I really am considering offering an amendment, and I would like to have the chairman's reaction to this, to inclusion of unemployment as a measure of the distress, one of the factors for consideration.

Mr. GONZALEZ. If the gentleman will yield, let me answer briefly that in section 102A of our bill, we are taking cognizance of that and we provide for these pockets of depressed areas for UDAG purposes within communities that are not even incorporated where, of course, distress or unemployment is a factor.

On top of that, counsel for the committee has notified us that HUD has notified us that they are proposing issuing regulations that will provide these standards of consideration of unemployment rates and the like for UDAG purposes.

We are monitoring this very much to see that they implement them as quickly as possible.

But there is a cognizance of this need. Both in our bill as well as in the administration's proposed regulations it is being taken cognizance of.

So, it may not be necessary to have an amendment. But let me not preclude the gentleman from considering something that might perfect the bill.

Mr. OBERSTAR. I thank the chairman for that comment. I did want to discuss the matter of the proposed regulations that HUD is considering issuing. They have been in the works for many months, but the gestation period seems to be endless.

Mr. GONZALEZ. That is true, but we were just informed that they are apparently putting some heat under the vessel that is cooking the regulations.

Mr. OBERSTAR. Perhaps the discussion with the chairman could put additional heat and shed some light on the matter as well; if the chairman takes an interest in the matter that could expedite the action by the agency.

Mr. GONZALEZ. I do not want to disappoint my distinguished colleague. I do not know how much influence I would be able to muster.

The fact we have incorporated language in the bill itself and taken cognizance of this great need should be a clear message as to the congressional intent.

Mr. OBERSTAR. I thank the chairman.

Mr. McKINNEY. Mr. Chairman, in a spirit of bipartisan generosity, I yield back all except 5 minutes, which I will yield to the gentleman from New York (Mr. SCHUMER).

□ 1510

Mr. GONZALEZ. Mr. Chairman, let me acknowledge the generosity of our distinguished colleague, for whom I have nothing but the highest honor and praise, for offering this time in order that the distinguished and young and dynamic Congressman from New York will be able to sum up and close out the debate.

I yield whatever time is available to this side to the gentleman from New York (Mr. SCHUMER).

The CHAIRMAN. The gentleman from New York (Mr. SCHUMER) is recognized for 7 minutes.

Mr. SCHUMER. Mr. Chairman, before I begin my remarks, I would like to praise the chairman of our subcommittee, the gentleman from Texas (Mr. GONZALEZ) and the chairman of our full committee, our staff, and the members of our committee on both sides of the aisle, for the hard work that they have done, and the cooperative spirit that has prevailed.

Mr. McKINNEY. If the gentleman would yield for just 1 second, please do not praise me any more. It got the gentleman into a great deal of trouble the last time he did it.

Mr. SCHUMER. Mr. Chairman, this bill has had almost 3 years in percolation. It is the first housing bill to reach the floor of this House since I and the gentlewoman from New Jersey and the others in my class on the Banking Committee and the Housing Subcommittee have been Members of Congress.

And to me, Mr. Chairman, it represents a watershed. I think that this bill really reflects the direction that our country will take and our party in particular, the Democratic Party, will take in the years to come. I think that the bill shows that we have learned from some of our past mistakes. It is no secret that many of the housing programs that existed prior to 1981, came into disrepute, in Congress and throughout the country, for one reason or another. I am referring particularly to the section 8 new construction program.

Now, in my opinion, section 8 did what it was intended to do, house very poor people for a long period of time, but there is no doubt that it was expensive, extremely expensive, That it did not encourage cost effectiveness, and that there were a variety of other legitimate criticisms of the program.

The Reagan administration's response to the excesses, shall we call them, was simply to slash and cut. In the last 3 years, this administration has done just that. The Reagan administration record is one of devastation of lower income housing programs. The administration terminated low-income housing construction programs funded at $28 billion in the last year of the Carter administration, and proposed instead a $150 million program that would be aimed mostly at cosmetic improvements. The administration raised the rent for assisted housing tenants from 25 to 30 percent of their income. The administration twice proposed including food stamps in the calculation of tenant income. The administration studied the feasibility of demolishing large portions of public housing stopped. And this administration has opposed every neighborhood base program that has been proposed. It has proposed eliminating crime and riot reinsurance, which would leave thousands of small businessmen without any insurance in some of our Nation's most troubled neighborhoods. It proposed the elimination of solar energy and energy conservation bank, which everyone admits we will need in the future. Beyond these measures, the administration has used the regulatory process as a weapon in its war on housing programs.

This new housing bill does not make advocates of lower income housing very happy. It does not do everything we want it to do. But it is a modest attempt to say to the American people, to our colleagues in Congress, and to our party that we will not abandon social programs as the administration has done, that we will not throw out the baby with the bath water, that because one person on food stamps, for instance, is found to be cheating we will not cut off assistance to the many who honestly use those food stamps.

What we have tried to do is learn from our past mistakes and yet create a comprehensive housing bill.

This bill does that. It is a modest attempt to deal with the housing problems in our Nation. And I would remind all of my colleagues that we talk about the homeless and there is a great deal of sympathy and justified sympathy from all corners of this Nation about the homeless. The homeless are homeless because they do not have housing. And nothing we can do will make them nonhomeless again except produce housing. You cannot have it both ways. You cannot be really sympathic to the homeless and then not provide any funding for the production of housing.

Mr. Chairman, I know many of my colleagues have outlined different provisions of the bill, but the provision that I am most familiar with is the new rental assistance production part of the bill called the Dodd-Schumer program. It is this part of the bill that I have worked the hardest on and I think it shows the future for those of us Democrats who believe that we must do something to aid those who need help, that we must have some sympathy for the underdog, but we must be aware of the burgeoning costs and relentless bureaucracy.

The Dodd-Schumer program—and my colleague in the Senate, CHRISTOPHER DODD of Connecticut, has been an ardent spokesman for rental housing in the Senate and was instrumental in crafting this bill—is a program that has stimulated support from all parts of the spectrum in the housing world, from the National Association of Realtors and the National Association of Home Builders, to the National Low-Income Housing Coalition support this program. Why? Because it is a program that will work, will work in as cost-efficient a way as possible.

The program is called—and I think justifiably—a UDAG for housing. It is based on the same principles of leveraging private investment with public contributions that has made UDAG one of the most popular and successful programs, not only in the House, but in the country.

I might just outline the principles that underline, I think, this Dodd-Schumer program and the housing bill in general.

First, in Dodd-Schumer, assistance is designed not to supply the entire cost of production or rehabilitation, but to simply fill the gap between a project's actual cost and the cost that is necessary to make the project feasible in the private market.

Second, the assistance is flexible. In other words, too often localities, developers, and recipients of assistance, complain that rigid rules from Washington do not allow them to fulfill local needs. This bill bends over backward to take into account local needs.

Third, projects represent a local-Federal-private partnership, with the center of responsibility shifted to the local level.

Fourth, Federal assistance will leverage local assistance, in a competitive atmosphere which should maximize the local contribution.

Fifth, assistance is targeted to areas of the most need, as ranked according to objective measures of need, such as

overcrowding, vacancy rates, and the amount of substandard housing.

The substitute to be offered by Chairmen ST GERMAIN and GONZALEZ would provide $900 million for this program, which should be enough to produce or rehabilitate 70,000 units.

The CHAIRMAN. The time of the gentleman from New York (Mr. SCHUMER) has expired.

Mr. McKINNEY. Mr. Chairman, I yield 1 additional minute to the gentleman from New York.

Mr. SCHUMER. Mr. Chairman, in conclusion, I would simply like to urge the Members of this body to look at this bill carefully, to examine its provisions, and to see that it does do what I think this Nation has mandated it to do, provide some housing. We do not have much rental housing being built in this country. If your income is below a certain level, you are out cold and that level is higher and higher. I am sure there are people in the Capitol right now who cannot afford a home, even though their income is substantial. But it also, Mr. Chairman, is mindful of cost. It does not go back to the old ways of spend, spend, spend. It is pared down. It is moderate. And it does the job as cost efficiently as possible.

I think the entire House and certainly our Banking Committee can be proud of the bill we are placing on the floor.

I urge its passage by all Members of this body.

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

Mr. GONZALEZ. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

□ 1520

Accordingly the Committee rose; and the Speaker pro tempore (Mr. MURTHA) having assumed the chair, Mr. MINETA, 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. 1) to amend and extend certain Federal laws that establish housing and community and neighborhood development and preservation programs, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous matter on the bill, H.R. 1, just considered.

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

There was no objection.

AFDC COST CONTROL AND MANAGEMENT IMPROVEMENT ACT OF 1983

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. STARK) is recognized for 5 minutes.

● Mr. STARK. Mr. Speaker, today I am proposing legislation that will make our Nation's basic welfare program—aid to families with dependent children (AFDC)—more manageable, more effective, and better able to serve needy families.

No program has been more maligned that the AFDC program, suffering as it does from broad public misconception. Nonetheless, the problems that do exist in the program have been confounded by the extensive and often shortsighted changes that Congress has made in AFDC over the past 2 years, as we struggled to reduce the Federal deficit and respond to Reagan administration initiatives. My bill does not propose comprehensive welfare reform, although that certainly would be a worthy goal. Nor does it try to correct all of the inequities that have resulted from the President's misguided proposals. Instead, it takes incremental—but no less important—steps toward a fairer, more responsive, and more manageable AFDC program. These are steps which I believe we must take if we are interested in more than rhetorical criticisms of the program and want to make a substantive contribution to reducing error and waste and promoting sound administrative practice at a time of scarce public resources. My legislation contains several proposals that lead us in this direction.

First, it would make the AFDC program fairer by eliminating the inequities that have been created between working families who must pay their day care expenses themselves and those who can use federally subsidized day care or have friends or relatives that will care for their children free of charge; by assuring that AFDC recipients have the same access to the earned income tax credit for low-income families that other poor Americans do; and by holding organizations, who sponsor nonrefugee aliens, responsible for their support just as individuals are;

My proposal would also help AFDC respond to the truly needy by allowing AFDC children who got a late start in school or were held back due to illness or their need for extra educational development to continue to receive AFDC through age 20; by encouraging more States to provide temporary cash assistance, with strict work requirements, to needy two-parent families so that they may receive the Government help they need when the breadwinner is unemployed, but are discouraged from long-term welfare dependence; by eliminating mandatory monthly reporting and retrospective budgeting in AFDC, a technique that has not proved to be cost effective, can cause hardships for recipients, and unnecessarily increases paperwork; by revising the way lump sum income is treated in AFDC so that families made ineligible for a time by this income may return to aid sooner if circumstances warrant; and by not tying up already scarce resources to register for work a woman who is about to bear a child.

The plan I am proposing would make AFDC easier to manage by reducing the number of inconsistent rules in AFDC and food stamps which contribute to the potential for error and waste in programs which often serve the same families, such as forcing families to sell their burial plots to qualify for AFDC but exempting them in food stamps; by permitting five States to test common AFDC, food stamp, and medicaid definitions and a common budgeting process for the three programs; by allowing States to reimburse workfare recipients directly for all of their day care and transportation expenses as is done for food recipients who have jobs; by permitting States to forgo recoupment of overpayments when it can be reasonably assumed that the cost to collect will equal or exceed the overpayment amount; and by requiring States to make protective payments to third parties only in cases of money mismanagement or when it is clearly in the child's interests to do so.

Finally, the bill includes the provisions of H.R. 927, providing a regular program of assistance to homeless shelters and homes for victims of domestic violence. It is clear, Mr. Speaker, that the Nation faces a long-term period of high unemployment; while we have provided some assistance to the homeless this spring, I fear that it will be needed for the next several winters. H.R. 927 and its inclusion in this bill seek to provide some regularity and predictability in the funding of these centers.

These proposals will, in my estimation, make the AFDC program fairer for recipients, easier for them to understand, more responsive to truly needy families, and simpler for State and local officials to administer. These are goals which I believe all of my colleagues can support.

I want to thank Ways and Means Public Assistance Subcommittee Chairman HAROLD FORD for scheduling this bill for hearings on July 18. The following detailed discussion of the bill should help witnesses at that hearing to comment better on the need for this legislation:

SECTION-BY-SECTION SUMMARY OF THE STARK BILL

1. When calculating AFDC eligibility and benefits, disregard day care costs last, up to

the current limit of $160 per child per month. Under current law, a working AFDC recipient's day care expenses are deducted before the disregard of $30 plus ⅓ of remaining earnings (known as the work incentive disregard) is applied. In practice, this means that families who do not have to also pay their day care costs receive more encouragement to work (i.e. a larger work incentive) than those who must buy day care for their children. For an AFDC mother earning minimum wage with two children and day care expenses of $200 per month—well below the federal maximum for two children—this policy can result in a work incentive disregard that is roughly $65 less per month than that received by a family in the same circumstances but which does not have to pay day care costs because of Title XX assistance or because friends or relatives care for their children without cost. The proposed change deducts day care costs after the $30 and ⅓ work incentive is applied, assuring that families with the same incomes get an equal work incentive regardless of their day care requirements and assures that day care costs do not become a disincentive to work.

2. Disregard the earned income tax credit (EITC) from countable AFDC income. As a result of changes made by the Omnibus Budget Reconciliation Act of 1981, states must determine whether working AFDC recipients appear eligible for the EITC, ask them to apply for it through their employer, and consider it to be available on a monthly basis regardless of when—or if—it is actually received. (The EITC may be paid monthly or as a lump sum at the end of the year.) The current policy is unfair and confusing to recipients, difficult to administer, highly error prone and probably has not produced any of the savings that were expected. In fact, one state has reported that since October 1981 only 14 cases have been closed due to this requirement at an annual cost of $15,000 to apply the policy. In May 1983, only $27.00 in savings were reported by this same state.

3. Allow states that are not now aiding two-parent families to operate demonstration programs that test alternatives to the existing optional AFDC-unemployed parents (AFDC-UP) program. At state option, AFDC may be extended to dependent children in two-parent families who are needy due to the unemployment of the principal wage earner. Twenty-two jurisdictions now provide this coverage. The proposed change would encourage those states not now offering AFDC-UP to provide some aid for these families, but not necessarily to the extent now required under law. States could:

Place a time limit on aid to two-parent families.—This would encourage the principal earner in a two-parent family to find work as quickly as possible, with AFDC benefits used as a buffer for six months.

Eliminate the child care deduction. With two parents in the home, it may not be necessary to pay for child care costs, since one parent could be at home caring for the child(ren). Allowances would be made for families in which the second parent is incapacitated or also desires to work.

Mandate stricter work requirements for two-parent families. Currently the principal earner must register for work and may be required to participate in a community work experience program (CWEP, also known as workfare), job search or other work programs available in the state. Recipients may also volunteer for the work supplementation program—in which the AFDC benefit is used to subsidize wages for a job—if one is available in the state. This change would permit states to impose stricter work requirements for the AFDC-UP caseload than the basic AFDC caseload.

4. Allow any full time high school (or equivalent) student to continue to receive AFDC through age 20. States may provide AFDC to children only until they are age 18 or, at state option, 19 if they are expected to graduate from secondary school before reaching 19. This creates an unfair and unnecessary dilemma for teenagers who may be just a year behind their normal graduation date: their AFDC benefits may end before they have completed school, forcing them to end their education and take a job instead. With increasing national concern for assuring the quality of education and a long standing recognition that employment prospects are improved for those with a high school education, it makes sense to permit states to aid high school and vocational school students through age 20. Under no circumstances could college students receive this assistance.

5. Eliminate the policy that requires pregnant women to register for any type of work or training program in their third trimester of pregnancy. States must register all employable AFDC recipients for the work incentive (WIN) program—AFDC's core program for helping recipients to find work or get needed training. By regulation this includes registering pregnant women, even though they will be exempt from the work requirement once the child is born and they are caring for it. The regulations now present states with only two alternatives to WIN registration: they may exempt pregnant women from work after a case-by-case review—a costly and unnecessary administrative task—or they may declare pregnant women incapacitated and exempt them from work on that basis—a declaration that is untenable. The proposed change would exempt pregnant women in their third trimester from work registration, giving states more time and some added funds to devote to recipients in need of more immediate employment.

6. Make AFDC monthly reporting and retrospective budgeting (MRRB) a state option and allow federal matching for supplements under state MRRB systems when the system cannot respond promptly to immediate needs. The 1981 reconciliation legislation required states to implement MRRB systems for AFDC and food stamps. Under monthly reporting, recipients fill out and return a lengthy questionnaire each month. States may, with HHS approval, exempt certain categories of recipients from this requirement. With retrospective budgeting, a family's benefit for the upcoming month is based on his/her circumstances in the prior month (or in some states, two months prior). This can force recipients who lose their jobs to be without an adjusted AFDC payment for one or two months, unless the state can afford to pay supplements with its own funds. Under the proposal, MRRB would be an option for the state; HHS would be given authority to waive any of the AFDC MRRB requirements for greater compatibility with food stamp MRRB rules, and for states that choose to make supplemental payments, part of the costs would be underwritten by the federal government.

7. For families that receive lump sum income making them ineligible for AFDC, revise the treatment of this income to permit states to recalculate the ineligibility period when circumstances change in ways that increase financial need.

The 1981 reconciliation act, required states to consider non-recurring lump sum income—such as insurance settlements—to be available to the family over a period of time. The period of ineligibility resulting from this consideration is determined by dividing the lump sum amount by the state's standard of need, producing the number of months that the family is not qualified for aid. By regulation, states may only shorten the ineligibility period when a life-threatening circumstance exists, and the non-recurring income causing the period of ineligibility has been or will be expended in connection with that life-threatening circumstance. This does not allow states the flexibility they need to adjust the ineligibility period when circumstances change. If the family's needs increase because a child is born, a parent loses employment or the family faces high medical bills due to illness or accident—none of which are usually considered "life-threatening"—they are ineligible for aid, even though may have been forced to spend the income that caused them to be ineligible in the first place. The proposal would allow states to adjust the period of ineligibility whenever circumstances change in ways that increase financial need. This means that if family composition, income or resources change, the length of the ineligibility period would be shortened using the new information.

8. Allow states to reimburse the AFDC recipient directly for transportation and day care expenses that are directly attributable to community work experience program (CWEP, also known as workfare) participation. States are permitted to operate CWEP projects in which employable AFDC recipients may be required to work in public and non-profit agencies in exchange for benefits. By regulation, the Department of Health and Human Services has limited the amount that states may directly reimburse participant expenses—such as day care and transportation—to $25 per month. States may receive a 50 percent federal match if they elect to provide these services to CWEP participants.

The $25 ceiling is arbitrary, discourages states from trying CWEP projects, and it not in any way based on an assessment of a participant's actual and necessary CWEP expenses. To address this problem, states would be permitted to reimburse the AFDC recipient directly for:

Transportation costs directly related to CWEP participation and in an amount equal to local public transportation costs or, absent local public transportation, the next most economical means; and

Day care expenses directly attributable to CWEP participation but in no case greater than the comparable day care deduction for AFDC recipients who are working a similar number of hours.

9. Use the food stamp program's resource policy in AFDC by exempting from countable AFDC resources burial plots, funeral agreements and property a family is making a good faith effort to sell.

In 1981 new limits were set on the amount of resources an AFDC family may have and remain eligible for the program. States must establish a limit of $1,000 (or less) on the equity value of the resources an assistance unit may own, and must by regulation: deduct any obligations or debts on the resources; exclude the equity value of one automobile up to $1,500 (or lower if the state chooses); exclude the value of a home owned and occupied by the family; and count all other resources except, at state

option, basic items essential to day-to-day living, such as clothing, furniture, and other similarly essential items of limited value. This forces states to count as a resource burial plots, funeral agreements and property a household is making a good faith effort to sell. In most cases these items are of little cash value and locating and assessing their worth is an administrative task that can cost more than the value of the item itself. In the food stamp and SSI programs, these items are exempt from the resource requirements; the proposal would extend this policy to AFDC as well.

10. Allow states to forgo the recoupment of overpayments when it can be reasonably assumed that the cost to collect will equal or exceed the overpayment amount.

A provision in the 1981 reconciliation act requires states to promptly take all necessary steps to correct any overpayment or underpayment in AFDC. For overpayments that are made to current recipients, states may withhold a portion of the current benefit as repayment. Overpayments that have gone to persons who are no longer on AFDC must be recovered from the income and resources of the family, under any applicable state laws. This generally means taking the family to court. HHS regulations require states to attempt to recover all overpayments, taking all reasonable steps to correct and collect any overpayment that is known to the state. This does not give states sufficient flexibility to waive the recoupment process when it will not be cost effective to pursue collection. This occurs especially in the case when the overpayment was to a family that no longer receives AFDC and is a small amount. The court costs associated with obtaining the overpayment from these families can easily exceed the overpayment itself.

11. Give states discretion in choosing when to make a protective payment, requiring this only in cases of money mismanagement or when the state determines it is in the child's best interests to do so.

States must now remove the parent from aid and make a protective payment in three instances: (1) in WIN and CWEP for failure to cooperate; (2) in AFDC if a parent fails to assign support rights or refuses to cooperate with child support enforcement efforts; and (3) in cases of money mismanagement. In each of these cases it is assumed that the parent is unable to properly spend the AFDC benefit. When a protective payment is required, states must identify a person to serve as protective payee who is interested in or concerned about the recipient's welfare and most often try to identify a relative or friend willing to take on this responsibility (although private and public agency staff may also serve as protective payees).

While protective payments may be necessary in money mismanagement situations, greater state flexibility is needed for other situations. It is not always correct to assume that a parent who refuses to participate in CWEP or assign support rights is also incapable of properly using the AFDC benefit to support the children. Removal of the parent from aid is the appropriate penalty, as the current rules require. Mandating that a protective payment be made is simply an extra bureaucratic step, since the protective payee frequently just cashes the check and turns it over to the sanctioned parent. In urban areas it is especially hard to locate persons who are qualified for this responsibility, or who are better able to attend to the family's needs than the parent, and willing to do so. Under this proposal, protective payments would still be required in cases of money mismanagement, but states would be allowed to determine the appropriate payment method in other circumstances.

12. Allow five states to test common AFDC, Medicaid and food stamp definitions and a common budgeting process for the three programs.

Three sets of federal regulations exist for AFDC, food stamps, and Medicaid, which are administered by three separate federal agencies. In each program, a different set of program definitions, budgeting procedures and eligibility requirements has been developed. At the state and local levels one agency—the department of welfare or human services—usually administers these three programs. And frequently, the same recipients participate in all of some combination of them. This results in unnecessary complications for the social worker—who must apply all of the conflicting rules for the three programs—and the recipient—who must understand all of the different eligibility rules and meet the reporting requirements. The complications that occur are also costly from an administrative perspective and contribute to errors. Under the proposed demonstration, states could adopt any of the current rules in AFDC, food stamps, or Medicaid, as the standard for the other programs. This could include:

The development of a common set of terms for use in the three programs—for example, standard income, resource and household definitions could be established;

The development of uniform application and eligibility determination procedures for the three programs—a single application form could be designed for use with an integrated eligibility determination process;

The development of a unified budgeting process for the three programs—the same income budgeting and recipient reporting process could be established for the three programs;

Use of a single family case file for the three programs; and

Development of a common administrative structure that allows for unified planning and evaluation.

The 3-year demonstration of these changes would test: whether AFDC, food stamps and Medicaid can be more efficiently administered; whether the programs can be made easier for the recipient and the general public to understand; and whether agency and client errors can be reduced in each program as a result of greater program compatibility.

13. When determining a (non-refugee) alien's AFDC eligibility and benefits, require that the income of the agency sponsoring the alien be considered.

Current policy requires states to consider the income and resources of individuals who sponsor aliens when determining AFDC eligibility and benefits, but, in what is probably an unintended gap, does not extend this to organizations or agencies that sponsor aliens. The proposal would treat organizations that sponsor aliens in the same manner as individuals.

14. Emergency shelter for homeless individuals and families. Finally, the bill includes as its last section the provisions of my legislation, H.R. 927, introduced January 25th, which establishes a regular program of AFDC assistance to the States for the operation of shelters for the homeless and for victims of domestic violence. This bill is currently cosponsored by 60 of our colleagues. It is described in more detail in the CONGRESSIONAL RECORD of January 25, 1983, p. 336, and April 11, 1983, p. 7917.●

PRESIDENT SHOULD DIRECT OMB TO DROP OBJECTIONS TO USING BID PROCESS TO GET COTTON FOR PIK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. DE LA GARZA) is recognized for 30 minutes.

Mr. DE LA GARZA. Mr. Speaker, I do not know whether President Reagan will hear what I have to say today. But I hope so, because there is still time for the President to prevent a totally unfair action by his administration—an action which could be a financial disaster for many cotton farmers.

There is not much time, Mr. Speaker. Within a few days, the Agriculture Department will begin the process of commandeering cotton from farmers in my congressional district in order to get supplies for the payment-in-kind program. In coming weeks, this process will move into the other cotton growing sections of the country.

The facts in this case are clear. Cotton farmers early this year were told that if they enrolled in the payment-in-kind program to reduce surpluses, the Government would not need to take 1983 cotton for use in making the in-kind payments. Yes, I know the USDA retained the legal right to take 1983 cotton, and provisions to that effect were in the program contracts. But the farmers were told not to worry about those contract provisions. They were told the provisions would not be exercised. The farmers relied on those assurances—and because they relied on those words from Government officials, many farmers are now facing an economic disaster.

In my district, as in many other areas, farmers normally sign advance contracts with private buyers for their cotton. What is about to happen is simple and disastrous. Farmers will harvest their cotton, but they will not be able to fulfill their private sales contracts because the Government is commandeering part of their crop. The result will be economic chaos, and farm experts in my district tell me that many producers will not be able to bear the resulting costs. In some cases, there could be a real threat of bankruptcy.

Farmers in my district report that 78 percent of our cotton is covered by forward contracts, along with 80 percent of the cotton our farmers are scheduled to be given as PIK payment. Because of this, I am told that forcing our 1983 cotton into Government hands for use in PIK payments will cause growers and shippers to short every contract by about 45 percent.

This is happening, I want to repeat, after farmers enrolled in a Government program with assurances from Government officials. Now, because

circumstances have changed, the assurances turn out to be wrong. The USDA told us it would not take our 1983 cotton for PIK, and now it is doing just what it said would not be done. Our farmers are frustrated at this turnaround. They are angry because they feel the administration has broken faith with them. In my area alone, this breach of faith could cost farmers up to $20 million, and it could touch off lawsuits based on the fact that producers will not be able to deliver the full amount of cotton covered by their existing private contracts.

There is a simple, clean, and fair way out of this problem. Congress can direct the Agriculture Department to get the cotton it needs for PIK payments by using a voluntary bidding process—just as the Department has done with other crops. The House Agriculture Committee has already approved a bill to this effect, and similar legislation may be considered in the conference committee on the 1984 agricultural appropriations bill.

Mr. Speaker, I hope we can act quickly on this legislation. But we all know that the legislative route may take more time than it should. And there is another solution, if the President will use it. The President has the power to act today. He does not need any new law. All he has to do is tell the Office of Management and Budget to drop its objections to using a bid process to get cotton for PIK payments. By tomorrow morning, this problem could be effectively solved.

That is why I am appealing to the President. We have thousands of farmers who are in a crisis situation today because they relied on the word of Government officials. That is not fair. That is not right.

The fair thing to do is to modify the USDA's policy so that a program which was set up to help cotton farmers can be operated without driving some of them into bankruptcy. I know the President prides himself on his spirit of fairness, and I hope that spirit will lead him to solve this very serious problem. If he does not, then Congress must act—and we must act quickly.

□ 1530

KEY SECTIONS OF HOUSING BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 30 minutes.

Mr. GONZALEZ. Mr. Speaker, I rise because the present current plans now are to attempt to bring up the housing authorization bill, or the recovery bill as we call it, tomorrow and go into at least the amendatory process. During the general debate this afternoon, most of the discussion overlooked the key features of H.R. 1. I feel that our colleagues who are not members of the committee or subcommittee should have an opportunity and should benefit from having a discussion of the key sections of this legislation in the record of today's proceedings which they will be able to scrutinize tomorrow and study in anticipation of the debate and the amendatory process.

The administration has been of the mind that there is no longer any need or justification for housing production subsidies, but there is an emerging bipartisan consensus in the Congress that there is a need. At least this consensus has developed this year, unlike last year and the year before last. Both Democrats as well as Republicans recognize that housing programs have been cut too far and too much, and that wholesale abandonment of our proven housing programs is not warranted.

When the House acts on H.R. 1, we will have an opportunity to keep in place a survival program for housing, just a mere survival. We will have the opportunity to begin the process of rebuilding the historic, the national consensus on housing policy. That consensus rejects the notion that there is no longer any need for Federal help to produce housing for low- and moderate-income citizens.

The administration itself, while proclaiming that there is ample housing stock, does support the continuation of the section 202 housing program for the elderly and the handicapped, a clear admission that suitable housing at affordable prices in not always available. But it is not only the elderly and the handicapped who have problems finding suitable housing at a price they can afford. Among Americans who rent their homes, the median income is somewhat less than $11,000 a year. This is for all rental families in the country. The median income is less than $11,000 a year.

About 600,000 rental units a year are needed to meet basic, minimal demands, but only 100,000 unsubsidized rental units are being built each year. In fact, total rental housing production in the past 2 years has been at less than half the amount needed to meet the demand for rental units. This year the outlook is that only about two-thirds of the number of rental units needed will actually be built.

This shortfall, and it is a persistent one, is because the vast number of people simply cannot afford the princely sums that decent rental housing costs today. It is a fact of life. We can pride ourselves in the statistical decrease in the so-called inflationary rate, but everybody who has any touch with real life knows that rents have not gone down; rents are still going up. Where is inflation deflating there? It just simply is a fact of life that this question of shelter and rental housing particularly is still very much inflated and very much out of the reach of the average or especially the low- or moderate-income family.

The demand is there, but not the buying power that would cause the supply to rise enough to meet that demand. That is why we have to have a continued and a sustained effort to assist in the production of rental housing.

H.R. 1 offers a new and an innovative and an efficient way to encourage rental housing construction. Let me explain to my colleagues that this has been a real challenge because while even before this administration we were facing the critical need to review and have oversight of these programs. Some of these programs, for instance, those that this administration and one prior administration which was in power at the time of the programs' inceptions, did not have the benefit of my support. They have now turned out to be those programs that are highly expensive, cost prohibitive, and have given the ammunition to the David Stockmans and the others who point with horror to the high cost of production or construction of this type of housing. Those of us who saw this and visualized it in 1968, in 1974 particularly, with the advent of the so-called block grant program in housing, now are challenged with not only trying to defend a basic production policy just to keep a bare minimal amount, 10,000 units, as Mr. FRANK brought out earlier in the debate, from not getting axed and actually being constructed. It is just not even a lifeline, it is a bare minimum, and at the same time devising language that would improve the administration of the programs all the way back to the procedures that are followed in the construction of these programs.

What everybody forgets is that when we talk about tax-supported subsidization of housing, the construction of that housing is not made by the Government; the construction is all private enterprise. So that within the limits of our free system, the Congress can only go as far as it can in providing the guidelines that would prevent abuse, which has been, incidentally, the greatest reason for the excessive, high cost of this kind of subsidized housing construction. So that we now have perfected language, and this has been difficult while we were warding off the assaults to kill every program, to also polish the program, to try to perfect the language, to try to do everything possible from the legislative level that could be done to enable an honest, efficent administration and construction program.

So that this is a flexible subsidy offered mostly because it was the handiwork of our distinguished, very young,

but very dynamic and very skilled Member from New York, Mr. SCHUMER. With his cooperation and with his valuable help, we have perfected the language and have what we think is a very flexible and I think substantially improved program. It provides funds to local housing agencies to encourage multifamily rental construction.

One thing that has been my dream, and that was since I first came on this committee and subcommittee 22 years ago, my arrival here in the Congress, since I had had the great privilege of working in housing, and in public housing, in my own home, I felt I was charged with knowledge and I felt that the great challenge in America was to have the type of housing that would give the dignity and still the self-esteem and the feeling of attachment or possession to a little plot and that it could be done; that America not only has the know-how, it has the means, it has the genius, it has the wit and it has the will, but it has to have the leadership to go with it.

It is my dream that in this multifamily construction program that we will be able to provide for the first time, and I hope in the very near future, the type of construction that will make it look like an American construction. When I visit the teeming beehives of our densely concentrated urban areas, I feel great apprehension about the future of our country because what we are doing is submitting Americans to living in conditions that are degrading. Even when they are considered to be relatively new and standard construction, they look like habitations for beehives or anthills, rather than human beings.

□ 1540

At this point I want to take cognizance of a recent conference that was held in New York under the sponsorship of the AIA, the American Institute of Architects. They had a forum, and lo and behold, one of their seminars had to do with this very stated problem. I want my colleagues to know that some very valuable contributions were made by some of the most ingenious and creative minded architects present. I have read deeply into their proposals, and I see no reason why the Congress cannot sooner or later incorporate into subsidized housing the needed architectural designs that will maximize the quality of living for Americans.

This new multifamily program will allow local housing agencies to act as financial catalysts. Funds available to the local agencies could be used to buy land, or the funds could be applied as an up-front capital contribution in the nature of an interest buy-down, as a rental assistance fund, or in any other manner that would make a multifamily rental project financially feasible at low- and moderate-interest rates.

This is new, this is innovative, and I am sure that if the Congress approves it and the President sees fit to sign it into law, it will reveal itself to be a creative, constructive, and fruitable program.

The whole object of this approach is to do what is necessary, no more and no less, to increase the supply of rental housing. Because it is a flexible approach, it is well suited to the infinite variety of local conditions and needs. It works in the same way as a UDAG approach does, to encourage private developers and local housing agencies to devise the best possible way to deliver low and moderate cost rental housing. It rewards those who come up with the most effective and the most cost-effective and efficient proposals. It encourages innovation, and it creates the kind of competitive forces that have worked so well in the UDAG program.

We do expect that the new multifamily housing assistance program will be the most effective way possible to help meet the persistent shortfall in rental housing production in America whose needs are not now being met through the private construction sector alone.

H.R. 1 also recognizes the fact that the very low-income families of this country are not likely to be helped by anything other than the public housing program. This, I thought, was a well settled principle. I thought that the original opposition by the private sector had been long overcome, to the point where the private sector had no opposition, because today the private sector readily admits that it cannot construct housing for the poor or the moderate income people on its own. It just simply is not within the resources, and this is true in every other industrialized nation of the world.

As a matter of fact, real housing subsidies, what they call subsidy programs here, the kind that at this time have been under such heavy attack as being unnecessary Government intervention or unneeded, are now being stimulated in every one of the European industrialized nations, from Germany to France. As a matter of fact, it is a sorry repetition of the history following World War I. We are now going through the same thing. It is so hauntingly reminiscent that it is personally very troubling to me.

We have over half of our defense budget—and that means over $115 billion—that we are asking our taxpayers to come up with for the defense of Europe. That is over $115 billion just for the defense of Europe—a Europe that at this time is a lot more scared of us than it is of the Russians and that is telling us that they do not know about our defense plans that are predicated on this expenditure of $115 billion plus. At the same time, they have resisted this President's and the prior President's recommendations that they put in a little bit more for their own defense.

But where are they putting their priorities? In housing and some of the so-called social programs that our President says must be curtailed to the point of elimination, or, at least up to now, with some modification as a result of some resistance on the congressional level.

To me, this is such a needless and a sorry repetition of what happened after World War I. We had the same thing then. We had the same speculation by the bankers on the bonds and debts of the countries that we had defeated and that were supposed to be paying reparations. And then in the guise of breaking up and with our allies unable to pay their wartime debt to us as a result, they came in and we had the Dawes plan, the Young plan, and the moratorium of 1930 or 1931, or somewhere around there, and Uncle Sam ended up paying the whole kit and caboodle.

Meanwhile, the same countries were defaulting as they are today, except that we had a different scenario in different countries, different sections, and different economies, but we have the same basic operating procedures today as following World War I.

If we would look at the record and read what was being printed then, as I have, we would see that while these bankers were greedily investing American depositors' money because they were getting these big interest payments, so they thought, until they defaulted, we had the same thing happen as today, the same thing.

What were they doing? Germany initiated one of the biggest housing programs right then and there in the 1920's and 1930's. They showed where their priorities were. They were thinking of their people. They always assumed that this is what we ought to be doing, but it looks to me as if, for whatever reason, it has been the other way around.

What I am saying is that we reached the point in our destiny where our own demands and needs, the needs of a vital dynamic county, were not met, and as I say and repeat, America is not going to be straitjacketed by anybody, including the Congress or the President, because sooner or later it is just going to bust forth. This is still a growing, dynamic country, and this attempt of the last 2 years to try to straitjacket it and even try to reduce it in size to 30 or 40 years ago, is absolutely self-defeating and unbelievable to me. Yet this is what is transpiring. While we are talking about aborting or refusing to consider the basic needs of a shelter and of employment, we have the highest rate of unemployment still

persistent, still lingering, and we are condemning able-bodied, willing Americans who want to work and will do anything to work but are unable to find anything, even dishwashing.

□ 1550

Is this something that we have come to accept? I do not think so.

I have been critical, not only of this President, I have been critical of past Presidents since 1973.

The doctrine of blight and no growth, I think, is perverse. I think it is a disservice to this country and it is not really representing the people of this great country.

This is reflected in H.R. 1 in the sense that we are just trying to keep the flame alive, a little flame alive in these basic housing programs.

Public housing is a need. There is no other source of housing, other than publicly subsidized housing for the poor and to those of moderate income.

There are 1.2 million people, Americans, who live in public housing. On the whole, they have incomes that are about one-third of the median income for their areas. The typical public housing family exists on a cash income less than $5,000 a year. It is a family that is larger than the typical American renter family, two children as opposed to one, and it is a family that is larger than the families of section 8 rental housing, another subsidized rental housing program; but not only poor families are helped by public housing. There are a vast number of elderly people who live in public housing units today. Most of these are women living alone, believe it or not, and typically having a cash income of less than $3,900 a year.

The rental subsidy we provide in public housing runs at about $95 per unit a month. This is a national median. That is the median subsidy figure per unit in public housing. Public housing is essential if we are to meet the needs of the poorest people in this country. People, as I have said and repeat, are not only poor, but face circumstances that give them almost no choice at all. Realistically, there is no way to meet their needs except through a continuation of the time-tested public housing program and this we provide in H.R. 1 is a minimum.

At present rates, mortgage interest is slightly higher than 13 percent. In fact, this week, at least in my area, it jumped to about three-fourths of 1 percent more than that.

The outlook, unfortunately, is that interest rates especially for long-term commitments like mortgages, will rise. In fact, we are already beginning to see the falling stock market and other indicators that suggest higher interest rates are in the making; but not only is the interest rate high, it is at an historic high in terms of inflation. Such so-called real interest historically has run at 3 percent; but current mortgage rates are at least 10 percent above inflation and going up. Less than 15 percent of the people looking to buy a home today can qualify for a loan at these catastrophic rates. As I have said for years, and especially the last 2 years, extortionate rates; but not only is interest high, the price of homes has increased much faster than family incomes.

We have a twin squeeze, a persistent shortfall in housing production that runs up prices. As a matter of fact, better than 20 percent of the labor force in housing construction is still unemployed and the credit squeeze places the housing still further out of reach, thereby causing low rates of construction and sending prices still higher.

This year the housing industry will produce perhaps a million units fewer than are actually needed to meet the demand, even though the outlook is for construction of perhaps 1.4 million units. Unless we can make housing more affordable, we will see a burgeoning crisis, a crisis that as I have tried to tell my colleagues is already upon us.

I must point out, because I think the impression is out, that I am hypercritical of this administration and that my criticism is new and novel to it. I was fighting this fight with two or three prior administrations, because we have never met the minimal, even in the heyday of so-called prosperity, we did not meet the minimal needs of housing construction for the country and the average family.

I was critical then as I am now, especially because now the fight goes to the philosphy of housing, something I thought had been settled years ago. That is the only thing that has complicated the fight. We have been inveighing against what we knew would be extortionate thievery, I call it, in these interest rates.

I have taken this floor ad nauseam, gone into the history of interest rates, back to 7,000 years before Christ, and have shown that there is no country that has existed in the recorded annals of mankind that has had a viable kind of society with minimal economic needs satisfied with high interest rates or extortionate or usurious interest rates; but I never thought in my wildest fears, 15, 13, 12, 10, even 6 years ago, I would never have thought it possible that in our country we would have reached 21 percent interest. If that is not usurious and extortionate, I do not know what is.

SUBCOMMITTEE ON HUMAN RESOURCES TO HOLD HEARINGS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. ALBOSTA) is recognized for 5 minutes.

● Mr. ALBOSTA. Mr. Speaker, I would like to announce that the Subcommittee on Human Resources of the Committee on Post Office and Civil Service will hold hearings on Tuesday, July 12, and Thursday, July 14, on H.R. 828 and H.R. 829, bills to prohibit the contracting of certain Federal positions reserved for preference eligibles. Both hearings will be held in 311 Cannon House Office Building and will begin at 9:30 a.m.●

SPECIAL ORDERS GRANTED

By unanimous consent, permisssion to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. ROUKEMA) to revise and extend their remarks and include extraneous material:)

Mr. CLINGER, for 60 minutes, on July 26.

Mr. LEWIS of California, for 30 minutes, on July 13.

Mr. DANNEMEYER, for 30 minutes, on July 13.

Mr. DANNEMEYER, for 30 minutes, on July 14.

Mr. DANNEMEYER, for 30 minutes, on July 15.

(The following Members (at the request of Mr. FRANK) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 30 minutes, today.

Mr. STARK, for 5 minutes, today.

Mr. DE LA GARZA, for 30 minutes, today.

Mr. ALBOSTA, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. FRANK, and to include extraneous matter, during his remarks on H.R. 1, Housing and Urban-Rural Recovery Act of 1983, in the Committee of the Whole today.

(The following Members (at the request of Mrs. ROUKEMA) and to include extraneous matter:)

Mr. YOUNG of Alaska.

Mr. SHUMWAY.

Mr. SOLOMON in three instances.

Mr. KEMP.

Mr. BROOMFIELD in two instances.

Mr. YOUNG of Florida in 10 instances.

Mr. CLINGER.

(The following Members (at the request of Mr. FRANK) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Ms. LLOYD in five instances.

Mr. HAMILTON in 10 instances.
Mr. BROWN of California in 10 instances.
Mr. ANNUNZIO in six instances.
Mr. JONES of Tennessee in 10 instances.
Mr. BONER of Tennessee in five instances.
Mr. MARKEY in two instances.
Mr. MAZZOLI in three instances.
Mr. PEPPER.
Mr. WEISS.
Mr. BARNES.
Mr. LONG of Maryland.
Mr. FLORIO.
Mr. MORRISON of Connecticut.
Mr. KILDEE in two instances.
Mr. STARK in three instances.
Mr. CONYERS.
Mr. DE LA GARZA in 10 instances.
Mr. DOWNEY of New York.
Ms. KAPTUR.
Mr. SYNAR.
Mr. AUCOIN.
Mr. HOWARD.
Mr. HARRISON.
Mr. LUNDINE.
Mr. MCDONALD in five instances.
Mr. BOUCHER.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1287. An act to authorize appropriations for the Public Buildings Service of the General Services Administration for fiscal year 1984; to the Committee on Public Works and Transportation.

ENROLLED BILLS SIGNED

Mr. HAWKINS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1271. An act with regard to Presidential certifications on conditions in El Salvador;

H.R. 1746. An act to authorize appropriations for the Navajo and Hopi Indian Relocation Commission;

H.R. 2065. An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research of program management, and for other purposes;

H.R. 3132. An act making appropriations for energy and water development for the fiscal year ending September 30, 1984, and for other purposes; and

H.R. 3135. An act making appropriations for the legislative branch for the fiscal year ending September 30, 1984, and for other purposes.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following title:

S. 273. An act to amend section 8(a) of the Small Business Act;

S. 680. An act entitled the "Gladys Noon Spellman Dedication"; and

S. 925. An act to make certain technical corrections in the Atlantic Salmon Convention Act of 1982.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAWKINS, from the Committee on House Administration, reported that that committee did on the following day present to the President, for his approval, bills of the House of the following title:

On July 1, 1983:

H.R. 2713. An act to amend the Public Health Service Act to authorize appropriations to be made available to the Secretary of Health and Human Services for research for the cause, treatment, and prevention of public health emergencies; and

H.R. 3133. An act making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1984, and for other purposes.

On July 5, 1983:

H.R. 1271. An act with regard to Presidential certifications on conditions in El Salvador;

H.R. 1746. An act to authorize appropriations for the Navajo and Hopi Indian Relocation Commission;

H.R. 2065. An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research of program management, and for other purposes;

H.R. 3132. An act making appropriations for energy and water development for the fiscal year ending September 30, 1984, and for other purposes; and

H.R. 3135. An act making appropriations for the legislative branch for the fiscal year ending September 30, 1984, and for other purposes.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 57 minutes p.m.), the House adjourned until tomorrow, Tuesday, July 12, 1983, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1483. A letter from the Acting Assistant Administrator for Pesticides and Toxic Substances, Environmental Protection Agency, transmitting a proposed final rule under the Federal Insecticide, Fungicide and Rodenticide Act, pursuant to section 25(a)(4) of the act of June 25, 1947; to the Committee on Agriculture.

1484. A letter from the Acting Secretary of State, transmitting notification that it was in the national interest for the Commodity Credit Corporation to make payments to the U.S. creditors on credits guaranteed by the CCC on which payments had not been received from the Polish People's Republic, during the month of June, pursuant to section 306 of Public Law 97-257; to the Committee on Appropriations.

1485. A letter from the Deputy Secretary of Defense, transmitting notification that the GLCM missile system will exceed the estimated total program acquisition unit cost previously listed in the selected acquisition report, pursuant to 10 U.S.C. 139b; to the Committee on Armed Services.

1486. A letter from the Director, Defense Security Assistance Agency, transmitting a report on the impact on U.S. readiness of the Army's proposed sale of certain defense articles to the Netherlands (Transmittal No. 83-40), pursuant to 10 U.S.C. 133b; to the Committee on Armed Services.

1487. A letter from the Deputy Assistant Secretary of Defense (Reserve Affairs), transmitting a report on educational assistance to enlisted reservists, reenlistment bonuses for reservists, and enlistment bonuses for members of the Selective Reserve, pursuant to 10 U.S.C. 2134, 37 U.S.C. 308b(e) and 37 U.S.C. 308c(e); to the Committee on Armed Services.

1488. A letter from the Director, Federal Emergency Management Agency, transmitting the stockpile report for the period April-September 1982, pursuant to section 11 of the Strategic and Critical Materials Stock Piling Act, as amended; to the Committee on Armed Services.

1489. A letter from the U.S. Trade Representative, transmitting a resolution expressing the ACTN's sentiment with regard to adequate financing of the International Monetary Fund; to the Committee on Banking, Finance and Urban Affairs.

1490. A letter from the District of Columbia Auditor, transmitting a report entitled "Review of Medical Officers Pay in the Department of Human Services and the D.C. General Hospital," pursuant to Public Law 93-198, section 455(d); to the Committee on District of Columbia.

1491. A letter from the Student Loan Marketing Association, transmitting the annual report of the Association for the calendar year 1982, pursuant to section 439(n) of the Higher Education Act of 1965, as amended; to the Committee on Education and Labor.

1492. A letter from the Chairman, National Labor Relations Board, transmitting the annual report for the fiscal year 1981, pursuant to 5 U.S.C. 7104(e); to the Committee on Education and Labor.

1493. A letter from the Secretary of Commerce, transmitting the annual report of the U.S. Travel and Tourism Service for fiscal year 1982, pursuant to section 5 of the International Travel Act of 1961, as amended; to the Committee on Energy and Commerce.

1494. A letter from the Assistant Attorney General (Antitrust Division), Department of Justice, transmitting a report on the impact on competition and on small business of voluntary agreements with respect to international allocation of petroleum products, to the Committee on Energy and Commerce.

1495. A letter from the general Counsel, Department of Energy, transmitting notice of meetings relating to the international energy program to be held on July 11 and 12, 1983, in Paris, France; to the Committee on Energy and Commerce.

1496. A letter from the Chairman of the Board, U.S. Railway Association, transmitting the Association's first profitability determination with respect to the Consolidat-

ed Rail Corporation; to the Committee on Energy and Commerce.

1497. A letter from the Acting Secretary of State, transmitting the 31st annual report on U.S. contributions to international organizations, pursuant to section 2 of Public Law 806, 81st Congress, as amended; to the Committee on Foreign Affairs.

1498. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Army's proposed offer to sell certain defense articles to the Netherlands (Transmittal No. 83-40), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on Foreign Affairs.

1499. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Navy's intention to offer to sell certain defense articles and services to Denmark (transmittal No. 83-42), pursuant to section 36(b) of the Arms Control Act; to the Committee on Foreign Affairs.

1500. A letter from the Assistant Legal Adviser for Treaty Affairs, transmitting copies of international agreements other than treaties entered into by the United States, pursuant to 1 U.S.C. 112b(a), as amended; to the Committee on Foreign Affairs.

1501. A letter from the Administrator, Health Care Financing Administration, Department of Health and Human Services, transmitting a report on a new Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1502. A letter from the Executive Director, Committee for Purchase from the Blind and other Severely Handicapped, transmitting the annual report of the committee during the fiscal year ending September 30, 1982; to the Committee on Government Operations.

1503. A letter from Sidney T. Kaufmann, Kaufmann & Goble Associates, transmitting the Sacramento Farm Credit Employees' Retirement Plan for 1982, pursuant to section 121(a)(2) of the act of September 12, 1950; to the Committee on Government Operations.

1504. A letter from the Chairman, Federal Election Commission, transmitting proposed regulations pertaining to the administration of the Presidential Election Campaign Fund Act, pursuant to section 9009(c) of the Internal Revenue Code of 1954; to the Committee on House Administration.

1505. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation under section 244(a)(1) of the Immigration and Nationality Act, together with a list of persons involved, pursuant to section 244(c) of the act; to the Committee on the Judiciary.

1506. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a draft of proposed legislation to implement the Inter-American Convention on International Commercial Arbitration; to the Committee on the Judiciary.

1507. A letter from the Counsel to the Pacific Tropical Botanical Garden, transmitting the annual audit report of the garden for calendar year 1982, pursuant to section 10(b) of Public Law 88-449; to the Committee on the Judiciary.

1508. A letter from the Chairman, Merit Systems Protection Board, transmitting a study of the 1981 reductions in force in the Federal Government, pursuant to 5 U.S.C. 1205(a)(3); to the Committee on Post Office and Civil Service.

1509. A letter from the Secretary of Transportation, transmitting the seventh biennial report, "The Status of the Nation's Highways: Conditions and Performance," pursuant to section 307(a) of Public Law 89-139; to the Committee on Public Works and Transportation.

1510. A letter from the Assistant Secretary of the Army, (Civil Works), transmitting a report from the Chief of Engineers on Salinas-Monterey Bay Area urban study, California, together with other pertinent reports, pursuant to resolutions passed by the Committee on Public Works and Transportation of the U.S. House of Representatives; to the Committee on Public Works and Transportation.

1511. A letter from the Chairman, Interstate Commerce Commission, transmitting the third annual report on the passthrough of savings on food and grocery transportation, pursuant to 49 U.S.C. 10732(b), as amended; to the Committee on Public Works and Transportation.

1512. A communication from the President of the United States, transmitting a report on his decision to grant import relief to the specialty steel industry, pursuant to section 203(b) of Public Law 93-618 (H. Doc. No. 98-79); to the Committee on Ways and Means and ordered to be printed.

1513. A letter from the Chairman, U.S. International Trade Commission, transmitting the Commission's quarterly report on East-West trade statistics, pursuant to section 410 of Public Law 93-618; to the Committee on Ways and Means.

1514. A letter from the Under Secretary of Agriculture for International Affairs and Commodity Programs, transmitting a report on the current status of planned programing of food assistance for fiscal year 1983, pursuant to section 408(b) of the act of July 10, 1954; jointly, to the Committees on Agriculture and Foreign Affairs.

1515. A letter from the Secretary of Energy, transmitting a report entitled "Payment Charges for Federal Interim Storage of Spent Nuclear Fuel from Civilian Nuclear Power Plants in the United States," pursuant to section 136(a)(2) of the Nuclear Waste Policy Act of 1982; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

1516. A letter from the Comptroller General of the United States, transmitting a report entitled "Air Force and Navy Trainer Aircraft Acquisition Programs" (GAO/MASAD-83-22, July 5, 1983); jointly, to the Committees on Government Operations and Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Pursuant to the order of the House on June 29, 1983, the following reports were filed on July 1, 1983]

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 1646. 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; with amendments (Rept. No. 98-30, Pt. II). Referred to the Committee of the Whole House on the State of Union.

Mr. RODINO: Committee on the Judiciary. H.R. 1878. A bill to improve the international ocean commerce transportation system of the United States; with an amendment (Rept. No. 98-53, Pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 2163. A bill to amend the Federal Boat Safety Act of 1971, and for other purposes; with an amendment (Rept. No 98-133, Pt. II). Ordered to be printed.

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 2809. A bill to establish a U.S. Fish and Wildlife Foundation; with amendments (Rept. No. 98-134, pt. II). Referred to the Committee of the Whole House on the State of the Union.

[Pursuant to the order of the House on June 30, 1983, the following report was filed on July 1, 1983]

Mr. DE LA GARZA: Committee on Agriculture. H.R. 3392. A bill to amend the Agricultural Act of 1949 (Rept. No. 98-288). Referred to the Committee of the Whole House on the State of the Union.

SUBSEQUENT ACTION ON REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, the following action was taken by the Speaker:

[Submitted July 1, 1983]

Referral of H.R. 2163 to the Committee on Interior and Insular Affairs for a period ending not later than July 11, 1983, for consideration of such provisions of the bill and amendments as fall within that committee's jurisdiction pursuant to clause 1(1), Rule X.

[Submitted July 11, 1983]

The Committee on Interior and Insular Affairs discharged from the further consideration of the bill H.R. 2163; referred to the Union Calendar.

The Committee on Appropriations discharged from the further consideration of the bill H.R. 3021; referred to the Union Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. BOXER:

H.R. 3505. A bill to insure that existing employees of nonprofit organizations are excluded from social security coverage in the same manner as existing Federal employees and to provide that new employees of nonprofits, effective January 1, 1984, will be covered by social security as will be new Federal employees; to the Committee on Ways and Means.

By Mr. COELHO:

H.R. 3506. A bill to authorize additional long-term leases in the El Portal administrative site adjacent to Yosemite National Park, Calif., and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DYMALLY:

H.R. 3507. A bill to amend title 28, United States Code, to require civil actions to be expedited, upon motion of a party who is 65 years of age or older; to the Committee on the Judiciary.

By Mr. DYSON:

H.R. 3508. A bill to authorize the 11th Airborne Division Association to erect a memorial in the District of Columbia or its environs; to the Committee on House Administration.

By Mr. LEATH of Texas (by request):

H.R. 3509. A bill to amend title 38, United States Code, to modify and improve the educational assistance programs administered by the Veterans' Administration, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. PRICE (for himself and Mr. DICKINSON) (by request):

H.R. 3510. A bill to amend title 10, United States Code, to increase the number of Assistant Secretaries in the Department of Defense, and for other purposes; to the Committee on Armed Services.

H.R. 3511. A bill to amend section 709 of title 32, United States Code, to eliminate the requirement that 30 days' notice of termination of employment be given to civilian National Guard technicians who serve under temporary appointments, who are serving during a trial or probationary period, or who voluntarily cease to be members of the National Guard; to the Committee on Armed Services.

By Mr. STARK:

H.R. 3512. A bill to amend part A of title IV of the Social Security Act to improve the program of aid to families with dependent children in order to make such program more manageable, more effective, and better designed to serve needy families; to the Committee on Ways and Means.

H.R. 3513. A bill to make permanent the increase in the tax on cigarettes and to provide cost-of-living adjustments in the amount of such tax; to the Committee on Ways and Means.

By Mr. WHITLEY (by request):

H.R. 3514. A bill to repeal that paragraph of the act of March 4, 1913, that designates 10 percent of all national forest receipts for the construction of roads and trails on the national forests (37 Stat. 843, as amended; 16 U.S.C. 501); jointly, to the Committees on Agriculture and Interior and Insular Affairs.

H.R. 3515. A bill to permit the use of firefighting forces of foreign nations and the reimbursement of such forces for costs incurred in fighting wildfires throughout the United States, and for other purposes; jointly, to the Committees on Foreign Affairs and Government Operations.

By Mr. YOUNG of Alaska:

H.R. 3516. A bill to amend the Internal Revenue Code of 1954 to simplify the tax system by repealing most deductions and credits for personal income taxes by providing a single, flat rate schedule for individuals, and providing taxpayer protections standards; to the Committee on Ways and Means.

By Mr. BENNETT:

H. Res. 259. Resolution relating to the building of weapons to destroy enemy ballistic missiles; to the Committee on Armed Services.

By Ms. FIEDLER:

H. Res. 260. Resolution expressing the sense of the House of Representatives with respect to the Soviet Union's obligations under international law to allow Lev Shapiro, his wife Elizaveta Shapiro, and their child to emigrate to Israel; to the Committee on Foreign Affairs.

MEMORIALS

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

205. By the SPEAKER: Memorial of the Legislature of the State of California, relative to equal educational opportunity on the basis of sex; to the Committee on Education and Labor.

206. Also, memorial of the Legislature of the State of Missouri, relative to an amendment to the Constitution to require a balanced Federal budget; to the Committee on the Judiciary.

207. Also, memorial of the Legislative Assembly of the State of Oregon, relative to the internment of Americans of Japanese descent and Japanese resident aliens during the years 1942 to 1946; to the Committee on the Judiciary.

208. Also, memorial of the Legislature of the State of California, relative to intrastate bus service; to the Committee on Public Works and Transportation.

209. Also, memorial of the Legislature of the State of California, relative to the taxation of tips; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. DAVIS:

H.R. 3517. A bill to authorize the conveyance of certain lands to the Sand Lake Heights Men's Association of Iosco County, Mich.; to the Committee on Agriculture.

By Mr. KEMP:

H.R. 3518. A bill to direct the Administrator of Veterans' Affairs to release a reverter interest of the United States in certain real property in Canandaigua, N.Y., previously conveyed by the United States to Sonnenberg Gardens, a nonprofit educational institution of the State of New York; to the Committee on Veterans' Affairs.

ADDITIONAL SPONSORS

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

H.R. 2: Mr. DWYER of New Jersey.

H.R. 210: Mr. CLARKE.

H.R. 216: Mrs. HOLT.

H.R. 408: Mr. MORRISON of Washington, Mr. BROWN of California, and Mr. WISE.

H.R. 410: Mr. MORRISON of Washington.

H.R. 486: Mr. WHITEHURST.

H.R. 493: Mrs. BOXER, Mr. BILIRAKIS, Mr. KINDNESS, Mr. FROST, Mr. WON PAT, Mr. ACKERMAN, Mr. ROE, Mr. NICHOLS, and Mr. MARLENEE.

H.R. 507: Mr. GRAY, Mr. MARLENEE, and Mr. FORD of Tennessee.

H.R. 549: Mr. PAUL.

H.R. 706: Mr. BILIRAKIS and Mr. EVANS of Illinois.

H.R. 1016: Ms. FERRARO and Mr. YOUNG of Missouri.

H.R. 1179: Mr. ROBERTS.

H.R. 1341: Mrs. HALL of Indiana.

H.R. 1597: Mr. STARK and Ms. SNOWE.

H.R. 1824: Mr. SMITH of New Jersey and Mr. SCHUMER.

H.R. 1952: Mr. ECKART, Mr. EDGAR, Mrs. SCHNEIDER, Mr. PURSELL, Mr. SIMON, Mr. MRAZEK, and Mr. BADHAM.

H.R. 1959: Mr. OTTINGER.

H.R. 2076: Mr. NEAL and Mr. BEREUTER.

H.R. 2128: Mr. MURPHY, Mr. SMITH of New Jersey, Mr. SIMON, Mr. HOWARD, Mr. STOKES, Mr. DYMALLY, Mr. LELAND, Mr. WON PAT, Mr. SUNIA, Mr. ROE, Mr. FORSYTHE, Mr. OWENS, Mr. DAUB, Mr. PURSELL, Mr. JONES of North Carolina, Mr. MINETA, Mr. HARRISON, Mr. WINN, Mr. YATRON, Mr. CONTE, Mr. VENTO, Mr. LAFALCE, Mr. TORRICELLI, Mr. ACKERMAN, Mr. EDGAR, Mr. LENT, Mr. LEVIN of Michigan, Mr. OTTINGER, and Mr. FAZIO.

H.R. 2131: Mr. EDGAR.

H.R. 2169: Mr. KILDEE, Mr. DYMALLY, Mr. ROE, Mr. MOLLOHAN, Mr. FRANK, Mr. HARRISON, Mr. RAHALL, Mr. WEISS, Mr. NEILSON of Utah, Mr. CONTE, Mr. MCNULTY, Mr. CONYERS, Mr. BERMAN, Mr. KOGOVSEK, and Mr. FEIGHAN.

H.R. 2382: Mr. SMITH of Iowa, Mr. DYSON, Mr. BRITT, Mr. KOGOVSEK, Mr. DICKINSON, and Mr. DREIER of California.

H.R. 2753: Mr. MITCHELL.

H.R. 2778: Mr. FAUNTROY, Mr. MITCHELL, Mr. KASICH, Mr. WEISS, Mr. GREEN, Mr. TOWNS, Mr. NEAL, Mr. VENTO, Mr. ROE, Mr. OWENS, Mr. MAVROULES, Mr. LELAND, Mr. EDWARDS of California, Mr. KILDEE, and Mrs. SCHROEDER.

H.R. 2779: Ms. MIKULSKI, and Mr. EDWARDS of Oklahoma.

H.R. 2817: Mr. ROBINSON, Mr. YATRON, Mr. MCDADE, and Mr. BORSKI.

H.R. 2887: Mr. YOUNG of Alaska.

H.R. 2939: Mr. MURPHY.

H.R. 2991: Mr. BROWN of California, Mr. STRATTON, Mr. SABO, and Mr. GRAY.

H.R. 2997: Mr. EDGAR and Mr. GUARINI.

H.R. 3072: Mr. BARNARD, Mr. FAZIO, Mrs. BOXER, Mr. SUNIA, and Mr. DE LUGO.

H.R. 3074: Mr. ANDERSON, Mr. MARLENEE, and Mr. FROST.

H.R. 3170: Mr. GUARINI.

H.R. 3242: Mr. FAUNTROY, Mr. FRANK, Mr. MOLLOHAN, Mr. WILSON, Mr. EVANS of Illinois, and Mr. LEWIS of Florida.

H.R. 3364: Mr. LELAND, Mr. DYMALLY, Mr. COELHO, Mr. OTTINGER, Mr. FAZIO, and Mr. FORD of Tennessee.

H.R. 3365: Mr. COELHO, Mr. OTTINGER, Mr. FAZIO, and Mr. FORD of Tennessee.

H.R. 3366: Mr. COELHO, Mr. OTTINGER, Mr. FAZIO, and Mr. FORD of Tennessee.

H.R. 3371: Mr. KASTENMEIER, Mr. EARLY, Mr. BATEMAN, Mr. BONIOR of Michigan, Mr. TOWNS, Mr. RICHARDSON, Ms. SNOWE, Mr. SEIBERLING, Mr. FROST, Mr. EDGAR, Mr. STANGELAND, Mr. VENTO, Mr. SKELTON, Mr. LEVIN of Michigan, Ms. FERRARO, and Mr. ANDREWS of Texas.

H.R. 3405: Mr. DWYER of New Jersey.

H.J. Res. 120: Mr. BOSCO.

H.J. Res. 227: Mr. DICKINSON, Mr. EDWARDS of Alabama, Mr. MCCAIN, Mr. ALEXANDER, Mrs. BOXER, Mr. DELLUMS, Mr. BROWN of Colorado, Mr. MORRISON of Connecticut, Mr. CARPER, Mr. JENKINS, Mr. HATCHER, Mr. THOMAS of Georgia, Mr. ROWLAND, Mr. HANSEN of Idaho, Mr. CRAIG, Mr. EVANS of Illinois, Mr. SAVAGE, Mr. CHAPPELL, Mr. BENNETT, Mr. MCCOLLUM, Mr. BILIRAKIS, Mr. WINN, Mr. SNYDER, Mr. MAZZOLI, Mr. TAUZIN, Mr. LONG of Maryland, Mr. CONTE, Mr. BOLAND, Mr. MARKEY, Mr. HERTEL of Michigan, Mr. CROCKETT, Mr. CARR, Mr. PURSELL, Mr. VENTO, Mr. SKELTON, Mr. WHEAT, Mr. D'AMOURS, Mr. RODINO, Mr. SMITH of New Jersey, Mr. BIAGGI, Mr. CLARKE, Mr. JONES of North Carolina, Mr. NEAL, Mr. VALENTINE, Mr. GRADISON, Mr. LUKEN, Ms. KAPTUR, Mr. MILLER of Ohio, Mr. OXLEY, Mr. MCDADE, Mr. GOODLING, Mr. RITTER, Mrs. SCHNEIDER, Mr. TALLON, Mr. DASCHLE, Mr. JONES of Tennessee, Mr. STEN-

HOLM, Mr. HIGHTOWER, Mr. ORTIZ, Mr. BATEMAN, Mr. ROBINSON, Mr. MORRISON of Washington, Mr. DICKS, Mr. PRITCHARD, Mr. CHANDLER, Mr. KASTENMEIER, Mr. PETRI, Mr. DE LUGO, Mr. ST GERMAIN, Mr. RINALDO, Mr. BEREUTER, Mr. SHAW, Mr. WEBER, Mr. STUMP, Mr. HAMMERSCHMIDT, Mr. HAWKINS, Mr. LAGOMARSINO, Mr. MARTINEZ, Mr. LUNGREN, Mr. PANETTA, Mr. LEVINE of California, Mr. CAMPBELL, Mr. SPRATT, and Mr. BOEHLERT.

H.J. Res. 266: Mr. UDALL, Mr. BENNETT, Mr. STANGELAND, Mr. HUTTO, Mr. HANSEN of Idaho, Mr. LAGOMARSINO, Mr. FORD of Tennessee, Mr. PASHAYAN, Mr. ACKERMAN, Mr. ROE, Mr. LANTOS, Mr. BEVILL, Mr. KASICH, Mr. BERMAN, Mr. RATCHFORD, Mr. BATEMAN, Mr. SMITH of Florida, Mr. LIPINSKI, Mr. RAHALL, Mr. COATS, Mr. FORSYTHE, Mr. DYSON, Mr. MURPHY, Mr. LEVIN of Michigan, Mr. STOKES, Mr. WORTLEY, Mr. SUNIA, Mr. WHITTAKER, Mr. RANGEL, Mr. HORTON, Mr. DUNCAN, Mr. WEAVER, Mr. TOWNS, Mr. ENGLISH, Mrs. HOLT, Mr. DE LA GARZA, Ms. KAPTUR, Mr. FAZIO, Mr. WOLF, Mr. VENTO, Mr. SIMON, Mrs. HALL of Indiana, Mr. OWENS, Mr. EDWARDS of Oklahoma, Mr. AKAKA, Mr. BOLAND, Mr. HOYER, Mr. DWYER of New Jersey, Mr. CHAPPIE, Mr. CORCORAN, Mrs. BYRON, Mr. DONNELLY, Mr. DICKINSON, Mrs. COLLINS, Mr. BONER of Tennessee, Mr. DYMALLY, Mr. HUGHES, Mr. MCEWEN, Mr. CONABLE, Mr. SCHEUER, Mr. BRITT, Mr. FISH, Mr. DEWINE, Mr. HAMMERSCHMIDT, Mr. NATCHER, Mr. GRAMM, Mr. LENT, Mr. LATTA, Mr. BURTON of Indiana, Mr. BROYHILL, Mr. DANIEL B. CRANE, Mr. HATCHER, Mr. KINDNESS, Mr. LOWERY of California, Mr. MARTINEZ, Mr. ORTIZ, Mr. MARRIOTT, Mr. BRYANT, Mr. MARTIN of North Carolina, Mr. MICHEL, Mr. MOORHEAD, Mr. PRICE, Mr. MURTHA, Mr. MAVROULES, Mr. LUJAN, Mr. JACOBS, Mr. SKEEN, Mr. SMITH of New Jersey, Mr. SAM B. HALL, JR., Mr. MCCLOSKEY, Mr. MAZZOLI, Mr. MCGRATH, Mr. JONES of North Carolina, Mr. MCCOLLUM, Mr. WINN, Mr. MOORE, Mr. MCDONALD, Mr. SNYDER, Mr. BARTLETT, Mr. QUILLEN, Mr. PEPPER, Mr. PORTER, Mr. ROEMER, Mr. WYLIE, Mr. ANDERSON, Mr. SILJANDER, Mr. BIAGGI, Mr. BOSCO, Mr. FRANKLIN, Mr. CAMPBELL, Mr. TORRICELLI, Mr. DANIEL, Mr. MILLER of Ohio, Mr. GINGRICH, Mr. GRAY, Mr. LIVINGSTON, Mr. PRITCHARD, Mr. HEFTEL of Hawaii, Mr. MCNULTY, Mr. SHELBY, Mr. PATTERSON, Mr. TAYLOR, Mr. VANDER JAGT, Mr. MCCAIN, Mr. LELAND, Mr. LEWIS of California, Mr. LUNGREN, Mr. PACKARD, Mr. LEWIS of Florida, Mr. ROBINSON, Mr. MINETA, Mr. LOTT, Mr. MCDADE, Mr. FAUNTROY, Mr. EARLY, Mr. HIGHTOWER, Mr. VANDERGRIFF, Mr. YOUNG of Florida, Mr. SPENCE, Mr. EMERSON, Mr. CONTE, Mr. GILMAN, Mr. WEBER, Mr. FLORIO, Mr. KRAMER, Mr. ROBERTS, Mr. STRATTON, Mr. TAYLOR, Mr. NICHOLS, Mr. MILLER of California, Mr. GREEN, Mr. LEHMAN of Florida, Mr. PANETTA, Mr. MADIGAN, Mr. REGULA, Ms. FERRARO, Mr. GRADISON, Mr. WAXMAN, Mr. ADDABBO, Mr. MINISH, Mr. STUMP, Mr. EVANS of Iowa, Mr. ARCHER, Mr. FRENZEL, Mr. SPRATT, Mr. MOLLOHAN, Mr. LONG of Maryland, Mr. PICKLE, Mr. BILIRAKIS, Mr. LAFALCE, Mr. O'BRIEN, Mr. HUNTER, Mr. LOWRY of Washington, Mr. GEKAS, Mr. CLAY, Mr. ANDREWS of Texas, Mr. MCKERNAN, Mr. RITTER, Mr. CHANDLER, Mr. YATRON, Mr. MATSUI, Mr. EDGAR, Mr. PAUL, Mr. LEVINE of California, Mr. SLATTERY, Mr. BORSKI, Mr. WEISS, Mr. WILSON, Mr. SHAW, Mr. HANSEN of Utah, Mr. WON PAT, Mr. BROOMFIELD, Mr. PURSELL, Mr. FOLEY, Mr. BATES, Ms. SNOWE, Mr. SISISKY, Mr. MOAKLEY, Mr. ANDREWS of North Carolina, Mr. BETHUNE, Mr. MORRISON of Washington, Mr. BREAUX, Mr. CARPER, Mr. CHAPPELL, Mr. TAUKE, Mr. WALGREN, Mr. DREIER of California, Mr. DAUB, Mr. RINALDO, Mr. BROWN of Colorado, Mr. DIXON, Mr. BROWN of California, Mr. BEREUTER, Mr. WILLIAMS of Ohio, Mr. WHITEHURST, Mr. TALLON, Mr. JENKINS, Mr. TRAXLER, Mr. PHILIP M. CRANE, Mr. CORRADA, Mr. BADHAM, Mr. MCEWEN, Mr. WIRTH, and Mr. GUARINI.

H. Con. Res. 28: Mr. CLINGER.

H. Con. Res. 129: Mr. ANDREWS of North Carolina.

H. Con. Res. 132: Mr. AUCOIN and Mr. RATCHFORD.

H. Con. Res. 137: Mrs. KENNELLY, Mr. MAVROULES, Mr. COYNE, Mr. ROE, Mr. MILLER of Ohio, Mr. LANTOS, Mrs. HALL of Indiana, and Mr. GEKAS.

H. Res. 149: Mr. BENNETT.

H. Res. 155: Mr. AKAKA, Mr. BATEMAN, Mr. BATES, Mr. BETHUNE, Mr. BORSKI, Mr. CAMPBELL, Mr. DICKS, Mr. DOWNEY of New York, Mr. DUNCAN, Mr. EDWARDS of California, Mr. GONZALEZ, Mr. JENKINS, Mr. LAGOMARSINO, Mr. LEHMAN of Florida, Mr. LEWIS of California, Mr. LIVINGSTON, Mr. MARKEY, Mr. MARTINEZ, Mr. MCNULTY, Mr. MINETA, Mr. MOODY, Mr. MORRISON of Connecticut, Mr. PATTERSON, Mr. ROYBAL, Mr. SCHUMER, Mr. SPRATT, Mr. TAUZIN, Mr. TORRES, Mr. WISE, and Mr. WYDEN.

PETITIONS, ETC.

Under clause 1 of the rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

156. By the SPEAKER: Petition of the City Council, Tampa, Fla., relative to nuclear weapons; to the Committee on Foreign Affairs.

157. Also, petition of the Board of Supervisors, Los Angeles County, Calif., relative to H.R. 3103 and S. 1354, increasing emergency road relief funds to States; to the Committee on Public Works and Transportation.

158. Also, petition of the Board of Supervisors, Fresno County, Calif., relative to the Wine Equity Act of 1983; to the Committee on Ways and Means.

159. Also, petition of the County of San Luis Obispo Board of Supervisors, Calif., relative to the Wine Equity Act of 1983; to the Committee on Ways and Means.

160. Also, petition of the Democratic County Committee, New York County, N.Y., relative to health care; jointly, to the Committees on Ways and Means and Energy and Commerce.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1

By Mr. GONZALEZ:

—Page 7, strike out line 10 and insert in lieu thereof the following: "(A) the metropolitan area within which the metropolitan city or urban county involved is located, in".

—Page 8, strike out lines 3 through 5 and insert in lieu thereof the following:

(d) Section 103 of such Act is amended by striking out the second sentence and inserting in lieu thereof the following: "There are authorized to be appropriated for such purposes not to exceed $3,500,000,000 for fiscal year 1984 and not to exceed $3,450,000,000 for each of the fiscal years 1985 and 1986.".

—Page 22, after line 19, insert the following new subsection:

(k) Section 106(c) of such Act is amended by adding at the end thereof the following new paragraph:

"(3) Notwithstanding paragraph (1), the Secretary may reallocate to any metropolitan city any amounts allocated to, but not received by, the urban county in which such city is located if (A) such city was an included unit of general local government in such county prior to the qualification of such city as a metropolitan city; (B) such amounts were designated by such county for use in such city prior to the qualification of such city as a metropolitan city; and (C) such city and county agree to such reallocation and the resulting transfer of responsibility for the administration of such amounts.".

—Page 22, strike out line 20 and all that follows through page 23, line 25.

—Page 24, line 1, strike out "The" and all that follows through the colon on line 2 and insert in lieu thereof the following: "Section 107(a) of such Act is amended by striking out the first sentence and inserting in lieu thereof the following:".

—Page 24, line 6, insert after the first period the following new sentence: "In addition to such amounts authorized to be set aside for grants under subsection (b), there is authorized to be appropriated $100,000,000 for fiscal year 1984 to carry out the provisions of subsection (d).".

—Page 24, line 24, strike out "(d) and (e)" and insert in lieu thereof "(e) and (f)".

—Page 25, line 2, strike out "subsection" and insert in lieu thereof "subsections".

—Page 25, line 19, strike out the quotation marks and final period.

—Page 25, after line 19, insert the following:

"(d) The Secretary shall, to the extent approved in appropriation Acts, make grants to States, units of general local government, and Indian tribes for the provision of shelter and essential services for individuals and families who are subject to life-threatening situations because of their lack of housing, except that in the case of a grant to a State the Secretary shall first certify that the purposes of this subsection will be more effectively carried out by making a grant to such State that has an existing program that serves such individuals and families. Such grants shall be awarded on the basis of the need for emergency housing in the area where the project is or will be located, shall take into account regional variations in the cost of providing shelter, and shall consider the extent to which units of general local government and nonprofit organizations are currently providing shelter and assistance. Such grants may be used by such units of general local government or by local nonprofit organizations to rehabilitate existing structures in order to provide basic shelter, to maintain structures providing such shelter, to pay for utilities and the furnishing of such shelters, to provide for any necessary health and safety measures that are required to protect the individuals using such shelter, and for other purposes described in section 105(a) that are consistent with the purpose of this program. In the case of a structure that is rehabilitated with assistance under this subsection, such structure shall be used for emergency housing, after such rehabilitation, for a period of not less than 3 years. In providing grants under this subsection, the Secretary shall take into consideration the special needs of families and single women. The Secretary shall ensure that grants provided under this subsection are used solely to provide additional shelter capacity and essential services and

are not used to replace amounts currently expended in the provision of such shelter and services. The restriction contained in the preceding sentence shall not apply to applicants under this subsection that, pursuant to a State constitutional mandate, have provided shelter to any person who presents himself or herself for shelter.".

(4) Section 107(e) of such Act, as so redesignated in this section, is amended by inserting ", or appropriated for use under subsection (d)," after "subsection (b)".

—Page 27, strike out lines 7 through 13 and insert in lieu thereof the following:

SEC. 102. (a) Section 119(a) of the Housing and Community Development Act of 1974 is amended by adding at the end thereof the following new sentence: "There are authorized to be appropriated to carry out the provisions of this section not to exceed $440,000,000 for each of the fiscal years 1984, 1985, and 1986, and any amount appropriated under this sentence shall remain available until expended.".

—Page 37, line 17, strike out "$15,000,000" and insert in lieu thereof "$5,000,000".

—Page 47, strike out line 19 and all that follows through page 48, line 3, and insert in lieu thereof the following:

"(n)(1) There are authorized to be appropriated—

"(A) $12,000,000 for fiscal year 1984 to carry out subsections (a), (b), (c), and (i); and

"(B) $12,000,000 for fiscal year 1984 to carry out subsections (f) and (g).

"(2) Any amount appropriated under this subsection shall remain available until expended.".

—Page 48, line 5, insert "(a)" after the section designation.

—Page 48, strike out lines 7 through 10 (and redesignate the subsequent paragraphs accordingly).

—Page 48, line 13, strike out "$69,000,000" and insert in lieu thereof "$72,000,000".

—Page 48, after line 24, insert the following new subsection:

(b) Section 312(h) of such Act is amended by striking out "1983" each place it appears and insert in lieu thereof "1984".

—Page 49, line 6, strike out "$18,512,000" and insert in lieu thereof "$16,000,000".

—Page 50, line 3, strike out "$729,033,000 on October 1, 1983" and insert in lieu thereof the following: "$549,949,000 on October 1, 1983 (of which amount $16,660,000 shall be available for contracts to make assistance payments under section 235 of the National Housing Act)".

—Page 50, line 8, strike out "$12,927,147,000" and insert in lieu thereof "$9,912,928,000".

—Page 50, line 9, insert after "1983" the following: "(of which amount $166,600,000 shall be available for assistance payments unders section 235 of the National Housing Act and $900,000,000 shall be available for assistance under the Rental Housing Production and Rehabilitation Act of 1983)".

—Page 50, line 19, strike out "$105,000,000" and insert in lieu thereof "$81,022,000".

—Page 51, strike out lines 1 through 16 and insert in lieu thereof the following:

"(i) at least $395,023,000 shall be made available for assistance under section 8—

"(I) not less than $125,883,000 of which shall be made available for assistance under section 8(b)(1);

"(II) not less than $21,905,000 of which shall be made available for assistance under section 8(e)(5), other than for use in connection with the sale of projects owned by the Department of Housing and Urban Development;

"(III) not less than $42,000,000 of which shall be made available for amendments to reservations of assistance under section 8 or to contracts for assistance entered into under section 8 in any fiscal year ending before October 1, 1983; and

"(IV) not more than $143,260,000 of which may be utilized to convert assistance under any other provision of law to assistance under section 8; and

"(ii) at least $57,244,000 shall be made available for lower income housing projects under this Act (other than under section 8), of which amount not less than $13,912,000 shall be made available to Indian public housing agencies.

"(C) Any authority approved in appropriation Acts under this subsection that is recaptured and made available for obligation during fiscal year 1984 shall be utilized by the Secretary for the following purposes:

"(i) for assistance under section 8(b)(2), with respect to projects assisted under section 202 of the Housing Act of 1959, not less than $1,926,400,000; and

"(ii) for assistance under section 8(b)(1), not less than $573,600,000 of the balance of such authority that remains after deducting the amount to be utilzed under clause (i).".

—Page 51, line 20, strike out "$1,550,000,000" and insert in lieu thereof "$1,450,000,000".

—Page 83, strike out line 25 and all that follows through page 84, line 6 (and redesignate the subsequent subsection accordingly).

—Page 84, strike out line 10 and all that follows through page 85, line 18, and insert in lieu thereof the following:

SECTION 236 ASSISTANCE

SEC. 222. (a) Section 236(h) of the National Housing Act is amended by adding at the end thereof the following new sentences: "To ensure that qualified tenants in units in projects assisted, but not subject to mortgages insured, under this section receive the benefit of assistance contracted for under subsection (f)(2), the Secretary shall offer annually to amend contracts entered into with project owners under such subsection to provide sufficient payments to cover necessary rent increases and changes in the incomes of tenants in such units if, after September 30, 1984, such payments are not already provided for under such contracts. The Secretary shall take such actions as may be necessary to ensure that payments, including payments that reflect necessary rent increases and changes in the incomes of tenants, are made on a timely basis for all units covered by contracts entered into under subsection (f)(2).".

(b) Section 236(i)(1) of such Act is amended by adding at the end thereof the following new sentence: "The Secretary shall utilize, to the extent necessary after September 30, 1984, any authority under this section that is recaptured either as the result of the conversion of housing projects covered by assistance under subsection (f)(2) to contracts for assistance under section 8 of the United States Housing Act of 1937 or otherwise for the purpose of making assistance payments, including amendments as provided in subsection (h), with respect to housing projects assisted, but not subject to mortgages insured, under this section that remain covered by assistance under subsection (f)(2).".

—Page 86, line 7, strike out "$6,507,660,000" and insert in lieu thereof "$6,944,858,000".

—Page 88, line 6, insert "or" after the semicolon.

—Page 88, line 10, strike out "; or" and insert in lieu thereof a period.

—Page 88, strike out lines 11 through 15.

—Page 92, line 13, insert after "shall" the following: ", to the extent approved in appropriation Acts,".

—Page 95, line 2, strike out "$10,000,000" and insert in lieu thereof "$4,000,000".

—Page 95, strike out line 20 and all that follows through page 97, line 7, and insert in lieu thereof the following:

RENT SUPPLEMENT PROGRAM

SEC. 227. (a) Section 101(g) of the Housing and Urban Development Act of 1965 is amended by adding at the end thereof the following new sentences: "To ensure that qualified tenants in units in housing assisted under this section, but not subject to mortgages insured under the National Housing Act, receive the benefit of assistance contracted for under this section, the Secretary shall offer annually to amend contracts entered into with housing owners under this section to provide sufficient payments to cover necessary rent increases and changes in the incomes of tenants in such units if, after September 30, 1984, such payments are not already provided for under such contracts. The Secretary shall take such actions as may be necessary to ensure that payments, including payments that reflect necessary rent increases and changes in the incomes of tenants, are made on a timely basis for all units covered by contracts entered into under this section.".

(b) Section 101(1) of such Act is amended by adding at the end thereof the following new sentence: "The Secretary shall utilize, to the extent necessary after September 30, 1984, any authority under this section that is recaptured either as the result of the conversion of housing projects covered by assistance under this section to contracts for assistance under section 8 of the United States Housing Act of 1937 or otherwise (1) for the purpose of making assistance payments, including amendments as provided in subsection (g), with respect to housing projects assisted under this section, but not subject to mortgages insured under the National Housing Act, that remain covered by assistance under this section; and (2) if not required to provide assistance under this section, and notwithstanding any other provision of law, for the purpose of contracting for assistance payments under section 236(f)(2) of the National Housing Act.".

—Page 106, line 3, insert after "1983" the following: "(from the additional authority to enter into contracts made available on such date under the first sentence of section 5(c)(1) of the United States Housing Act of 1937)".

—Page 106, line 8, insert before the period the following: "of the amount of budget authority made available for fiscal year 1984 under the third sentence of section 5(c)(1) of the United States Housing Act of 1937".

—Page 117, strike out lines 19 through 22 and insert in lieu thereof the following:

LIMITATION ON BUDGET AUTHORITY

SEC. 311. Of the budget authority made available for fiscal year 1984 under the third sentence of section 5(c)(1) of the United States Housing Act of 1937, not more than $900,000,000 shall be available for purposes of assistance under this title.

—Page 118, line 8, strike out "$3,955,600,000" and insert in lieu thereof "$3,291,000,000".

—Page 118, line 12, strike out "$3,705,600,000" and insert in lieu thereof "$3,262,000,000".

—Page 118, after line 16, insert the following new paragraph:

(4) in subsection (a)(2), by striking out "$25,600,000" and inserting in lieu thereof "$20,000,000;".

—Page 118, strike out lines 17 through 22.

—Page 119, line 3, strike out "$1,000,000,000" and insert in lieu thereof "$940,000,000".

—Page 119, line 7, strike out "$50,000,000" and insert in lieu thereof "$29,000,000".

—Page 119, after line 17, insert the following new paragraphs (and redesignate the subsequent paragraph accordingly):

(7) in subsection (b)(2), by striking out "$50,000,000" and "$25,000,000" and inserting in lieu thereof "$36,500,000" and "$12,500,000", respectively;

(8) in subsection (b)(3), by striking out "$25,000,000" and inserting in lieu thereof "$4,400,000"; and

—Page 119, line 25, strike out "; and" and insert in lieu thereof a period.

—Page 120, strike out lines 1 through 8.

—Page 120, line 10, strike out "May 20, 1983" and insert in lieu thereof "September 30, 1983".

—Page 120, line 13, strike out "May 20, 1983" and insert in lieu thereof "September 30, 1983".

—Page 120, line 17, strike out "$400,000,000" and insert in lieu thereof "$135,000,000".

—Page 120, line 23, strike out "$200,000,000" and insert in lieu thereof "$72,000,000".

—Page 121, beginning on line 4, strike out "May 20, 1983" and insert in lieu thereof "September 30, 1983".

—Page 121, line 6, strike out "$12,000,000" and insert in lieu thereof "$12,500,000".

—Page 137, line 19, strike out "$100,000,000" and insert in lieu thereof "$10,000,000".

—Page 138, strike out line 1 and all that follows through page 139, line 14 (and redesignate the subsequent section, and conform the table of contents, accordingly).

—Page 139, line 19, strike out the comma and all that follows through the comma on line 20.

—Page 139, line 21, strike out "appropriated" and insert in lieu thereof "available for any fiscal year".

—Page 140, line 7, strike out "May 21, 1983" and insert in lieu thereof "October 1, 1983".

—Page 140, line 10, strike out "May 20, 1983" and insert in lieu thereof "September 30, 1983".

—Page 140 line 13, strike out "May 20, 1983" and insert in lieu thereof "September 30, 1983".

—Page 140, line 16, strike out "May 20, 1983" and insert in lieu thereof "September 30, 1983".

—Page 140, line 19, strike out "May 20, 1983" and insert in lieu thereof "September 30, 1983".

—Page 140, line 22, strike out "May 20, 1983" and insert in lieu thereof "September 30, 1983".

—Page 141 line 1, strike out "May 20, 1983" and insert in lieu thereof "September 30, 1983".

—Page 141, line 4, strike out "May 21, 1983" and insert in lieu thereof "October 1, 1983".

—Page 141, line 8, strike out "May 20 and insert in lieu thereof "September 30, 1983".

—Page 141, line 11 strike out "May 20, 1983" and insert in lieu thereof "September 30, 1983".

—Page 141, line 14, strike out "May 20, 1983" and insert in lieu thereof "September 30, 1983".

—Page 141 line 17, strike out "May 20, 1983" and insert in lieu thereof "September 30, 1983".

—Page 141, line 20, strike out "May 20, 1983" and insert in lieu thereof "September 30, 1983".

—Page 141, line 24 strike out "May 21, 1983" and insert in lieu thereof "October 1, 1983".

—Page 142, line 12, strike out "$45,900,000,000" and insert in lieu thereof "$50,900,000,000".

—Page 142, line 18 strike out "1982" and insert in lieu thereof "1983".

—Page 169, line 10 strike out "$100,000,000" and insert in lieu thereof "$35,000,000".

—Page 170, beginning on line 7, strike out "May 20, 1983" and insert in lieu thereof "September 30, 1983".

—Page 170, line 10, strike out "May 20, 1983" and insert in lieu thereof "September 30, 1983".

—Page 173, line 1, strike out "May 20, 1983" and insert in lieu thereof "September 30, 1983".

—Page 174, line 10, strike out "$8,000,000" and insert in lieu thereof "$4,000,000".

—Page 174, line 18, strike out "$24,000,000" and insert in lieu thereof "$19,000,000".

By Mr. OBERSTAR:

—Page 27, after line 13, insert the following new subsection (and redesignate the subsequent subsections accordingly):

(b) Section 119(b)(1) of such Act is amended by adding at the end thereof the following new sentence: "Standards established by the Secretary under this paragraph to determine the eligibility of any city that has a population of less than 50,000 persons and is not a central city of a metropolitan area shall include the extent of unemployment in such city or, if such data is not available, the extent of unemployment in the county or in the county, excluding cities that have populations of more than 50,000 persons, within which such city is located.".

By Mr. WYLIE:

(Amendment in the nature of a substitute to the committee amendment in the nature of a substitute.)

—Strike all after the enacting clause and insert in lieu thereof the following:

TABLE OF CONTENTS

TITLE I—COMMUNITY AND NEIGHBORHOOD DEVELOPMENT

Sec. 101. Authorizations—Title I of the Housing and Community Development Act of 1974.
Sec. 102. Homesteading.
Sec. 103. Community development definitions.
Sec. 104. Objective of program and use of funds.
Sec. 105. Neighborhood Reinvestment Corporation.

TITLE II—ASSISTED HOUSING

Sec. 201. Authorization for assisted housing.
Sec. 202. Section 8 Housing Payment Certificate Program.
Sec. 203. Amendments affecting tenant rents or contributions.
Sec. 204. Congregate services.
Sec. 205. Operating assistance for troubled multifamily projects.
Sec. 206. Housing for the elderly and handicapped.
Sec. 207. Shared housing for the elderly.
Sec. 208. Demonstration project.

TITLE III—PROGRAM AMENDMENTS AND EXTENSIONS

PART A—FEDERAL HOUSING ADMINISTRATION MORTGAGE INSURANCE PROGRAMS

Sec. 301. Extension of Federal Housing Administration Mortgage Insurance Programs.
Sec. 302. Flexible interest rate authority.
Sec. 303. Government National Mortgage Association and Federal Housing Administration Limitations.
Sec. 304. Authorization for approprations to cover losses to the General Insurance Fund.
Sec. 305. Research authorizations.
Sec. 306. Counseling.
Sec. 307. Increased loan limits for manufactured homes and lots under Title I of the National Housing Act.
Sec. 308. Authority for refinancing manufactured homes under Title I of the National Housing Act.
Sec. 309. Shell home construction.
Sec. 310. Mortgage insurance for manufactured home parks for the elderly.
Sec. 311. Condominium insurance limits.
Sec. 312. Graduated payment mortgage for multifamily and single family housing.
Sec. 313. Adjustable rate mortgages for single family housing.
Sec. 314. Shared appreciation mortgages for single family housing.
Sec. 315. Shared appreciation mortgages for multifamily housing.
Sec. 316. Demonstration authority to insure home equity conversion mortgages for elderly homeowners.
Sec. 317. Elimination of requirement that FHA interest rate be set by law.

PART B—OTHER PROGRAMS

Sec. 321. Weatherization Program.
Sec. 322. Flood Insurance.
Sec. 323. Crime and Riot Insurance.

TITLE IV—RURAL HOUSING

Sec. 401. Authorizations.
Sec. 402. Rural Housing Insurance Fund Amendments.
Sec. 403, and 404. Extension of Authority.
Sec. 405. Tenant Contribution.
Sec. 406. Certificates of Beneficial Ownership.
Sec. 407. Rental Assistance Authorization.
Sec. 408. Technical and Supervisory Assistance.
Sec. 409. Self-Help Development Fund.
Sec. 410. Definition of Rural Area.

TITLE V—GENERAL PROVISIONS

Sec. 501. Applicability.

TITLE I—COMMUNITY AND NEIGHBORHOOD DEVELOPMENT

AUTHORIZATIONS—TITLE I OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974

SEC. 101. (a) The second sentence of section 103 of the Housing and Community Development Act of 1974 is amended to read as follows: "There are authorized to be appropriated for these purposes not to exceed $3,908,000,000 for each of the fiscal years 1984, 1985 and 1986.".

(b) The first sentence of section 107(a) of such Act is amended to read as follows: "Of the total amount approved in appropriation Acts under section 103 for each of the fiscal years 1984, 1985 and 1986, not more than $56,500,000 for each such year may be set aside in a special discretionary fund for grants under subsection (b).".

(c) The second sentence of section 119(a) of such Act is amended to read as follows: "Of the total amount approved in appropriation Acts under section 103 for each of the fiscal years 1984, 1985 and 1986, not more than $440,000,000 shall be available for each such year for grants under this section.".

HOMESTEADING

SEC. 102. Section 810 of the Housing and Community Development Act of 1974 is amended to read as follows:

"HOMESTEADING

"SEC. 810. (a) Notwithstanding any other provision of law, the Secretary of Housing and Urban Development may transfer, without payment, to any unit of general local government or public agency designated by such unit of general local government any real property—

"(1) that is improved by a one- to four-family residence;

"(2) to which the Secretary holds title;

"(3) that is not occupied by a person legally entitled to reside on such property; and

"(4) that is requested by such unit of general local government or agency for use exclusively in a single-family homesteading program that complies with the requirements of subsection (d).

"(b) The Secretary may convey to any unit of general local government or public agency designated by such unit of general local government any real property—

"(1) to which the Secretary holds title; and

"(2) that the Secretary determines to be suitable for a multifamily homesteading program that complies with the requirements of subsection (e);

for such consideration, if any, as may be agreed upon between the Secretary and such unit of general local government or public agency.

"(c)(1) The Secretary may provide funds to any unit of general local government or public agency designated by such unit of general local government for the acquisition of unencumbered title to any real property that—

"(A) is improved by a one- to four-family residence;

"(B) is not occupied by a person legally entitled to reside on such property; and

"(C) is designated by such unit of general local government or public agency for use exclusively in a single-family or multifamily homesteading program that complies with the requirements of subsection (d) or (e).

"(2) The Secretary may establish reasonable restrictions on the value and number of properties that may be acquired under this subsection.

"(d) Any single-family homesteading program carried out by any unit of general local government or public agency designated by such unit of general local government shall be considered a single-family homesteading program that complies with the requirements of this subsection if the Secretary determines that such program provides for—

"(1) the initial conveyance of vacant residential property by such unit of general local government or public agency without substantial consideration to a family of low or moderate income, upon condition that such family agrees to repair all defects in the property that pose a substantial danger to health and safety within 1 year of the date of such initial conveyance;

"(2) a procedure by which title to such property shall be conveyed to any such family without substantial consideration upon the repair of all such defects, under the condition that such family agrees to—

"(A) make such repairs and improvements to the property as may be necessary to meet applicable local standards for decent, safe, and sanitary housing within 3 years of the date of initial conveyance; and

"(B) occupy such property as a principal residence for a period of not less than 5 years, except under such emergency circumstances as may be established by the Secretary;

"(3) an equitable procedure for selecting the recipients of such properties that—

"(A) gives a special priority to applicants—

"(i) whose current housing fails to meet standards of health and safety, including overcrowding;

"(ii) who currently pay in excess of 30 percent of their income for shelter; and

"(iii) who have little prospect of obtaining improved housing within the foreseeable future through means other than homesteading;

"(B) excludes applicants who are currently homeowners; and

"(C) takes into account the capacity of the applicant to contribute a substantive amount of labor to the rehabilitation process, or to obtain assistance from private sources, community organizations, or other sources; and

"(4) a plan for the provision of rehabilitation assistance and technical assistance to recipients of homestead properties who are in need of such assistance.

"(e) Any multifamily homesteading program carried out by any unit of general local government or public agency designated by any such unit of general local government shall be considered a multifamily homesteading program that complies with the requirements of this subsection if the Secretary determines that such program contains adequate asssurances that—

"(1) the primary use of all homestead properties following conversion or rehabilitation shall be residential;

"(2) not less than 75 percent of the residential occupants of homestead properties following conversion or rehabilitation shall be families of low or moderate income;

"(3) all dwelling units in homestead properties shall be owned by occupants under a limited-equity cooperative form of ownership;

"(4) such cooperative may not be dissolved without permission of the unit of general local government or public agency responsible for administering such homesteading program;

"(5) entities that are operated for profit shall be excluded from ownership of homestead properties at all times between the transfer of properties by the Secretary to such unit of general local government or public agency and the acquisiton of such properties by their occupants subsequent to conversion or rehabilitation;

"(6) a substantive amount of the labor required to rehabilitate homestead properties shall be provided by the occupants of such properties;

"(7) rehabilitation assistance and technical assistance shall be available to occupants of homestead properties who are in need of such assistance; and

"(8) the displacement of any individuals who reside in homestead properties prior to rehabilitation or conversion shall be minimized.

"(f)(1) The Secretary may to enter into agreements with any unit of general local government or public agency designated by such unit of general local government to provide technical assistance—

"(A) to such unit of general local government or public agency for the administration of a homesteading program that complies with the requirements of subsection (d) or (e); and

"(B) to any recipient of property under any such homesteading program.

"(2) Not more than 5 percent of any amount made available under subsection (n) may be used to carry out this subsection.

"(g)(1) The Secretary may assist families of low or moderate income receiving property under a homesteading program that complies with the requirements of subsection (d) or (e) in the rehabilitation of such property by providing grants to any unit of general local government or public agency designated by such unit of general local government for the sole purpose of assisting any such recipient within the jurisdiction of such unit of general local government or public agency. Such grants shall stimulate the rehabilitation of homestead properties by providing—

"(A) capital grants;

"(B) loans;

"(C) interest reduction payments;

"(D) technical assistance; and

"(E) other comparable assistance that the Secretary deems appropriate to reduce the costs of homesteading for families of low or moderate income.

"(2) Not less than 75 percent of any funds received by any unit of general local government or public agency for any purpose described in this subsection shall be allocated to aid families of very low income participating in approved homesteading. All money repaid to units of general local government or public agencies designated by a unit of general local government shall be used only for aiding homesteading activities.

"(h) In selecting projects for assistance under this section from among eligible projects, the Secretary shall make such selection on the basis of the extent—

"(1) of the severity of residential property abandonment in the area in which the project is to be located;

"(2) to which the assistance requested from the Secretary under this section will provide the maximum number of units for the least cost, taking into account the cost differences among different areas, among financing alternatives, and among the types of projects and homesteaders being served;

"(3) of non-Federal public and private financial or other contributions that reduce the amount of assistance necessary under this section;

"(4) to which the applicant has established a satisfactory performance in administration of homesteading, where applicable; and

"(5) of coordination of the homesteading program with other efforts to upgrade community services and facilities.

"(i)(1) The Secretary may reimburse the Administrator of Veterans' Affairs, in an amount to be agreed upon by the Secretary and the Administrator, for property that the Administrator conveys, for use in connection with a homesteading program that complies with the requirements of subsection (d) or (e), to any unit of general local government or public agency designated by such unit of general local government.

"(2) The Secretary may reimburse the Secretary of Agriculture, in an amount to be agreed upon by the Secretary and the Secretary of Agriculture, for property that the Secretary of Agriculture conveys, for use in connection with a homesteading program that complies with the requirements of subsection (d) or (e), to any unit of general local government or public agency designated by such unit of general local government.

"(j) In order to facilitate planning for purposes of this section, the Secretary, the Ad-

ministrator of Veterans' Affairs, and the Secretary of Agriculture shall, upon the request of any unit of general local government or public agency designated by such unit of general local government provide a listing of all unoccupied residential properties to which the Secretary, the Administrator, or the Secretary of Agriculture holds title and that are located within the geographic jurisdiction of such unit of general local government or public agency. Such listing shall be accessible to the public during ordinary business hours at the offices of such unit of general local government or public agency.

"(k) The Secretary shall conduct a continuing evaluation of any program carried out pursuant to this section and shall transmit to the Congress an annual report containing a summary of his evaluation of all such programs and his recommendations for the future conduct of such programs. Each such report shall include an assessment of the extent to which homesteading programs consider the requirements described in subsections (d)(2) and (e)(2) relating to housing need and income in selecting homestead recipients, and an estimate of the median income of such recipients during the year covered by such report.

"(l) For purposes of this section:

"(1) The term 'families of low or moderate income' means families whose incomes do not exceed 80 percent of the median income of the area involved, as determined by the Secretary with adjustments for smaller and larger families. Such term includes families consisting of one individual.

"(2) The term 'families of very low income' means families whose incomes do not exceed 50 percent of the median income of the area involved, as determined by the Secretary with adjustments for smaller and larger families. Such term includes families consisting of one individual.

"(3) The term 'Secretary' means the Secretary of Housing and Urban Development

"(4) The term 'unit of general local government' has the meaning given such term in section 102(a)(1).

"(m) The Secretary may prescribe such rules as may be necessary to carry out his functions under this section.

"(n) Of the total amount approved in appropriation Acts under section 103 fof fiscal year 1984—

"(1) not more than $6,000,000 shall be available for fiscal year 1984 to carry out subsections (a), (b), (c), and (i); and

"(2) not more than $6,000,000 shall be available for fiscal year 1984 to carry out subsections (f) and (g).".

COMMUNITY DEVELOPMENT DEFINITIONS

SEC. 103. (a)(1) Section 102(a)(4) of the Housing and Community Development Act of 1974 is amended by striking out "fifty thousand or until September 30, 1983, whichever is later" and inserting in lieu thereof "45,000".

(2) Section 102(a)(6) of such Act is amended—

(A) by striking out "through September 30, 1983, and shall not be subject to the provisions of section 102(d) in through such date" and inserting in lieu thereof "until the decennial census indicates that the population of such county is less than 180,000"; and

(B) by adding at the end thereof the following new sentence: "Notwithstanding the combined population amount set forth in clause (B) of the first sentence, a county shall also qualify as an urban county for purposes of assistance under section 106 if such county (A) complies with all other requirements set forth in the first sentence; (B) has a combined population between 190,000 and 199,999, inclusive; (C) had a population growth rate of not less than 25 percent during the most recent 10-year period measured by applicable censuses; and (D) has not previously qualified as an urban county under the first sentence.".

(b) Section 102(b) of such Act is amended by adding at the end thereof the following new sentence: "Notwithstanding any other provision of this title, any unit of general local government qualifying as a metropolitan city described in subsection (a)(4)(A) for purposes of assistance under section 106 for fiscal year 1983 shall continue to qualify as such a city for purposes of assistance under such section for fiscal year 1984 and each succeeding fiscal year, if such city utilizes not less than 75 percent of the assistance received under such section for fiscal year 1982 and each succeeding fiscal year, respectively, in areas or on projects directly benefiting persons of low and moderate income.".

OBJECTIVE OF PROGRAM AND USE OF FUNDS

SEC. 104. (a) Section 101(c) of the Housing and Community Development Act of 1974 is amended by inserting "and of each grantee's program" after "The primary objective of this title".

(b) Section 104(b)(3) is amended by inserting before the semicolon at the end thereof the following: "so long as the use of funds taken as a whole, over a period specified by the grantee of not more than three years, will principally benefit persons of low and moderate income".

NEIGHBORHOOD REINVESTMENT CORPORATION

SEC. 106. Section 608(a) of the Neighborhood Reinvestment Corporation Act is amended—

(1) by striking out "and" after "1981,"; and

(2) by inserting the following before the period at the end thereof: ", and not to exceed $15,512,000 for fiscal year 1984."

TITLE II—ASSISTED HOUSING

SEC. 102. (a) Section 5(c) of the United States Housing Act of 1937 is amended by—

(1) striking out "and" in the first sentence of paragraph (1) and inserting after "1981" the following: ", and by $636,336,000 on October 1, 1983";

(2) striking out "and" in the third sentence of paragraph (1) and inserting after "1981" the following: ", and by $9,912,928,000 on October 1, 1983";

(3) redesignating paragraphs (4), (5), and (6) as paragraphs (5), (6), and (7), respectively; and

(4) adding the following new paragraph after paragraph (3):

"(4)(A) Of the additional authority approved in appropriation Acts and made available on October 1, 1983, the Secretary shall enter into contracts aggregating at least $77,500,000 for assistance to projects under section 14.

"(B) Of the balance of the additional authority referred to in subparagraph (A) that remains after deducting the amount to be provided for assistance to projects under section 14, no more than $62,500,000 shall be made available for assistance under section 8(b)(1) pursuant to section 8(d).".

(b) Section 9(c) of such Act is amended by striking out "and" and by inserting after "1981" the following: ", not to exceed $1,350,000,000 on or after October 1, 1982, and not to exceed $1,362,200,000 on or after October 1, 1983".

SECTION 8 HOUSING PAYMENT CERTIFICATE PROGRAM

SEC. 202. (a) Section 8(b) of the United States Housing Act of 1937 is amended by adding the following new paragraph at the end thereof:

"(3) Assistance contracts entered into under this section shall provide for either (A) assistance payments under subsection (c) of this section based upon the maximum monthly rent which the owner is entitled to receive for each dwelling unit with respect to which the payments are to be made, or (B) assistance payments under subsection (d) of this section based upon a payment standard which is used to determine the maximum monthly assistance which may be paid for any family.".

(b) Section 8(c) of such Act is amended by—

(1) striking out the designation "(c)(1)" and the first sentence of paragraph (1) inserting in lieu thereof the following:

"(c) In the case of assistance contracts using a maximum monthly rent:

"(1) The contract shall establish the maximum monthly rent (including utilities and all maintenance and management charges) which the owner is entitled to receive for each dwelling unit with respect to which such assistance payments are to be made.";

(2) striking out the penultimate sentence in paragraph (1) and inserting in lieu thereof the following: "Fair market rentals for an area shall be published in the Federal Register.";

(3) striking out the second sentence in paragraph (3); and

(4) striking out "under this section" in paragraph (8) and inserting in lieu thereof "for newly constructed or substantially rehabilitated units"; and

(5) adding the following new paragraphs at the end thereof:

"(9) Each contract for an existing structure entered into under this subsection shall be for a term of not less than one month nor more than one hundred and eighty months.

"(10) Each such contract entered into by a public housing agency with an owner of existing housing units shall provide (with respect to any unit) that—

"(A) the selection of tenants for such units shall be the function of the owner, subject to the provisions of the annual contributions contract between the Secretary and the agency, except that the tenant selection criteria shall give preference to families which, at the time they are seeking assistance, occupy substandard housing, are involuntarily displaced, or are paying more than 50 per centum of income for rent;

"(B) the lease between the tenant and the owner shall be for at least one year or the term of such contract, whichever is shorter, and shall contain other terms and conditions specified by the Secretary;

"(C) the owner shall not terminate the tenancy except for serious or repeated violation of the terms and conditions of the lease, for violation of applicable Federal, State, or local law, or for other good cause;

"(D) maintenance and replacement (including redecoration) shall be in accordance with the standard practice for the building concerned as established by the owner and agreed to by the agency; and

"(E) the agency and the owner shall carry out such other appropriate terms and conditions as may be mutually agreed to by them.

"(11) Notwithstanding any other provision of law, with the approval of the Secretary

the public housing agency administering an assistance contract with respect to existing housing units may exercise all management and maintenance responsibilities with respect to those units pursuant to a contract between such agency and the owner of such units.".

(c) Section 8(d) of such Act is amended to read as follows:

"(d) In the case of assistance contracts using a payment standard:

"(1) The Secretary shall establish payment standards periodically but not less than annually for dwelling units of various sizes and types in the market area. The payment standard shall be used to determine the maximum monthly assistance which may be paid for any family, as provided in paragraph (2) of this subsection. Payment standards shall be established at levels designed to assist families in securing decent, safe and sanitary housing while providing assistance to the greatest possible number of families. Payment standards for an area shall be published in the Federal Register.

"(2) The monthly assistance payment for any family shall be the amount by which the payment standard for the area exceeds 30 per centum of the family's monthly adjusted income, except that such monthly assistance payment shall not exceed the amount by which the rent for the dwelling unit (including the amount allowed for utilities in the case of a unit with separate utility metering) exceeds 10 per centum of the family's monthly income. In addition, if the family is receiving payments for welfare assistance from a public agency and a part of such payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the family's housing costs, the monthly assistance payment shall not exceed the amount by which the lower of such rent or the payment standard exceeds the portion of such payment which is so designated.

"(3) Assistance payments may be made only for (A) a family determined to be a very low-income family at the time it initially receives assistance under this subsection, or (B) a family previously receiving assistance under this Act or (C) a lower income family previously participating in programs under section 101 of the Housing and Urban Development Act of 1965, the National Housing Act, section 202 of the Housing Act of 1959, section 312 of the Housing Act of 1964, or any other provision of law, where appropriate, as determined by the Secretary. In selecting families to be assisted, preference shall be given to those which, at the time they are seeking assistance, occupy substandard housing, are involuntarily displaced, or are paying more than 50 per centum of income for rent.

"(4) The Secretary is authorized, without regard to the preferences contained in the preceding paragraph, to use all or any of the authority to enter into contracts provided under section 5(c) to make assistance payments under this subsection for (A) families previously assisted under this Act, or (B) families eligible for assistance under paragraph (3)(C) of this subsection.

"(5) If a family vacates a dwelling unit before the expiration of a lease term, no assistance payment may be made with respect to the unit after the month during which the unit was vacated.

"(6) Contracts to make assistance payments for a dwelling unit shall be for a term of not less than one month nor more than sixty months.

"(7) The Secretary shall require with respect to any unit that (A) the public housing agency inspect the unit before any assistance payment may be made to determine that it meets housing quality standards established by the Secretary, and (B) the public housing agency make annual or more frequent inspections during the contract term. No assistance payment may be made for a dwelling unit which fails to meet such quality standards, unless any such failure is promptly corrected and the correction verified by the public housing agency.

"(8) Where the amount of the maximum annual commitment pursuant to an annual contributions contract exceeds the annual amount required for assistance payments pursuant to such contract, the Secretary may reserve the amount of such excess for assistance payments in following years.".

(d) Section 8(j) of such Act is amended by—

(1) inserting "or subsection (d)" after "under this subsection" in the first sentence of paragraph (1); and

(2) redesignating paragraph (8) as paragraph (9) and inserting a new paragraph (8), to read as follows:

"(8) With respect to assistance contracts under subsection (d) on behalf of a family which utilizes a manufactured home as its principal place of residence, paragraphs (2) through (7) of this subsection shall not be applicable, and the Secretary shall have the discretion to modify the amount of the payment standard as appropriate for assistance under this subsection. With respect to a family renting real property on which is located a manufactured home which is owned by the family, the term 'rent' in subsection (d)(2) shall include the monthly payment made by such family to amortize the cost of purchasing the manufactured home, and the monthly assistance payment under subsection (d)(2) may in no case exceed the maximum monthly rent permitted with respect to the real property which is rented by such family for the purpose of locating its manufactured home.".

(e)(1) Section 6(c)(4)(A) of the United States Housing Act of 1937 is amended by—

(A) striking out "or" after "substandard housing" and inserting a comma in lieu thereof; and

(B) inserting ", or are paying more than 50 per centum of income for rent," after "displaced".

(2) Section 8(e)(2) of such Act is amended by—

(A) striking out "or" after "substandard housing" and inserting a comma in lieu thereof; and

(B) inserting ", or are paying more than 50 per centum of income for rent," after "displaced".

(3) Section 101(e)(1)(B) of the Housing and Urban Development Act of 1965 is amended by—

(A) striking out "or" after "substandard housing" and inserting a comma in lieu thereof; and

(B) inserting ", or was paying more than 50 per centum of income for rent," after "displaced".

AMENDMENTS AFFECTING TENANT RENTS OR CONTRIBUTIONS

SEC. 203. (a) Section 3(a) of the United States Housing Act of 1937 is amended by—

(1) adding the following immediately after the first sentence: "Reviews of family income shall be made at least annually."; and

(2) inserting after "A family" in the final sentence the following: "(other than a family assisted under section 8(d))".

(b) Section 3(b) of the United States Housing Act of 1937 is amended by striking out the period at the end of paragraph (2) and inserting in lieu thereof the following: ", except that the Secretary may establish income ceilings higher or lower than 50 per centum of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.".

(c) Section 322(i)(1) of the Omnibus Budget Reconciliation Act of 1981 is amended to read as follows:

"(i)(1)(A) The provisions of this subparagraph (A) apply to determinations of the rent to be paid by a tenant whose occupancy in housing assisted under the United States Housing Act of 1937, section 236 of the National Housing Act or section 101 of the Housing and Urban Development Act of 1965 begins on or before the effective date of regulations implementing subsections (a) through (h) of this section. The Secretary shall provide that the rent required to be paid by a tenant shall not increase, as a result of any one or a combination of the provisions of subsections (a) through (h) of this section and any other provision of Federal law redefining which governmental benefits are required to or may be considered as income, by more than 10 per centum during any 12 month period, unless the increase above 10 per centum is attributed solely to increases in income which are not caused by such provisions.

"(B) the 10 per centum limitation in subparagraph (A) shall also cover increases in rent or contribution, as defined by the Secretary, of a tenant assisted under section 8(d) of the United States Housing Act of 1937, as amended by the Housing and Community Development Act of 1983 (i) where such tenant previously received section 8 existing assistance with respect to occupancy of a unit selected by the family, and where the assistance under section 8(d) is for occupancy of the same unit; and (ii) with respect only to increases as a result of the provisions of subsections (a) through (h) of this section, where such tenant occupied housing assisted under the United States Housing Act of 1937, section 236 of the National Housing Act or section 101 of the Housing and Urban Development Act of 1965, beginning on or before the effective date of regulations implementing subsections (a) through (h) of this section.

"(C) Tenants of assisted housing not meeting the occupancy requirements of subparagraphs (A) or (B) shall be subject to immediate rent payment or contribution determinations, as defined by the Secretary, in accordance with applicable law. However, the Secretary shall provide that the rent or contribution payable by any such tenant who is occupying assisted housing on the effective date of any provision of Federal law redefining which governmental benefits are required to or may be considered as income shall not increase, as a result of any such provision of Federal law, by more than 10 per centum during any 12 month period, unless the increase above 10 per centum is attributable to causes unrelated to such redefinitions.

"(D) Notwithstanding the provisions of subsections (a) through (h) of this section or section 8(d) of the United States Housing Act of 1937, as amended by the Housing and Community Development Act of 1983, the Secretary may provide for delayed applicability, or for staged implementation, of the procedures for determining rents or contributions, as defined by the Secretary, re-

quired by such provisions if the Secretary determines that immediate application of such procedures would be impracticable, would violate the terms of existing leases, or would result in extraordinary hardship for any class of tenants.

"(E) The limitations on increases in rent or contribution contained in subparagraphs (A), (B) and (C) shall remain in effect and may not be changed or superseded except by another provision of law which amends this subsection.

"(F) If the tenant is receiving payments for welfare assistance from a public agency and a part of such payments, adjusted in accordance with the tenant's actual housing costs, is specifically designated by such agency to meet the tenant's housing costs and if the tenant's rent or contribution, as defined by the Secretary, is based on the part of such payments which is so designated, the 10 per centum limitation on increases in the rent or contribution in subparagraphs (A) and (B) shall not apply with respect to the portion of such payments which is so designated to the extent the Secretary determines the tenant will not bear the burden of the increases.

"(G) Notwithstanding any other provision of this section application of the procedures for determining rent or contribution, as defined by the Secretary, contained in the aforementioned provisions shall not result in a reduction in the amount of such rent or contribution below the amount paid by any tenant occupying housing assisted under the United States Housing Act of 1937, section 236 of the National Housing Act or section 101 of the Housing and Development Act of 1965 immediately preceding the effective date of regulations implementing this section.".

(d) Section 322(i) of the Omnibus Budget Reconciliation Act of 1981 is further amended by striking out paragraph (2) and by redesignating paragraph (3) as paragraph (2).

CONGREGATE SERVICES

SEC. 204. Section 411(a) of the Congregate Housing Services Act of 1978 is amended by—

(1) striking out "and" at the end of paragraph (3);

(2) striking out the period at the end of paragraph (4) and inserting in lieu thereof "; and"; and

(3) adding the following new paragraph at the end thereof:

"(5) for fiscal year 1984, not to exceed $4,000,000.".

OPERATING ASSISTANCE FOR TROUBLED MULTIFAMILY PROJECTS

SEC. 205. Section 236(f)(3) of the National Housing Act is amended by striking out "September 30, 1982" in the third sentence and inserting in lieu thereof "September 30, 1984".

HOUSING FOR THE ELDERLY AND HANDICAPPED

SEC. 206. (a) Section 202(a)(4)(B)(i) of the Housing Act of 1959 is amended—

(1) by striking out "and" after "1980," in the first sentence; and

(2) by inserting ", and to $6,507,660,000 on October 1, 1983," after "1981" in such sentence.

(b) Section 202(a)(4)(C) of such Act is amended by striking out "$850,848,000" and "1982" in the second sentence and inserting in lieu thereof "$666,400,000" and "1984", respectively.

(c) Section 202 of such Act is amended by adding at the end thereof the following new subsections:

"(i) Unless otherwise requested by the sponsor, a maximum of 25 percent of the units in a project financed under this section may be efficiency units, subject to a determination by the Secretary that such units are appropriate for the elderly or handicapped population residing in the vicinity of such project or to be served by such project.

"(j) The Secretary may not approve the prepayment of any loan made under this section, or sell or transfer such loan, unless such prepayment, sale, or transfer is made as part of a transaction that will ensure that the project involved will continue to operate until the original maturity date of such loan in a manner that will provide rental housing for the elderly and handicapped on terms at least as advantageous to existing and future tenants as the terms required by the original loan agreement entered into under this section and any other loan agreements entered into under other provisions of law.".

SHARED HOUSING FOR THE ELDERLY

SEC. 207. Section 8 of the United States Housing Act of 1937 is amended by adding the following new subsection at the end thereof:

"(o) In order to assist elderly families (as defined in section 3(b)(3)) who elect to live in a shared housing arrangement in which they benefit as a result of sharing the facilities of a dwelling with others in a manner that effectively and efficiently meets their housing needs and thereby reduces their cost of housing, the Secretary shall permit assistance provided under the existing housing and moderate rehabilitation programs to be used by such families in such arrangements. In carrying out this subsection, the Secretary shall issue minimum property standards (or modify existing standards) for the purpose of assuring decent, safe, and sanitary housing for such families while taking into account the special circumstances of shared housing.".

DEMONSTRATION PROJECT

SEC. 208. (a) The Congress finds that—

(1) the Department of Health and Human Services spends in excess of $5,000,000,000 annually for housing in the form of allowances for shelter for public assistance recipients;

(2) States administering the Department of Health and Human Services public assistance program often specify shelter allowances that have little relationship to the cost or the quality of the housing in which public assistance recipients live;

(3) at least 30 percent of public assistance recipients live in substandard housing;

(4) the older rental buildings in which many public assistance recipients live are in those neighborhoods that need the assistance of the programs of the Department of Housing and Urban Development for preservation and rehabilitation; and

(5) there is the potential for improving housing for many lower income families by coordinating State and local government efforts in order to assure that families receiving public assistance payments from the Department of Health and Human Services are able to live in decent, safe, and sanitary housing.

(b) The purpose of this section, therefore, is to provide assistance to units of general local government and their designated agencies in order to develop a program that will—

(1) encourage the upgrading of housing occupied primarily by lower income families, including families receiving assistance under the aid for families with dependent children program established under title IV of the Social Security Act; and

(2) provide for better coordination at the local level of the efforts to assist families receiving public assistance from the Department of Health and Human Services so that these families will be able to occupy affordable housing that is decent, safe, and sanitary and that, if necessary, is rehabilitated with funds provided by the Department of Housing and Urban Development.

(c) The Secretary of Housing and Urban Development (hereafter referred to in this section as the "Secretary") shall, to the extent approved in appropriation Acts, establish and maintain a demonstration project to carry out the purpose described in subsection (b).

(d) In carrying out such project, the Secretary shall make grants to units of general local government, or designated agencies thereof, to carry out administrative plans approved by the Secretary in accordance with subsection (e), and the Secretary may make grants to States to provide technical assistance for the purposes of assisting such units of general local government to develop and carry out such plans.

(e)(1) Grants may be made to States and units of general local government and agencies thereof that apply for them in a manner and at a time determined by the Secretary and that, in the case of units of general local government and their agencies, are selected on the basis of an administrative plan described in such application.

(2) No such administrative plan shall be selected by the Secretary unless it sets forth a plan for local government activities that are designed to—

(A) require or encourage owners of rental housing occupied by lower income families to bring such housing into compliance with local housing codes;

(B) provide technical assistance, loans, or grants to assist owners described in subparagraph (A) to undertake cost-effective improvements of such housing;

(C) work with the State to establish and implement a schedule of local shelter allowances for recipients of assistance under title IV of the Social Security Act on building quality that will be applicable to buildings involved in this program; and

(D) coordinate local housing inspection, housing rehabilitation loan or grant assistance, rental assistance, and social services programs for the purpose of improving the quality and affordability of housing for lower income families.

(3) Funds received from any grant made by the Secretary to a unit of general local government shall be made available for use according to the administrative plans and may be used for—

(A) technical assistance or financial assistance to property owners to upgrade housing projects described in paragraph (2)(A) of this subsection;

(B) temporary rental assistance to families who live in buildings assisted under this program and who are eligible for, but are not receiving, assistance under section 8 of the United States Housing Act of 1937, except that such families shall not include families receiving assistance under title IV of the Social Security Act, and the amount of such rental assistance may not exceed 20 percent of each grant received under this section;

(C) housing counseling and referral and other housing related services;

(D) expenses incurred in administering the program carried out with funds received under this section, except that such expenses may not exceed 10 percent of the grant received under this section; and

(E) other appropriate activities that are consistent with the purposes of this section and that are approved by the Secretary.

(f) Any recipient of a grant from the Secretary under this section shall agree to—

(1) contribute to the program an amount equal to 15 percent of the funds received from the Secretary under this section, and the Secretary shall permit the recipient to meet this requirement by the contribution of the value of services carried out specifically in connection with the program assisted under this section;

(2) permit the Secretary and the General Accounting Office to audit its books in order to assure that the funds received under this section are used in accordance with the section; and

(3) other terms and conditions prescribed by the Secretary for the purpose of carrying out this section in an effective and efficient manner.

(g) In making grants available under this section, the Secretary shall select as recipients at least 20 units of general local government (or their designated agencies). The selection of proposals for funding shall be based on criteria that result in a selection of projects that will enable the Secretary to carry out the purpose of this section in an effective and efficient manner and provide a sufficient amount of data necessary to make an evaluation of the demonstration project carried out under this section.

(h) The Secretary shall transmit, not later than March 1, 1984, to both Houses of the Congress a detailed report concerning the findings and conclusions that have been reached by the Secretary as a result of carrying out this section, along with any legislative recommendations that the Secretary determines are necessary.

(i) There is authorized to be appropriated for the purpose of carrying out this section an amount not in excess of $25,000,000 for fiscal year 1984.

TITLE III—PROGRAM AMENDMENTS AND EXTENSIONS

PART A—FEDERAL HOUSING ADMINISTRATION MORTGAGE INSURANCE PROGRAMS

EXTENSION OF MORTGAGE INSURANCE PROGRAMS

SEC. 301. (a) Section 2(a) of the National Housing Act is amended by striking out "October 1, 1983" in the first sentence and inserting in lieu thereof "October 1, 1984".

(b) Section 217 of such Act is amended by striking out "September 30, 1983" and inserting in lieu thereof "September 30, 1984".

(c) Section 221(f) of such Act is amended by striking out "September 30, 1983" in the fifth sentence and inserting in lieu thereof "September 30, 1984".

(d)(1) Section 235(m) of such Act is amended by striking out "September 30, 1983" and inserting in lieu thereof "September 30, 1984".

(2) Section 235(q)(1) of such Act is amended by striking out "September 30, 1983" and inserting in lieu thereof "September 30, 1984".

(e) Section 236(n) of such Act is amended by striking out "September 30, 1983" and inserting in lieu thereof "September 30, 1984".

(f) Section 244(d) of such Act is amended by striking out "September 30, 1983" in the first sentence and inserting in lieu thereof "September 30, 1984".

(g) Section 809(f) of such Act is amended by striking out "September 30, 1983" in the second sentence and inserting in lieu thereof "September 30, 1984".

(h) Section 810(k) of such Act is amended by striking out "September 30, 1983" in the second sentence and inserting in lieu thereof "September 30, 1984".

(i) Section 1002(a) of such Act is amended by striking out "September 30, 1983" in the second sentence and inserting in lieu thereof "September 30, 1984".

(j) Section 1101(a) of such Act is amended by striking out "September 30, 1983" in the second sentence and inserting in lieu thereof "September 30, 1984".

FLEXIBLE INTEREST RATE AUTHORITY

SEC. 302. Section 3(a)(1) of Public Law 90-301 is amended by striking out "October 1, 1983" and inserting in lieu thereof "October 1, 1984".

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION AND FEDERAL HOUSING ADMINISTRATION LIMITATIONS

SEC. 303. (a) Section 306(g) of the National Housing Act is amended by adding at the end thereof the following:

"(3) During fiscal year 1984, the Association may not enter into commitments to issue guarantees under this subsection in an aggregate amount in excess of $68,250,000,000.".

(b) Section 531 of the National Housing Act is amended—

(1) by inserting "(a)" after "SEC. 531."; and

(2) by adding at the end thereof the following:

"(b) During fiscal year 1984, the Secretary may not enter into commitments to insure mortgages under title II of this Act in an aggregate principal amount in excess of $50,900,000,000.".

FEDERAL HOUSING ADMINISTRATION GENERAL INSURANCE FUND

SEC. 304. Section 519(f) of the National Housing Act is amended by inserting the following before the period at the end thereof: ", and further increased by $252,974,000 on October 1, 1982".

RESEARCH AUTHORIZATIONS

SEC. 305. The second sentence of section 501 of the Housing and Urban Development Act of 1970 is amended by striking out "and" each time it appears, and inserting immediately after "1982" the following: ", not to exceed $19,000,000 for the fiscal year 1983, not to exceed $18,000,000 for the fiscal year 1984".

COUNSELING

SEC. 306. Section 106(a)(3) of the Housing and Urban Development Act of 1968 is amended by striking out "1982" and "$4,000,000" and inserting in lieu thereof "1984" and "$3,500,000", respectively.

INCREASED LOAN LIMITS FOR MANUFACTURED HOMES AND LOTS UNDER TITLE I OF THE NATIONAL HOUSING ACT

SEC. 307. (a) Section 2(b)(1) of the National Housing Act is amended by—

(1) striking out "$22,500" and all that follows through "modules)" in subparagraph (C) and inserting in lieu thereof "40,500";

(2) striking out "$35,000" and all that follows through "modules)" in subparagraph (D) and inserting in lieu thereof "$54,000"; and

(3) striking out "such an amount as may be necessary, but not exceeding $12,500," in subparagraph (E) and inserting in lieu thereof "$13,500".

(b) Section 2(b)(2) of such Act is amended by striking out the second sentence and inserting in lieu thereof the following: "In other areas, the maximum dollar amounts specified in subsections (b)(1)(D) and (b)(1)(E) may be increased on an area-by-area basis to the extent the Secretary deems necessary, but not to exceed the percentage by which the maximum mortgage amount for a one-family residence in the area is increased by the Secretary under section 203(b)(2) of this Act.".

AUTHORITY FOR REFINANCING MANUFACTURED HOMES UNDER TITLE I OF THE NATIONAL HOUSING ACT

SEC. 308. Section 2(b)(6) of the National Housing Act is amended by adding at the end thereof the following new subparagraph:

"(C) The owner-occupant of a manufactured home or a home and lot which was purchased without assistance under this section but otherwise meeting the requirements of this section may refinance such home or home and lot under this section provided that the home was constructed in accordance with standards established under section 604 of the National Manufactured Housing Construction and Safety Standards Act of 1974.".

SHELL HOME CONSTRUCTION

SEC. 309. (a) Section 203(k)(1) of the National Housing Act is amended by—

(1) striking out "The Secretary may, in order to assist in" in the first sentence and inserting in lieu thereof the following: "In order to assist in (A)";

(2) striking out all that follows "purposes," in the first sentence and inserting in lieu thereof the following: "or (B) the purchase, construction and completion of one-family shell homes, the Secretary is authorized to insure and make commitments to insure rehabilitation loans and shell home mortgage loans made by financial institutions, including advances made during rehabilitation or shell home purchase, construction and completion."; and

(3) adding at the end thereof the following: "Shell home mortgage loans may be insured under this subsection only on a coinsurance basis pursuant to section 244 of this Act, and the number of such loans which may be so insured may not exceed 30,000.".

(b) Section 203(k)(2) of such Act is amended by—

(1) striking out "and" at the end of subparagraph (a)(iii);

(2) striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; and"; and

(3) adding the following new subparagraph at the end thereof:

"(C) the term 'shell home mortgage' means a mortgage loan made for the purpose of financing the costs (including the provision of any necessary materials, appliances and specialized labor) of the purchase and development of a site; the purchase and construction on the site of a one-family shell home, as defined by the Secretary; and the completion of the shell home, which shall be owner-occupied.".

(c) Section 203(k)(3) of such Act is amended by—

(1) striking out "a rehabilitation loan shall" and inserting in lieu thereof "a loan shall";

(2) inserting after "(A)" the following: "(i) in the case of a rehabilitation loan,"; and

(3) inserting the following immediately after subparagraph (A):

"(ii) in the case of a shell home mortgage loan, involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Secretary

shall approve) not exceeding the amount specified in subsection (b)(2), except that the Secretary shall establish as the appraised value of the property an amount not to exceed the sum of the appraised value of the site, the estimated costs of site development, and the estimated costs of purchase, construction and completion of the one-family shell home;".

(d) Section 203(k)(4) of such Act is amended by striking out "rehabilitation loan" and inserting in lieu thereof "loan or mortgage".

(e) Section 203(k) of such Act is amended by adding at the end thereof the following:

"(6) For the purpose of making one-family shell homes insured under this subsection more affordable to borrowers, the Secretary shall, to the maximum extent feasible, encourage borrowers to contribute the value of their labor as equity in the property.".

MORTGAGE INSURANCE FOR MANUFACTURED HOME PARKS FOR THE ELDERLY

SEC. 310. The first sentence of the second undesignated paragraph of section 207(b) of the National Housing Act is amended by striking out "no mortgage shall be insured hereunder" and inserting in lieu thereof the following: "the Secretary shall not insure any mortgage under this section (except a mortgage with respect to a manufactured home park designed exclusively for occupancy by elderly persons)".

CONDOMINIUM INSURANCE LIMITS

SEC. 311. The third sentence of section 234(c) of the National Housing Act is amended by inserting "(118 percent in the case on newly constructed units)" after "111 per centum".

GRADUATED PAYMENT MORTGAGES FOR MULTIFAMILY AND SINGLE FAMILY HOUSING

SEC. 312. Section 245 of the National Housing Act is amended by—

(1) striking out subsections (a) and (b) and inserting in lieu thereof the following:

"(a) The Secretary may insure under any provision of this title mortgages and loans with provisions of varying rates of amortization corresponding to anticipated variations in family or, as appropriate, project income, to the extent the Secretary determines such mortgages or loans (1) have promise for expanding housing opportunities or meet special needs, (2) can be developed to include any safeguards for mortgagors, tenants or purchasers that may be necessary to offset special risks of such mortgages, and (3) have a potential for acceptance in the private market. A mortgage or loan may not be insured pursuant to this section after September 30, 1985, except pursuant to a commitment entered into on or before that date.

"(b) Notwithstanding any other provision of this title, the principal obligation of a mortgage or loan insured pursuant to this section involving property upon which there is located a dwelling designed principally for occupancy by one to four families—

"(1) shall not initially exceed the percentage of the initial appraised value of the property specified in section 203(b) of this title as of the date the mortgage or loan is accepted for insurance; and

"(2) thereafter (including all interest to be deferred and added to principal) (A) shall not at any time be scheduled to exceed 97 per centum, or, if the mortgagor is a veteran, such higher percentage as is provided under section 203(b)(2) for veterans, of the projected value of the property, and (B) shall not exceed 113 per centum of the initial appraised value of the property.

"(c) Notwithstanding any other provision of this title, the principal obligation of a mortgage or loan insured pursuant to this section involving property upon which there are located five or more dwelling units—

"(1) shall not initially exceed the percentage of value or replacement cost required by the provision under which the property is insured; and

"(2) thereafter (including all interest to be deferred and added to principal) shall not at any time be scheduled to exceed 100 per centum of the projected value of the property.

"(d) For purposes of this section, the Secretary shall calculate the projected value of the property by increasing the initial value of the property, as determined by the Secretary, at a rate not in excess of 2½ per centum per annum."; and

(2) redesignating subsection (c) as subsection (e).

ADJUSTABLE RATE MORTGAGES FOR SINGLE FAMILY HOUSING

SEC. 313. Title II of the National Housing Act is amended by adding at the end thereof the following new section:

ADJUSTABLE RATE SINGLE FAMILY MORTGAGES

"SEC. 247. (a) The Secretary may insure under any provision of this title a mortgage involving property upon which there is located a dwelling designed principally for occupancy by one to four families, where the mortgage provides for periodic adjustments by the mortgagee in the effective rate of interest charged. These interest rate adjustments may be accomplished through adjustments in the monthly payment amount, the outstanding principal balance, or the mortgage term, or a combination of these factors, except that in no case may any extension of a mortgage term result in a total term in excess of 40 years. Adjustments in the effective rate of interest shall correspond to a specified national interest rate index approved in regulations by the Secretary, information on which is readily accessible from published sources. Adjustments in the effective rate of interest shall (1) be made on an annual basis; (2) be limited, with respect to any single interest rate increase, to no more than 1 per centum on the outstanding loan balance; and (3) be limited to a maximum increase of 5 percentage points above the initial contract interest rate over the term of the mortgage. A mortgage many not be insured pursuant to this section after September 30, 1985, except pursuant to a commitment entered into on or before that date.

"(b) The Secretary shall issue regulations requiring that the mortgagee make available to the mortgagor, at the time of loan application, a written explanation of the features of the adjustable rate mortgage, including but not limited to, a hypothetical payment schedule which displays the maximum potential increases in monthly payments to the mortgagor over the first five years of the mortgage term.

"(c) The number of mortgages and loans insured pursuant to this section in any fiscal year may not exceed 125,000 mortgages.".

SHARED APPRECIATION MORTGAGES FOR SINGLE FAMILY HOUSING

SEC. 314. Title II of the National Housing Act is amended by adding at the end thereof the following new section:

"SHARED APPRECIATION MORTGAGES FOR SINGLE FAMILY HOUSING

"SEC. 248. (a) Notwithstanding any provision of this title which is inconsistent with this section, the Secretary may insure, under any provision of this title providing for insurance of mortgages on properties upon which there is located a dwelling designed principally for occupancy by one- to four-families or providing for insurance of mortgages on the stock allocated to dwelling units in residential cooperative housing corporations, a mortgage secured by a first lien on such property or such stock, which (1) provides for the mortgagee to share in a predetermined percentage of the net appreciated value of the property or stock; (2) provides for amortization over a period of not to exceed thirty years, but the actual term of the mortgage (excluding any refinancing) may be not less than ten nor more than thirty years, and contains such provisions relating to refinancing of the principal balance and any contingent deferred interest as the Secretary may prescribe; and (3) meets such other conditions, including limitations on the rate of interest which may be charged, as the Secretary may require by regulation. A mortgage may not be insured pursuant to this section after September 30, 1985, except pursuant to a commitment entered into on or before that date.

"(b) The mortgagee's share of a property's or stock's net appreciated value shall be payable upon sale or transfer (as defined by the Secretary) of the property or stock or payment in full of the mortgages, whichever occurs first. For purposes of this section, the term 'net appreciated value' means the amount by which the sales price of the property or stock (less the mortgagor's selling costs) exceeds the value of the property or stock at the time the commitment to insure is issued (with adjustments for capital improvements stipulated in the loan contract). If there has been no sale or transfer at the time the mortgagee's share of net appreciated value becomes payable, the sales price for purposes of this section shall be determined by means of an appraisal conducted in accordance with procedures approved by the Secretary and provided for in the mortgage.

"(c) In the event of a default, the mortgagee shall be entitled to receive the benefits of insurance in accordance with section 204(a) of this title, but such insurance benefits shall not include the mortgagee's share of net appreciated value. The term 'original principal obligation of the mortgage' as used in section 204 shall not include the mortgagee's share of net appreciated value.

"(d) The Secretary shall prescribe adequate consumer protections and disclosure requirements with respect to mortgages insured under this section, and may prescribe such other terms and conditions as may be appropriate to carry out the provisions of this section.

"(e) Mortgages insured pursuant to this section which contain provisions for sharing appreciation or which otherwise require or permit increases in the outstanding loan balance which are authorized under this section or under applicable regulations shall not be subject to any State constitution, statute, court decree, common law, rule or public policy limiting or prohibiting increases in the outstanding loan balance after execution of the mortgage.

"(f) The number of mortgages insured pursuant to this section in any fiscal year may not exceed 50,000.".

SHARED APPRECIATION MORTGAGES FOR MULTIFAMILY HOUSING

SEC. 315. (a) Title II of the National Housing Act is amended by adding at the end thereof the following new section:

"SHARED APPRECIATION MORTGAGES FOR MULTIFAMILY HOUSING

"SEC. 249. (a) Notwithstanding any provision of this title which is inconsistent with this section, the Secretary may insure, under any provision of this title providing for insurance of mortgages on properties including five or more family units, a mortgage secured by a first lien on the property which (1) provides for the mortgagee to share in a predetermined percentage of the property's net appreciated value and (2) meets such other conditions, including limitations on the rate of interest which may be charged, as the Secretary may require by regulation. A mortgage may not be insured pursuant to this section after September 30, 1985, except pursuant to a commitment entered into on or before that date.

"(b) The mortgagee's share of a property's net appreciated value shall be payable upon maturity or upon payment in full of the loan or sale or transfer (as defined by the Secretary) of the property, whichever occurs first. The term of the mortgage shall not be less than 15 years, and shall be repayable in equal monthly installments of principal and fixed interest during the mortgage term in an amount which would be sufficient to retire a debt with the same principal and fixed interest rate over a period not exceeding thirty years. In the case of a mortgage which will not be completely amortized during the mortgage term, the principal obligation of the mortgage may not exceed 85 per centum of the estimated value of the property or project. For purposes of this section, the term 'net appreciated value' means the amount by which the sales price of the property (less the mortgagor's selling costs) exceeds the value (or replacement cost, as appropriate) of the property at the time the commitment to insure is issued (with adjustments for capital improvements stipulated in the loan contract). If there has been no sale or transfer at the time the mortgagee's share of net appreciated value becomes payable, the sales price for purposes of this section shall be determined by means of an appraisal conducted in accordance with procedures approved by the Secretary and provided for in the mortgage.

"(c) In the event of a default, the mortgagee shall be entitled to receive the benefits of insurance in accordance with section 207(g) of this title, but such insurance benefits shall not include the mortgagee's share of net appreciated value. The term 'original principal face amount of the mortgage' as used in section 207(g) shall not include the mortgagee's share of net appreciated value.

"(d) The Secretary shall establish by regulation the maximum percentage of net appreciated value which may be payable to a mortgagee as the mortgagee's share. The Secretary shall also establish disclosure requirements applicable to mortgagees making mortgage loans pursuant to this section, to assure that mortgagors are informed of the characteristics of such mortgages.

"(e) Mortgages insured pursuant to this section which contain provisions for sharing appreciation or which otherwise require or permit increases in the outstanding loan balance which are authorized under this section or under applicable regulations shall not be subject to any State constitution, statute, court decree, common law, rule or public policy limiting or prohibiting increases in the outstanding loan balance after execution of the mortgage.".

(b) The first sentence of the first undesignated paragraph of section 207(c)(3) of such Act is amended by inserting immediately after "periodic payments" the following: "(unless otherwise approved by the Secretary)".

(c) Section 220(d)(4) of such Act is amended by inserting after "periodic payments" the following: "(unless otherwise approved by the Secretary)".

(d) Section 221(d)(6) of such Act is amended by inserting after "periodic payments" the following: "(unless otherwise approved by the Secretary)".

(e) Section 231(c)(5) of such Act is amended by inserting after "periodic payments" the following: "(unless otherwise approved by the Secretary)".

DEMONSTRATION AUTHORITY TO INSURE HOME EQUITY CONVERSION MORTGAGES FOR ELDERLY HOMEOWNERS

SEC. 316. Title II of the National Housing Act is amended by adding at the end thereof the following new section:

"DEMONSTRATION AUTHORITY TO INSURE HOME EQUITY CONVERSION MORTGAGES FOR ELDERLY HOMEOWNERS

"SEC. 250. (a) The purpose of this section is to authorize a demonstration mortgage insurance program designed to—

"(1) meet the special needs of elderly homeowners by reducing the effect of economic hardship caused by the rising costs of meeting health, housing and subsistence needs at a time of reduced income, through the insurance of home equity conversion mortgages to permit the conversion of a portion of accumulated home equity into liquid assets;

"(2) encourage and increase the involvement of mortgagees and secondary market participants (lenders and investors) in the making and servicing of home equity conversion mortgages for elderly homeowners; and

"(3) permit the evaluation of data to determine—

"(A) the extent of the need and demand among elderly homeowners for insured and uninsured home equity conversion mortgages;

"(B) the types of home equity conversion mortgages which best serve the needs and interests of elderly homeowners, the Federal government and lenders; and

"(C) the appropriate scope and nature of participation by the Secretary in connection with home equity conversion mortgages for elderly homeowners.

"(b) For purposes of this section—

"(1) The terms 'elderly homeowner' and 'homeowner' mean any homeowner (or homeowners) at least 65 years old or such higher age as the Secretary may prescribe.

"(2) The term 'home equity conversion mortgage' means a loan, secured by a first lien on the property, which provides for periodic and/or lump sum payments to the homeowner based upon accumulated equity and which may provide for a fixed or variable term or for future sharing, between the lender and the homeowner, of the equity or appreciation in the value of the property. Such mortgages shall provide that—

"(A) the loan becomes due on the earlier of a specified date after disbursement of the full principal amount or when a specified event occurs, such as sale of the property or death of the homeowner;

"(B) periodic payments, if provided for in the mortgage instrument, are made directly by the lender or are made through purchase of an annuity from an insurance company authorized to engage in such business and supervised by the State in which it is incorporated; and are made monthly or upon such terms as agreed to by the parties;

"(C) lump sum payments, if provided for in the mortgage instrument, are used by the homeowner to purchase a deferred annuity or to pay for major housing or other needs as determined by the homeowner;

"(D) prepayment in whole or in part may be made without penalty at any time during the term of the loan; and

"(E) the interest rate may be fixed or adjusted periodically as may be agreed upon by the mortgagor and the mortgagee.

"(c) The Secretary is authorized, upon application by the mortgagee, to insure as hereinafter provided any home equity conversion mortgage which is eligible for insurance as hereinafter provided, and, upon such terms and conditions as the Secretary may prescribe, to make commitments for the insurance of such mortgages prior to the date of their execution or disbursement thereon to the extent that the Secretary determines such mortgages—

"(1) have promise for improving the financial situation or otherwise meeting the special needs of elderly homeowners;

"(2) can be developed to include any safeguards for mortgagors that may be necessary to offset the special risks of such mortgages; and

"(3) have a potential for acceptance in the private market.

"(d) To be eligible for insurance under this section, a mortgage shall—

"(1) have been made to, and be held by, a mortgagee approved by the Secretary as responsible and able to service the mortgage properly;

"(2) have been executed by a mortgagor who qualifies as an elderly homeowner and meets requirements prescribed by the Secretary;

"(3) be secured by a property which is designed principally as a one-family residence and which is occupied by the mortgagor;

"(4) involve a principal obligation (including such initial service charges, appraisal, inspections, and other fees as the Secretary shall approve, and all interest to be deferred and added to the principal) which does not exceed the lesser of the maximum area dollar limitation for a one-family residence set forth in section 203(b)(2) of this Act and 90 per centum of the appraised value of the property as of the date the mortgage is accepted for insurance;

"(5) permit an interest rate to be fixed or adjusted periodically as may be agreed upon by the mortgagor and the mortgagee;

"(6) contain provisions for full satisfaction of the obligation satisfactory to the Secretary; and

"(7) contain such terms and provisions with respect to insurance, repairs, alterations, payment of taxes, default reserve, delinquency charges, foreclosure proceedings, anticipation of maturity, additional and secondary liens, and other matters as the Secretary may prescribe.

"(e) The mortgagee shall be eligible to receive the benefits of insurance as provided in section 204(a) of this Act with respect to mortgages insured under this section (except that in the case of a mortgage providing for shared appreciation, the insurance benefits shall not include the mortgagee's share of net appreciated value and the term 'original principal obligation of the mortgage' as used in section 204 shall not include the mortgagee's share of net appreciated value), and the provisions of subsections (b), (c), (d), (e), (f), (g), (h), (j), and (k) of section 204 of this Act shall be applicable

to such mortgages insured under this section, except that all references therein to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the General Insurance Fund and all references therein to section 203 shall be construed to refer to this section.

"(f) The Secretary shall require that the mortgagee make available to the homeowners, at the time of loan application, a written explanation of the features of the home equity conversion mortgage. The explanation may include, but is not limited to, its effect on tax and estate planning and homeowner eligibility for governmental benefits and other assistance.

"(g) No mortgage may be insured under this section after September 30, 1986 except pursuant to a commitment to insure issued on or before that date. The total number of mortgages insured under this section may not exceed 5,000.

"(h) The Secretary is authorized to (1) enter into such contracts and agreements with Federal, State and local units of government, public and private entities and others as the Secretary determines to be necessary or desirable to carry out the purposes of this section, and (2) make such investigations and studies of data and publish and distribute such reports, as the Secretary determines to be appropriate.

"(i) Mortgages insured and authorized under this section and applicable regulations which contain or set forth provisions pertaining to (1) sharing appreciation, (2) increases in the outstanding balance after execution of the mortgage (including but not limited to adding deferred interest to principal), (3) disbursement of mortgage proceeds over an extended term, or (4) setting of a due date in relation to the earliest of a specified event shall not be subject to any State constitution, statute, court decree, common law, rule or public policy (1) limiting or prohibiting (A) sharing appreciation, (B) increases in the outstanding balance after execution of the mortgage, or (C) disbursement of mortgage proceeds over an extended time, or (2) requiring that the term of the mortgage be fixed.

"(j) Notwithstanding any other provisions of law, and in order to further the purposes of the demonstration program authorized by this section, the Secretary is authorized to take any action necessary to provide the mortgagor with funds to which he or she is entitled under the insured mortgage or ancillary contracts but has not received because of the default of the party responsible for payment, and to obtain repayment of such disbursements so provided from any source. Such actions may include, but are not limited to: (1) disbursing such funds to the mortgagor from the General Insurance Fund; (2) accepting an assignment of the insured mortgage notwithstanding that the mortgagor is not in default under its terms, and calculating the amount and making the payment of the insurance claim on such assigned mortgage; (3) requiring a junior mortgage from the mortgagor at any time in order to secure repayments of any funds advanced or to be advanced to the mortgagor; (4) requiring a subrogation to the Secretary of the rights of any parties to the transaction against any defaulting parties; (5) imposing premium charges; and (6) preempting any State or local law which may prohibit or limit any of the actions enumerated in items (1) through (5) of this subsection.".

ELIMINATION OF REQUIREMENT THAT FHA INTEREST RATES BE SET BY LAW

SEC. 317. (a) Sections 3 and 4 of Public Law 90-301 are hereby repealed.

(b) The National Housing Act is amended in the following respects:

(1) Section 2(b)(5) is amended to read as follows:

"(5) No insurance shall be granted under this section to any such financial institution with respect to any obligation representing any such loan, advance of credit, or purchase by it unless the obligation has such maturity, bears such insurance premium charges, and contains such other terms, conditions, and restrictions as the Secretary shall prescribe, in order to make credit available for the purpose of this title. Any such obligation with respect to which insurance is granted under this section shall bear interest at such rate as may be agreed upon by the borrower and the financial institution.".

(2) Section 203(b)(5) is amended to read as follows:

"(5) Bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee.".

(3) Section 203(k)(3)(B) is amended to read as follows:

"(B) bears interest at such rate as may be agreed upon by the mortgagor and the mortgagee;".

(4) The first sentence of the first undesignated paragraph of section 207(c)(3) is amended to read as follows: "The mortgage shall provide for complete amortization by periodic payments within such term as the Secretary shall prescribe, and shall bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee.".

(5) The first sentence of section 213(d) is amended to read as follows: "Any mortgage insured under this section shall provide for complete amortization by periodic payments within such term as the Secretary may prescribe but not to exceed forty years from the beginning of amortization of the mortgage, and shall bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee.".

(6) The second sentence of section 220(d)(4) is amended to read as follows: "The mortgage shall bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee and contain such terms and provisions with respect to the application of the mortgagor's periodic payment to amortization of the principal of the mortgage, insurance, repairs, alterations, payment of taxes, default reserves, delinquency charges, foreclosure proceedings, anticipation of maturity, additional and secondary liens, and other matters as the Secretary may in the Secretary's discretion prescribe.".

(7) Section 220(h)(2)(iii) is amended to read as follows:

"(iii) bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee;".

(8) Section 221(d)(5) is amended by striking out "(exclusive" and all that follows through "mortgage market" and inserting in lieu thereof the following: "at such rate as may be agreed upon by the mortgagor and the mortgagee".

(9) Section 231(c)(6) is amended to read as follows:

"(6) bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee; and".

(10) The first sentence of section 234(f) is amended to read as follows: "Any blanket mortgage insured under subsection (d) shall provide for complete amortization by periodic payments within such terms as the Secretary may prescribe but not to exceed forty years from the beginning of amortization of the mortgage, and shall bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee.".

(11) Section 235(i)(3) is amended by—

(A) striking out "and" at the end of subparagraph (D);

(B) striking out the period at the end of subparagraph (E) and inserting in lieu thereof "; and"; and

(C) adding the following new subparagraph at the end thereof:

"(F) bear interest at a rate not to exceed such per centum per annum on the amount of the principal obligation outstanding at any time as the Secretary finds necessary to meet the mortgage market, taking into consideration the yields on mortgages in the primary and secondary markets.".

(12) Section 240(c)(4) is amended to read as follows:

"(4) bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee;".

(13) Section 241(b)(3) is amended to read as follows:

"(3) bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee;".

(14) Section 1002(d)(2) is amended to read as follows:

"(2) bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee: *Provided*, That the Secretary may agree to a reasonable extension of the term of a mortgage, the maturity of which is limited by this paragraph to not more than ten years, if the Secretary determines that unusual or unforeseen circumstances make such extension necessary to avoid undue hardship to the mortgagor;".

PART B—OTHER PROGRAMS

WEATHERIZATION PROGRAM

SEC. 321. Section 422 of the Energy Conservation in Existing Buildings Act of 1976 is amended by adding the following new sentence at the end thereof: "Of the funds authorized by section 1005(1) of the Omnibus Budget Reconciliation Act of 1981 for energy conservation for the fiscal year ending September 30, 1984, not less than $300,000,000 is authorized to be appropriated to carry out the weatherization program under this part.".

FLOOD INSURANCE

SEC. 322. (a) Section 1319 of the National Flood Insurance Act of 1968 is amended by striking out "September 30, 1983" and inserting in lieu thereof "September 30, 1985".

(b) Section 1336(a) of such Act is amended by striking out "September 30, 1983" and inserting in lieu thereof "September 30, 1985".

(c) Section 1376(c) of such Act is amended—

(1) by striking out "and" after "1981,"; and

(2) by inserting the following before the period at the end thereof ", and not to exceed $58,600,000 for the fiscal year 1984".

(d)(1) The National Flood Insurance Act of 1968 is amended by striking out "Secretary" and "Secretary's" each place they appear therein (other than as a reference to a Secretary other than the Secretary of Housing and Urban Development) and inserting in lieu thereof "Director" and "Director's", respectively.

(2) Section 1304(a) of such Act is amended by striking out "Secretary of Housing and Urban Development" and inserting in lieu thereof "Director of the Federal Emergency Management Agency".

(3) Section 1333 of such Act is amended by inserting "original exclusive" before "jurisdiction".

(4) Section 1340(a)(2) of the National Flood Insurance Act of 1968 is amended by striking out "officers and employees of the Department of Housing and Urban Development, and".

(5) Section 1341 of such Act is amended by inserting "original exclusive" before "jurisdiction".

(6) Section 1360(a)(2) of such Act is amended by striking out "within fifteen years following such date" and inserting in lieu thereof "by September 30, 1987".

(7) Section 1370(a)(6) of such Act is amended to read as follows:

"(6) the term 'Director' means the Director of the Federal Emergency Management Agency.".

(e)(1) The Flood Disaster Protection Act of 1973 is amended by striking out "Secretary" and "Secretary's" each place they appear therein (other than as a reference to a Secretary other than the Secretary of Housing and Urban Development) and inserting in lieu thereof "Director" and "Director's", respectively.

(2) Section 3(a)(6) of such Act is amended to read as follows:

"(6) 'Director' means the Director of the Federal Emergency Management Agency.".

(f) Section 15(e) of the Federal Flood Insurance Act of 1956 is amended by striking out "Secretary" the first and third places it appears therein and inserting in lieu thereof "Director of the Federal Emergency Management Agency".

CRIME AND RIOT INSURANCE

SEC. 323. (a) Section 1201(b) of the National Housing Act is amended—

(1) by striking out "September 30, 1983" in paragraph (1) and inserting in lieu thereof "September 30, 1985"; and

(2) by striking out "September 30, 1985" in paragraph (1)(A) and inserting in lieu thereof "September 30, 1988".

(b)(1) Title XII of the National Housing Act is amended by striking out "Secretary" and "Secretary's" each place they appear therein (other than as a reference to a Secretary other than the Secretary of Housing and Urban Development) and inserting in lieu thereof "Director" and "Director's", respectively.

(2) Section 1203(a) of such Act is amended—

(A) by striking out "and" at the end of paragraph (15);

(B) by striking out the period at the end of paragraph (16) and inserting "; and" in lieu thereof; and

(C) by adding at the end thereof the following new paragraph:

"(17) 'Director' means the Director of the Federal Emergency Management Agency.".

(3) Section 1232(2) of such Act is amended by striking out "officers and employees of the Department of Housing and Urban Development, and".

(4) Section 1247 of such Act is amended by inserting "of the Secretary of Housing and Urban Development" after "regulations)".

TITLE IV—RURAL HOUSING

AUTHORIZATIONS

SEC. 401. Section 513 of the Housing Act of 1949 is amended to read as follows:

"AUTHORIZATIONS

"SEC. 513. (a) For fiscal year 1984, the Secretary may, as approved in appropriations Acts, insure loans under the authorities provided in this title in an aggregate principal amount not to exceed $1,840,000,000 except that—

"(1) not more than $1,128,000,000 shall be made available for loans insured under section 502 on behalf of borrowers receiving assistance pursuant to section 521(a)(1)(B);

"(2) not more than $12,000,000 may be made available for loans insured under section 514; and

"(3) not more than $700,000,000 may be made available for loans insured under section 515 on behalf of borrowers receiving assistance pursuant to section 521(a)(1)(B).

"(b) For fiscal year 1984, there are authorized to be appropriated—

"(1) not to exceed $10,000,000 for direct loans pursuant to section 504;

"(2) not to exceed $12,500,000 for financial assistance pursuant to section 516;

"(3) not to exceed $25,000,000 for financial assistance pursuant to section 504;

"(4) not to exceed $12,500,000 for financial assistance pursuant to section 523;

"(5) such sums as may be necessary to meet interest payments on notes or other obligations issued by the Secretary under section 511; and

"(6) such sums as may be required by the Secretary to administer the provisions of sections 203(b), 235, and 236 of the National Housing Act and Section 8 of the United States Housing Act of 1937.".

RURAL HOUSING INSURANCE FUND AMENDMENTS

SEC. 402. Section 517(j) of the Housing Act of 1949 is amended—

(1) by striking out paragraph (4) and inserting in lieu thereof the following:

"(4) to provide assistance authorized by section 521(a)(1);";

(2) by striking out "; and " at the end of paragraph (5) and inserting in lieu thereof a period; and

(3) by striking out paragraph (6).

EXTENSION OF RURAL RENTAL HOUSING INSURANCE AUTHORITY

SEC. 403. Section 515(b)(5) of the Housing Act of 1949 is amended by striking out "September 30, 1983" and inserting in lieu thereof "September 30, 1984".

EXTENSION OF RURAL HOUSING INSURANCE AUTHORITY

SEC. 404. Section 517(a)(1) of the Housing Act of 1949 is amended by striking out "September 30, 1983" and inserting in lieu thereof "September 30, 1984".

TENANT CONTRIBUTION

SEC. 405. (a) Section 521(a)(2)(A) of the Housing Act of 1949 is amended by striking out "not exceeding 25 per centum of income" in the first sentence and inserting in lieu thereof "not exceeding the highest of the following amounts, rounded to the nearest dollar: (I) 30 percent of the family's monthly adjusted income; (II) 10 percent of the family's monthly income; or (III) if the family is receiving payments for welfare assistance from a public agency and a part of such payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the family's housing costs, the portion of such payments that is so designated".

(b) Section 501(b)(5) of such Act is amended to read as follows:

"(5) For purposes of this title, the terms 'income' and 'adjusted income' shall have the same meaning given such terms in section 3(b) of the United States Housing Act of 1937.".

(c) The Secretary of Agriculture shall provide that the amount of rental payments to be made by any family shall not increase, as a result of the amendments made by this section and as a result of any other provision of Federal law redefining which governmental benefits are required to or may be considered as income, by more than 10 percent during any 12-month period unless the increase above such 10 percent is attributed solely to increases in income which are not caused by such amendments or by such redefinitions. The limitation contained in the preceding sentence shall remain in effect and may not be changed or superseded except by another provision of law that amends this subsection.

(d) The amendments made by this section shall be effective with respect to tenant rental payments due on or after the date of the enactment of this Act.

CERTIFICATES OF BENEFICIAL OWNERSHIP

SEC. 406. Section 517(k) of the Housing Act of 1949 is amended or read as follows:

"(k) Any transactions pertaining to certificates of beneficial ownership issued under this title shall be treated in accordance with generally accepted budget and accounting practices for participation certificates for purposes of chapter 11 of title 31, United States Code.".

RENTAL ASSISTANCE AUTHORIZATION

SEC. 407. Section 521(a)(2)(D) of the Housing Act of 1949 is amended to read as follows:

"(D) For fiscal year 1984, the Secretary, to the extent approved in appropriation Acts, may enter into rental assistance contracts aggregating not more than $100,000,000 in carrying out subparagraph (A).".

SELF-HELP TECHNICAL AND SUPERVISORY ASSISTANCE

SEC. 408. (a) Section 523(b)(1) of the Housing Act of 1949 is amended to read as follows:

"(1) to make grants to, or contract with, public or private nonprofit corporations, agencies, institutions, Indian tribes, and other associations approved by him, for developing, conducting, administering, or coordinating effective and comprehensive programs of technical and supervisory assistance which will aid needy low-income individuals and their families in carrying out mutual or self-help housing efforts; and".

(b) Section 523(b) of such Act is amended—

(1) in paragrah (2), by striking out "; and" and inserting in lieu thereof a period; and

(2) by striking out paragraph (3).

(c) Section 523(f) of such act is amended by striking out "1983" each place it appears and inserting in lieu thereof "1984".

SELF-HELP HOUSING LAND DEVELOPMENT FUND

SEC. 409. (a) The assets and liabilities of the Self-Help Housing Land Development Fund established in section 523 of the Housing Act of 1949 hereby are transferred to the Rural Housing Insurance Fund established in section 517 of such Act, and the Self-Help Housing Land Development Fund hereby is abolished.

(b) Section 523 of the Housing Act of 1949 is amended—

(1) by striking out subsection (g); and

(2) by redesignating subsection (h) as subsection (g).

DEFINITION OF RURAL AREA

SEC. 410. Section 520 of the Housing Act of 1949 is amended by adding at the end thereof the following new sentence: "For purposes of this title, any area classified as 'rural' or a 'rural area' under paragraph (2) prior to the receipt of data from or after the 1980 decennial census and determined not to be 'rural' or a 'rural area' as a result of such data shall continue to be so classified through the end of fiscal year 1984, if such area has a population in excess of 10,000 but not in excess of 20,000 and complies with the requirements of paragraph (3)(B).".

TITLE V—GENERAL PROVISIONS

APPLICABILITY

SEC. 501. No provision of this Act, or any amendment made by this Act, may become effective prior to October 1, 1983 or be construed as providing for the expenditure of any amount, except to the extent approved in appropriation Act.

H.R. 2969,

By Mr. MONTGOMERY:

—Page 28, line 24, insert "and the Air National Guard" before "of the United States".

—Page 30, strike out lines 16 through 25 and insert in lieu thereof the following:

STATUS OF CERTAIN MEMBERS OF THE NATIONAL GUARD SERVING IN A FULL-TIME DUTY STATUS

SEC. 605. (a)(1) Chapter 3 of title 32, United States Code, is amended by adding at the end thereof the following new section:

"§ 335. Status of certain members performing full-time duty

"Members of the National Guard serving in a full-time duty status for the purpose of organizing, administering, recruiting, instructing, or training the National Guard shall be entitled to all rights, privileges, and benefits of members called to active duty under section 265 of title 10 and shall be considered to be serving on active duty for purposes of sections 524(a) and 976 of such title.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"335. Status of certain members performing full-time duty.".

(b) Not later than November 15, 1983, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a draft of legislation to provide on a permanent basis that members of the National Guard described in section 335 of title 32, United States Code, as added by subsection (a), are under State control except when explicitly ordered to Federal service in accordance with law.

By Mr. WHITEHURST:

—At the end of the bill add the following new section:

SECOND SOURCE FOR HARM MISSILE

SEC. 1111. None of the amounts appropriated pursuant to authorizations in title I for procurement of missiles for the Navy or the Air Force may be used for procurement of the HARM AGM-88A missile until the Secretary of the Navy has awarded a contract for procurement of that missile from a second source.

SENATE—*Monday, July 11, 1983*

The Senate met at 12 noon, and was called to order by Hon. THAD COCHRAN, a Senator from the State of Mississippi.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Unless the Lord build the house, those who built it labor in vain. Unless the Lord watches over the city, the watchman stays awake in vain.—Psalm 127: 1.

We thank Thee gracious Lord for the benefits enjoyed during recess: the time with our families, rest and relaxation, contacts with the people, and the work accomplished in office here and at home. We pray Thy peace and comfort for those working with Senator MELCHER who suffered the tragedy in his home office.

Now the Senate faces a demanding schedule. Help us Lord to order our priorities rightly. Deliver us from the futility of lost causes and bankrupt ideas. Save us Lord from thinking we are thinking when all we are doing is rearranging our prejudices. Help us to think originally, creatively, constructively. Lord God, let Thy will be done in hearts and homes and offices. We pray in the name of Him whose human perfection lay in obedience to Thee. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., July 11, 1983.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable THAD COCHRAN, a Senator from the State of Mississippi, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. COCHRAN thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the majority leader is recognized.

Mr. BAKER. I thank the Chair.

THE TWO OPTIONS OF FRANZ KAFKA

Mr. BAKER. Mr. President, last Sunday, July 3, marked the 100th anniversary of the birth of Franz Kafka. In honor of this great man, this week's poem will be in the form of a letter, one that Kafka wrote to his friend Max Brod on October 8, 1912. In the letter, Kafka revealed that he felt like he only had two options left open to him, and I ask unanimous consent that passages from the letter be printed in the RECORD.

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

. . . either to jump out the window after everyone has gone to bed or go to the factory and my brother-in-law's office daily for the next fourteen days. The first would give me the opportunity to rid myself of all responsibility for my interrupted writing and the neglected factory; the second would cut short my writing, of course—I simply can't wipe the sleeplessness of fourteen nights out of my eyes—but would allow me, if I had enough willpower and hope, the prospect of again possibly taking up at the point where I stopped today.

But I haven't jumped and the temptation to make this letter a farewell letter (my reasons for writing it lie in other directions) is not very strong. I stood at the window for a long time, pressing my face against the glass, and I felt more than once like scaring the toll-collector on the bridge by my plunge. But during all that time I had too firm a hold on myself to become depressed by the decision to the point of smashing myself to pieces on the pavement. It also seemed to me that staying alive would interrupt my writing less—even if all one does is talk about interruption—than death, and that between the beginning of the novel and its continuation in two weeks I will somehow, while in the factory and satisfying my parents, move and live in the heart of my novel.

TRIBUTE TO FORMER SENATOR LEN JORDAN

Mr. BAKER. Mr. President, may I take this opportunity to express my regret at the passing of our former colleague, the Senator from Idaho, Len Jordan. Len Jordan died on June 30 at the age of 84.

Senator Jordan served in the Senate from 1962 to 1973, and was a respected member on this side of the aisle. Before arriving in the Senate, Len served as a member of the International Development Advisory Board and as Governor of Idaho from 1951 to 1955. He also served in the Idaho Legislature.

I know all Members will join in sending their sympathies to Senator Jordan's wife Grace, to the Jordan family and the State of Idaho for the loss of a distinguished public servant.

THE RECORD OF ACHIEVEMENT OF THE SENATE DURING THE FIRST SESSION, 98TH CONGRESS

Mr. BAKER. Mr. President, I would like to take a moment on this, the Senate's first day of business after the July 4 recess, to reflect on the Senate's truly remarkable record of achievement in the first session of the 98th Congress.

Since the beginning of this session, the Senate has passed 248 pieces of legislation, including 75 Senate bills, 43 Senate joint resolutions, 77 Senate resolutions, 14 Senate concurrent resolutions, 23 House resolutions, 8 House joint resolutions, and 8 House concurrent resolutions. This is a remarkable yield for this body, and I want to congratulate all Members of the Senate.

Many of our accomplishments this session have been difficult; several of them have been indeed historic. The Senate passed H.R. 1900, the social security reform measure that insures the continued safety of social security. The Senate passed S. 529, the Immigration Reform and Control Act of 1983, which is a sweeping and much-needed adjustment of our Nation's immigration policies. After an arduous debate, the Senate approved Senate Concurrent Resolution 27, the first concurrent budget resolution for fiscal year 1984. The Senate also did what it likes to do least of all, I sometimes think, and that is pass an increase in the debt limit, H.R. 2990.

Perhaps equally as remarkable is the fact that the Senate has received six appropriations bills from the House, and has already passed four. Comparatively, in 1981 and 1982, no appropriation bills had been passed or even receive by this time in the Senate.

Other measures that the Senate has passed this session include: H.R. 1718, the payment-in-kind tax treatment for farmers; S. 46, the Shipping Act; S. 144, the International Trade and Investment Act; S. 445, the Bankruptcy Act; S. 695, the IMF authorization; and S. 66, the Cable Telecommunications Act.

There have been 12 wilderness related bills passed thus far by the Senate in the 98th Congress, including the adoption of S. 96 which authorizes the acquisition of land for an addition to the Effigy National Forest, and S. 543, the Wyoming Wilderness Act, which includes certain national forest system

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

lands in the State of Wyoming for inclusion in the National Wilderness Preservation System.

In the area of foreign affairs, the Senate proved that it was ready to meet the challenge of global developments and relations. Senate Resolution 112 expressed the Senate's concern for the refugees and civilians caught in the armed conflict on the Thailand and Kampuchea border. Senate Concurrent Resolution 11 protested Soviet emigration policies and called on the Soviet leadership to improve their human rights positions. The plights of Anatoly Shcharansky, Andrei Sakharov and Ida Nudel were characterized through Senate Resolution 133 and Senate Joint Resolution 96 which also reflected on the problem of Soviet Jewry and Helsinki Human Rights Day.

At home, National Child Abuse Prevention Week was the driving force behind Senate Joint Resolution 21, and Women's History Week was recognized. S. 61 authorized the establishment of the Nancy Hanks Center, which commemorated the achievements of the former head of the National Endowment for the Arts. Senate Resolution 132 supported Small Business Week in America.

Mr. President, obviously, none of these accomplishments could have been done without the cooperation of Members from both sides of the aisle and, in particular, the distinguished minority leader. I wish to thank him and my colleagues for enabling the Senate to act in quite a productive manner.

SENATE SCHEDULE

Mr. BAKER. Mr. President, under the order previously entered, the Senate stood in adjournment until noon today, and by unanimous consent the reading of the Journal has been dispensed with, the call of the calendar has been dispensed with, no resolutions shall come over under the rule, and the morning hour has been deemed to have expired.

There will be a period for the transaction of routine morning business, Mr. President, of not more than 1 hour in length in which Senators may speak for not more than 10 minutes each.

May I say, Mr. President, if there is no demand for time for the transaction of routine morning business prior to the hour of 1 p.m., it will be the intention of the leadership to advance the time for the consideration of the Department of Defense authorization bill to an earlier hour, perhaps as early as 12:30.

DEFENSE AUTHORIZATION BILL

The reason for that is that the bill, of course, is a controversial measure; there will be a great deal of debate on it. It is the intention of the leadership on this side to ask the Senate to finish this bill this week, and in order to do so we will need all the time we can get. It grieves me to say so, but it also means that it may be necessary to ask the Senate to stay in late evenings in order to accomplish that purpose. But I think it is absolutely essential that we make our best efforts, indeed that we succeed in passing the Department of Defense authorization bill this week not only because it is an important measure but also because there are appropriations bills and other important pieces of legislative business that are stacked up behind it that must be dealt with in the month of July.

Mr. President, is there any time remaining for me under the standing order?

The ACTING PRESIDENT pro tempore. The Senator has 2 minutes remaining.

Mr. BAKER. Mr. President, I yield it to the acting minority leader, if he wishes.

RECOGNITION OF THE ACTING MINORITY LEADER

The ACTING PRESIDENT pro tempore. The acting minority leader is recognized.

Mr. BINGAMAN. Mr. President, we have no need for the time of the Democratic leader and, therefore, I yield that time back.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 1 hour with statements therein limited to 10 minutes each.

30TH ANNIVERSARY—APSA CONGRESSIONAL FELLOWSHIP

Mr. PROXMIRE. Mr. President, I am pleased to recognize the American Political Science Association's congressional fellowship program on its 30th anniversary. It is the oldest programs on Capitol Hill designed to place professionals from a variety of backgrounds in Congress for a year. During their time here, they contribute their skills and talents in return for a valuable and much valued educational experience.

Since 1953, the American Political Science Association has sponsored congressional fellowships for more than 1,000 scholars, journalists, Federal executives, and professionals from this country as well as from other nations. Originally begun as a small program with only six fellows—five political scientists and one journalist—the congressional fellowship program now includes between 40 and 50 fellows each year from many different backgrounds and funded in a number of different ways.

The current class includes newspaper and television journalists, Federal agency professionals, foreign service officers, social scientists, and foreign fellows sponsored by the German Marshall Fund and the Asia Foundation. Each of them competes for the opportunity to spend a year in Congress.

Over the years, more than 30 congressional fellows have worked in my office. As I look around me today, I realize that three of my senior staffers—one in my office and two with the committees on which I serve—first came to me as ASPA congressional fellows.

Congressional fellows are serious, hard working, and try to get the most out of their experience here. They also exhibit strong characteristics.

For instance, they are persistent, yes, sometimes very persistent. One Saturday, when a new fellow had been assigned to cover my office phones, I happened to call in. He asked me my name, then demanded that I repeat it. Finally, he made me spell it.

Fellows have inquiring minds. One once tried to chronicle the lives and loves of my personal staff. He was a tireless questioner. Finally, my administrative assistant gave him the ultimate hint. He moved the fellow's desk and chair outside into the corridor.

Fellows get the opportunity to work on important, sometimes risky assignments. In my office one of the most interesting and coveted jobs is getting to work on the Golden Fleece Award, a prize I give monthly to the biggest, most ridiculous, or most ironic example of Government waste. Once a fellow in the office researched a fleece which, when released, happened to make one very large former all-pro—NFL that is—defensive tackle very angry. Phone calls were exchanged and the football star told us he was coming to visit. That caused a hurried huddle in the office. We discussed all the options. Who should carry the ball? Obviously the fellow. The defensive tackle showed up that day, all 275 pounds of him. But the fellow? We just could not find him.

Mr. President, fellows come to Congress to learn. But while they are here they do some teaching as well. Journalists in my office have shown us how to research an issue. Civil servants have enriched our understanding of how laws are actually administered. Both sides profit from the program, which is the reason I think it is so valuable. For 30 years, the American Political Science Association's congressional fellowship program has been an economical, cost-effective way to draw upon an important resource for the Congress. My congratulations on the

program's 30th anniversary. I hope there are many more to come.

HOW A SINGLE NUCLEAR BOMB COULD PARALYZE THE UNITED STATES

Mr. PROXMIRE. Mr. President, without killing or injuring a single American, the electromagnetic pulse—known as EMP of just one 10 megaton nuclear bomb exploded at 300 miles above Kansas City could literally destroy the operations of our Nation's banks, telephones, and electric utilities. It could shut down the Social Security Administration. It could close much of the FBI. It could keep the Internal Revenue Service from collecting taxes. In an article in the June 28 issue of the New York Times, David Burnham spells out in detail how this could happen. The likelihood of such an explosion this year or next is probably small, but as the arms race speeds ahead, and technology races along with it, the situation could change. Then any of a number of countries—or even a terrorist organization which came into possession of such a nuclear weapon and the capacity to lift it far above the Earth and explode it, could paralyze this country.

Back in 1962, the United States exploded an experimental hydrogen bomb 248 miles above the Pacific. In a split second, 800 miles away in Hawaii, street lights failed, burglar alarms started ringing, and circuit breakers popped in powerlines. Today this country is especially vulnerable to such an explosion. More than half of our entire GNP is based on communication. Here is how the New York Times article describes our vulnerability to a 10 megaton nuclear explosion 300 miles over the center of our country.

Most of the Nation's banks could not operate without the complex electronic network operated by the Federal Reserve. The Internal Revenue Service could not collect taxes without its special network. The Federal Bureau of Investigation maintains a third national communications system that is used by Federal, State, and local criminal justice agencies all over the country to exchange information about wanted persons and stolen property. Several privately owned companies have developed computerized systems to provide local merchants almost instantaneous information about millions of Americans creditworthiness. All of this could perish with a single massive electromagnetic pulse.

We are spending nearly $100 million annually to protect military weapons and military communication against the effects of an electromagnetic pulse. And there have been tentative efforts to discover how we might protect our vital communications and power systems. Spending money and engaging in research unfortunately cannot assure us that we can develop the means of protecting our country at any cost. Generally military offensive measures can easily outpace any defensive measures. If a few hundred million or a few billion dollars can protect us against a rudimentary EMP from a 10 megaton bomb, would it protect us from a larger bomb, or a number of 10 megaton bombs? Could the electromagnetic pulse advance to a point where it could defeat any defense?

This development, Mr. President, should remind us of how very frail and fragile is our great country with our immensely productive economy, and how much more frail it is becoming with the onrush of the nuclear arms race. Here we stand as the supreme military power in the free world. We have a gross national product twice as great as the Soviet Union. Our science and technology is the envy of the world. And yet one bomb that killed no one, exploded hundreds of miles in the air, could in effect strike us deaf and dumb.

If we needed another reminder of the urgency of reaching a comprehensive halt to the arms race, an end to testing as well as the production and deployment of nuclear bombs, the electromagnetic pulse should be it. No one can foresee where the nuclear arms race may lead. But consider the possibilities of a nuclear attack preceded by some variation of the electromagnetic pulse that could destroy our communications industry. It would kill our electric transmission and thereby end radio and television communications. It might deaden our telephones. Five or ten years from now, our computers will have an even greater role, in fact, a vital role in running our economy. But with a sudden EMP, they could all die. We could in the fraction of a second become a helpless paralytic of a nation, unable to speak or hear and therefore unable to move as a national force.

Mr. President, I ask unanimous consent that the article to which I have referred from the Tuesday, June 28 issue of the New York Times by David Burnham be printed in the RECORD.

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

[From the New York Times, June 28, 1983]

EMP COULD DESTROY THE NATION'S COMMUNICATIONS.

(By David Burnham)

Technical experts in and out of government are concerned that the highly computerized economy of the United States could be brought to a crippling halt by the electrical effects of the explosion of a single nuclear weapon a few hundred miles over the center of the nation.

Because of this concern, the Reagan Administration has begun greatly expanding a program to protect radio stations, has started a research program to determine whether steps can be taken to prevent the disruption of electrical power and has built a backup emergency phone system for the military.

"With the increasing computerization of our society, this is a very real problem that I believe that American people should be aware of," said George A. Keyworth 2d, the White House science adviser.

The invisible force, which some experts say could possibly be released in a limited nuclear war, would upset the vast electronic networks that have become so essential to the functioning of the nation's public and private operations. The force—called EMP, for electromagnetic pulse—would disrupt banks, telephones, electric utilities and vast Government agencies such as the Social Security Administration, the Federal Bureau of Investigation and the Internal Revenue Service.

All nuclear explosions create EMP, although the pulse dissipates rapidly in explosions close to the earth's surface. But if a nuclear device were detonated above the earth's atmosphere, there would be no blast, shock, heat or roar—only an invisible, speeding electromagnetic pulse. At this high altitude, gamma rays and X-rays produced by the blast shoot through space and spread out over an extraordinarily wide area. Scientists estimate that one 10-megaton burst 300 miles above the center of the United States would create an intense burst of EMP capable of blanketing the entire country with a pulse that would put 50,000 volts into every meter of antenna. Metal objects such as power and telephone lines would pick up the jolt of electricity and deliver it to computers and communication centers, where delicate silicon chips would be knocked out of action.

While military planners have worried about EMP for many years, its potential impact on the civilian economy has been given little consideration until recently. An example of this new concern was a statement issued last month by the Department of Energy warning that such an explosion could seriously disrupt virtually every aspect of American life because the nation's electrical power system is "highly vulnerable to major disturbances."

Edward Teller, the pioneer nuclear scientist, has also warned about the far-reaching impact of EMP. "Civilians should remember that their electronic watches might be destroyed, television sets might become inoperable, cars with electronic ignition might stop functioning, and almost every big industry with electronic components would be affected," he said last year.

The Pentagon first recognized that EMP was a significant force in 1962 when the United States exploded an experimental hydrogen bomb 248 miles above the Pacific Ocean. A split second later, 800 miles away in Hawaii, street lights failed, burglar alarms started ringing and circuit breakers popped open in power lines.

But EMP has become a growing concern in the last few years because the rapid computerization of almost every aspect of military and civilian life in this country has left the nation extraordinarily vulnerable to its power.

Most of the nation's banks could not operate without the complex electronic network operated by the Federal Reserve. The Internal Revenue Service could not collect taxes without its special network. The Federal Bureau of Investigation maintains a third national communications system that is used by Federal, state and local criminal

justice agencies all over the country to exchange information about wanted persons and stolen property. Several privately owned companies have developed computerized systems to provide local merchants almost instantaneous information about the credit worthiness of millions of Americans.

EFFECT OF TESTING BAN

Because of the ban on atmospheric testing, EMP experiments are hard to conduct because they must be simulated. Further compounding the difficulty of predicting the precise effects of EMP, experts say, are the different technical characteristics of the various large computerized networks.

Donald C. Latham, Deputy Under Secretary for Communications, Command, Control and Intelligence in the Defense Department, reflected this uncertainty in an interview: "The Bell System, for example, has subjected several of its switches to experimental jolts and they sailed through the tests with only a couple of minor glitches. But that's not to say we know that the national telephone system would survive a burst."

Another reason for the recent concern in the Government is the adoption by both the Carter and Reagan Administrations of a nuclear strategy that includes the possibility that this country might have to wage a "prolonged, limited nuclear war."

For a nation to conduct such a war, military analysts stress, much would depend on its ability to organize an effective civil defense that would enable a large part of the population to continue to house and feed itself.

Many experts question the likelihood that any nuclear war would be limited to the exchange of a handful of nuclear explosions. "My personal feeling is that if an attack ever came it would be a massive one on our cities and military bases and the effect of EMP on the civilian economy would be irrelevant," said Dr. Gordon K. Soper, a senior scientists in the Defense Nuclear Agency. "But there has been a good deal of talk about the possibility of a protracted nuclear war." Mr. Latham, the Pentagon official, expressed the same kind of ambivalence. "I don't think a cheap shot is likely, but there is no way we can know for sure." The possibility of using EMP as a one-shot weapon is not considered likely because of impossibility of predicting the exact response.

But the Reagan Administration is worried enough about such a possibility to be spending close to $100 million a year on programs, some classified, related to protecting military weapons and communication lines against the effects of EMP, and on conducting research on how this little-understood phenomenon affects various kinds of equipment.

The Administration has also begun to increase spending on several limited programs intended to protect several of the communications and power systems so vital to the civilian economy. It is under these programs that the Federal Emergency Management Agency has requested $3.7 million for a program to increase the ability of radio stations that would broadcast emergency warnings to withstand the effects of EMP and fallout. This is more than double what the agency is now spending on the same project. Agency officials said 125 of the 2,771 stations in the emergency communications network had so far been hardened to withstand EMP at an average cost of about $60,000 per station.

PROTECTING AGAINST EMP

There are a number of complementary technical strategies to protect electrical equipment against EMP. One is to build a thin metal shield around sensitive installations. Known as a Faraday cage, this shield acts as an antenna to soak up and remove EMP energy that would otherwise knock out the equipment. A highly experienced engineer who was asked not to be identified said this method had been adopted to protect some of the nation's most important intelligence computers and communication centers. Another strategy is to replace traditional copper lines with fiber optics, a communication technique that is resistant to EMP because the pulse passes right through the thin glass threads that make up fiber optic lines.

Another example of the Government's new concern about the effects of EMP on the civilian economy is its recent decision to finance a research program to better protect electrical utilities against EMP. Nearly 60 percent of the nation's electrical industry relies on delicate computers for the orchestration of power reduction. The initial phase of the protection research is expected to cost $1 million.

"The potential chaos that may be created by high altitude EMP has national security implications," the Energy Department said in a statement explaining why it had started the new research program. "During a period of national crisis, electrical power will be required to operate military installations, civil defense facilities and critical industries. In addition, if EMP caused a disruption of the financial, manufacturing, retail, transportation and communication industries as well as basic utilities, serious economic and social consequences would result. Disruption of the nation's electrical power supply has grave implications."

In an article in Spectrum, the authoritative magazine of the Institute of Electrical and Electronics Engineers, Eric J. Lemer, a contributing editor, expressed similar concerns.

"The potential impact on the national power grid of a small number of high altitude EMP bursts would be comparable to that produced by large lightning bolts hitting every power line segment in the country," he said. "When it is considered that two ordinary lightning bolts were the proximate cause of the 1977 New York City blackout, it is easy to see why many analysts believe that a complete shutdown of the national power grid could be achieved by a handful of EMP detonations."

Robert Gradle, a vice president of the American Telephone and Telegraph Company, is somewhat less concerned about the effects of EMP on the telephone system.

"We live in an age when information transfer has become very important," he said. "Some say it now represents 50 percent of the gross national product. But I don't share the doomsday approach that things can't be made to work. Without enormous expense, however, we can't fix the existing plant and be 100 percent positive everything is going to work."

Mr. Gradle and other experts say that improving existing systems to resist EMP might cost almost as much as building the original equipment. New equipment capable of resisting EMP, however, would probably cost only 2 or 3 percent more than new equipment without such an ability, Mr. Gradle said.

JULY FOURTH AND HUMAN RIGHTS

Mr. PROXMIRE. Mr. President, with the passing of our great Nation's 207th birthday, let us reflect on its significance. Our country is based on a belief in distinct human values and individual rights embodied in the Declaration of Independence and the Constitution. These include the right to choose one's religion and to profess one's beliefs and thoughts, rights which reflect dedication to the worth of humanity.

The act of genocide runs counter to these values by denying the fundamental worth of human life and individuality. Unfortunately, many such denials of these rights have occurred throughout history. Man's recent history is blotted with the U.S.S.R.'s continuous persecution of Jews, the Turkish extermination of numerous Armenians during World War I, and Nazism's terrible attempt at liquidating the European Continent of Jews. These happenings should remind us that not all the world shares our beliefs.

We, as a nation, should not stand idly by watching people the world over being denied their rights—including the most fundamental right, the right to live—because of their race, culture, or creed. It is our duty to help protect their rights.

In 1948, a move was made to acknowledge these rights, in the light of the then-recent Nazi Holocaust. The leader of the movement was the United States. We signed the Genocide Convention, as did many other countries. Yet this great body of which we are a part has failed to ratify it.

Our great Nation, which stands for freedom and human rights has not ratified a treaty embodying those rights. I urge that we ratify the Genocide Convention, lest we lose sight of those values upon which this country was founded over 200 years ago.

NOMINATION OF LANGHORNE A. "TONY" MOTLEY TO BE ASSISTANT SECRETARY OF STATE FOR INTER-AMERICAN AFFAIRS

Mr. MURKOWSKI. Mr. President, it is a great personal pleasure to again express my unqualified support for the nomination of Langhorne Motley to be Assistant Secretary of State for Inter-American Affairs. I have done so on several previous occasions.

The members of the Senate Foreign Relations Committee had an opportunity on June 28 of explore Ambassador Motley's qualifications for this important position. In the 97th Congress, the committee examined Ambassador Motley's knowledge of Latin American affairs during consideration of his nominations of the post of U.S. Am-

bassador of Brazil. The hearing on June 28 once more confirmed that Ambassador Motley is well suited for the rigorous demands which he will face as Assistant Secretary of State for Inter-American Affairs.

During yesterday's hearings, I questioned Ambassador Motley about his statement that there were "no quick fixes" to the problems of Central America. He replied that "it is true that democracy can be slow in achieving results, sometimes frustratingly so. But surely we have the patience to help our neighbors shield themselves from communism and build democratic institutions."

Mr. President, I am in total agreement with Tony's comments, both in terms of the need for patience and in terms of the frustration we all feel over the situation in Central America. The Soviet Union and its proxies—most notably Cuba and Nicaragua in this hemisphere—have become very adept at exporting revolution almost as a product—if I may be excused for stretching an anology too far. If the tree of democracy is to grow and flourish in Central and South America, we must carefully cultivate that growth. Ambassador Motley is right—there are no quick fixes. It is my firm conviction that Tony will work well with administration officials, Congress, and the American public, as well as with our hemispheric neighbors, to improve and develop U.S. policy toward all the Americas.

I want to take this opportunity to express my appreciation to Senator PERCY and Senator HELMS, and the Foreign Relations Committee staff for their expeditious, yet thorough, consideration of this nomination. I'd also like to thank the distinguished majority leader for his willingness to schedule the pending confirmation vote early this morning so that Tony can get on with the many important challenges which await him.

In closing, I would like to congratulate Tony, his wife, Judy, and his daughters, Valerie and Allison, on Tony's remarkable performance to date, which I am sure would not have been possible without their consistent support and understanding; they have every reason to be very proud of Tony. I thank my colleagues for supporting this nomination.

THE ADMINISTRATION'S FAIR HOUSING BILL

Mr. KENNEDY. Mr. President, over the weekend, the President sought to suggest his concern for fairness to all Americans by unfurling a fair housing proposal. Actually, it was simply the same scheme that Secretary Pierce of HUD unsuccessfully tried to sell this spring.

What the President has given us is the rhetoric of fair housing, but not the reality. Victims of discrimination need more than public relations and the recycling of a proposal that has already been rejected as plainly inadequate. It is a halfhearted approach, reminiscent of the administration's long, footdragging delay before it finally supported a strong Voting Rights Act last year.

Our Nation's minorities have testified repeatedly that the key to fast enforcement is the administrative hearings provided in the Mathias-Kennedy fair housing bill. Court suits would be too slow, because our courts are clogged and backlogged. Women, blacks, and Hispanics denied a home for their family need speedy relief, not long lawsuits.

If President Reagan was really serious about putting "teeth" into the act, he would have endorsed the strong bill already introduced by a bipartisan group of Senators and Representatives and backed by every major civil rights and women's group. Instead, he clearly hopes to patch his image with slogans, while dividing the Congress and thwarting a truly effective law.

JEROME B. WIESNER ON THE NUCLEAR WEAPONS FREEZE

Mr. KENNEDY. Mr. President, the Committee on Foreign Relations is presently considering the nuclear freeze and reductions proposal (S.J. Res. 2) which Senator HATFIELD and I introduced to this body. The House of Representatives considered a similar proposal this past spring and supported it nearly 2 to 1. I wish to draw the attention of my colleagues in Congress to a brilliant article on the nuclear freeze by Dr. Jerome B. Wiesner in today's New York Times. Dr. Wiesner, president emeritus and institute professor at the Massachusetts Institute of Technology, was science adviser to Presidents John F. Kennedy and Lyndon B. Johnson.

His article, entitled "Stockpile to Junkpile," is an insightful and eloquent analysis of the merits of a balanced and verifiable nuclear weapons freeze. Dr. Wiesner concludes that a freeze now "makes very good sense" and that "the risks in a freeze are incalculably smaller than the risks inherent in the continued escalation of weapons and polemics into the next century."

Dr. Weisner also justifiably attacks the current stance of the administration toward arms control, a stance which rigidly insists on deploying the MX missile and a whole new generation of destabilizing nuclear weapon systems. I strongly agree with Dr. Wiesner that:

It takes more than bargaining chips and new missiles to stop the arms race. It requires, most of all, a sincere commitment and proposals that are balanced and fair to both sides. It requires also a proposal substantial enough to make it worthy of a major effort. None of the proposals put forward recently by either superpower meets these criteria. The freeze does.

I ask that the full text of Dr. Wiesner's excellent and timely article be printed in the RECORD.

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

[From the New York Times, July 11, 1983]

STOCKPILE TO JUNKPILE

(By Jerome B. Wiesner)

CAMBRIDGE, MASS.—Last fall, approximately 25 percent of the American voters were given an opportunity to consider a proposal for a balanced and verifiable freeze on the development, testing and deployment of nuclear weapons and their delivery systems. A majority of those who voted were for it. In the spring, members of the House of Representatives endorsed a similar proposition nearly two to one. On Wednesday, a freeze resolution is scheduled to come to a vote in the Senate Foreign Relations Committee. yet it is still not being considered seriously by the Administration or Congress.

Meanwhile, they have been concentrating on the MX missile as a bargaining chip. But it takes more than bargaining chips and new missiles to stop the arms race. It requires, most of all, a sincere commitment and proposals that are balanced and fair to both sides. It requires also a proposal substantial enough to make it worthy of a major effort. None of the proposals put forward recently by either superpower meets these criteria. The freeze does.

"Fatally flawed" was the President's reaction to the freeze proposal. What are these flaws? He doesn't specify them. In my view, the only flaws are ones easily fixed. The current freeze proposals are too vague, deliberately so, because their sponsors drafted them to draw maximum support, not to create a negotiating document. They insist that a freeze be balanced and verifiable, but they don't explain what this would mean.

What is to be balanced: Bombs? Missiles? Security? Fear? How can a freeze be verified? How thorough must verification be? How would peaceful space activities be accommodated? The answers to these and other important questions need to be spelled out. The President could start to keep his promise to Congress by serious consideration of a freeze.

A freeze now makes very good sense for several reasons. First, it is generally agreed that an acceptable balance of nuclear forces already exists. The United States has more nuclear warheads than the Soviet Union; theirs are larger. The Soviet Union has more and larger ballistic missiles than we do, but a much bigger fraction of the Soviet missiles are land-based and thus more vulnerable.

Most important, both sides have forces so much greater than needed to provide a secure deterrent that maintaining an exact balance is not essential. Actually, a change by a factor of two, up or down on either side, would not begin to undermine the existing stalemate. This means that there is no possibility of a winnable nuclear war. The only role for nuclear weapons is deterrence. This is a lesson that won't stay learned. Each new administration has to discover it all over again at the taxpayers' expense.

Second, existing national surveillance systems provide each side with more than enough information about the other's test-

ing and deployment of weapons to protect themselves against any buildup of missiles, present or new ones, or against a surprise technological breakthrough. Existing forces are so large that not even the unlikely invention of an effective antisubmarine system or a "Star Wars" missile defense system would undermine the other side's deterrent.

Some people object to the freeze because it does not immediately reduce or eliminate nuclear weapons. They should realize that a freeze would create the conditions favorable to reduction.

If testing of existing and new rockets and nuclear weapons were precluded, there would be a growing loss of confidence in their reliability and in the assumption that a given missile or bomb would function when its button was pressed. This is what first-strike proponents don't like about a freeze. No military commander or political leader would have much confidence in the success of a preemptive strike by weapons that had not been recently tested or demonstrated.

On the other hand, no one could be certain that a substantial number of them would not work. So, as time passed, there would be less and less fear of a first strike, but there would always remain a belief that some of the old weapons would work. This double uncertainty could obviously be a very effective deterrent. Moreover, it could well lead to reduction of stockpiles on both sides. (Even with flagging confidence in the reliability of the strategic weapons, the stockpiles of both countries would still be much larger than needed for an adequate deterrent.)

The risks in a freeze are incalculably smaller than the risks inherent in the continued escalation of weapons and polemics into the next century. If a freeze were achieved, nuclear weapons would slowly but surely become irrelevant to the security of both nations, and most of them would find their way from the stockpile to the junkpiles.

MISSISSIPPI LIONS ALL-STATE BAND VISITS THE CAPITAL

Mr. STENNIS. Mr. President, many musical bands visit Washington, D.C., each year, but I want to pay tribute today to a very special group, the Mississippi Lions All-State Band, which visited the Nation's Capital during the Fourth of July holiday.

This unique group of 127 of the most talented young musicians in Mississippi was selected through a very rigorous selection process requiring individual tryouts from more than 650 applicants from throughout the State. Students in the 9th through 12th grades are eligible for membership in the band, which makes a tour each year under sponsorship of the Mississippi Lions Clubs.

After the members are selected, they come together for 1 week of intensive training at Northeast Mississippi Junior College in Booneville, Miss. By intensive, I mean that they work almost steadily from 8 a.m. until 10 p.m. each day in preparation for a trip during which they will compete with bands who have performed together all year.

Since its organization in 1950 by Roy Martin of Greenwood, Miss., the Mississippi Lions All-State Band has visited many parts of our Nation, always representing Mississippi and the Lions in an excellent manner. Joe Berryman of Hattiesburg, Miss., has directed the band for many years and now holds the title of director emeritus. Mr. Berryman still travels with the band which is now directed by Dr. Kent Sills of Mississippi State University.

While in Washington, the Mississippi Lions All-State Band marched in the Fourth of July parade and performed concerts on the Capitol steps and in Lafayette Park. Although I was in Mississippi at the time, I have heard many fine reports from their performance and the good impression they made here.

Mr. President, I wish to commend the directors and leaders of this group and every member for the hard work which went into this tour. I also wish to congratulate the Lions Clubs throughout Mississippi for their sponsorship of this fine group.

The Mississippi Lions All-State Band represents the type of commitment to excellence which is so vital to our Nation's strength and to our system of government. I am personally proud of each member of this group, and I know all Mississippians join me in expressing appreciation to them and their leaders for a job well done.

REPRESENTATIVE JOEL PRITCHARD CITED AS LEGISLATOR OF THE MONTH

Mr. GORTON. Mr. President, on June 16, my distinguished colleague in the House of Representatives, JOEL PRITCHARD, who represents the First District of Washington, was cited by the Population Action Council as its Legislator of the Month. The award recognizes Mr. PRITCHARD's dedication to global humanitarian concerns and the achievement of world population stabilization.

Certainly the problem of bringing world population into balance with its resources ranks among the great challenges facing humankind today. Over the past decade and a half, the Population Action Council and its parent organization, the Population Institute, have been at the forefront of efforts to create an awareness of the overpopulation problem and to motivate world leaders to place this important issue high on the list of international priorities. In selecting Mr. PRITCHARD for this award, the Population Action Council honors an individual who understands that so many of our world problems—poverty, hunger, disease, unemployment, resource depletion, and environmental degradation—are rooted in or exacerbated by rampant population growth.

In accepting the award, Mr. PRITCHARD recalled that when he was an infantryman serving in the Pacific theater during World War II, the population of the Philippines was 12 million; today, some 40 years later, the population of that country is around 55 million and its population growth rate continues to be among the highest in that area of the world. Mr. PRITCHARD saw no hope of the Philippines solving its multitude of social and development problems unless it can substantially slow down its population growth.

Multiply the population problem in the Philippines by scores of other developing countries and you begin to have a picture of the devastating consequences of unchecked population growth. For it is in the developing world where 92 percent of the 1.7 billion increase in world population between now and the end of the century is projected to occur.

Mr. PRITCHARD has demonstrated his commitment to meet the population challenge, not only by his vote, but also by his diligent work on the House Foreign Affairs Subcommittee on Asia and the Pacific. It is the kind of work that a Member of Congress does, not because it can be translated into a bloc of votes back home but because the Member sincerely believes in it. It is the kind of work that a Member of Congress does because he feels it will lead to a better quality of life.

JOEL PRITCHARD personifies what a Member of Congress should be: An individual who works for the people of his district and State but who also works for people everywhere to the best of his or her ability and wisdom. His quiet sincerity and devotion to duty on matters such as the world population problem may not make daily headlines but they are symbolic of what Congress is all about.

MESSAGES FROM THE PRESIDENT RECEIVED DURING THE ADJOURNMENT

Under the authority of the order of the Senate of June 29, 1983, the Secretary of the Senate, on July 8, 1983, received messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received on July 8, 1983, are printed at the end of the Senate proceedings.)

RESCISSION AND DEFERRAL OF CERTAIN BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT RECEIVED DURING THE ADJOURNMENT—PM 64

Under the authority of the order of the Senate of June 29, 1983, the Secretary of the Senate, on July 7, 1983, received the following message from the

President of the United States, together with accompanying papers; which pursuant to the order of January 30, 1975, was referred jointly to the Committee on Appropriations, the Committee on the Budget, the Committee on Foreign Relations, the Committee on Energy and Natural Resources, and the Committee on Labor and Human Resources:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report a proposal to rescind $15,000,000 in budget authority previously provided by the Congress. In addition, I am reporting four new deferrals of budget authority totaling $34,795,142.

The rescission proposal is for the Department of State's migration and refugee assistance account. The deferrals affect Energy Activities, the Department of Health and Human Services, and the Board for International Broadcasting.

The details of the rescission proposal and deferral are contained in the attached reports.

RONALD REAGAN.

THE WHITE HOUSE, *July 7, 1983.*

ANNUAL REPORT ON THE STATUS OF THE NATIONAL WILDERNESS PRESERVATION SYSTEM—MESSAGE FROM THE PRESIDENT RECEIVED DURING THE ADJOURNMENT—PM 65

Under the authority of the order of the Senate of June 29, 1983, the Secretary of the Senate, on July 7, 1983, received the followed message from the President of the United States, together with an accompanying report; which was referred to the Committee on Energy and Natural Resources:

To the Congress of the United States:

In accordance with the Wilderness Act of 1964 (Public Law 88-577), I herewith transmit the Eighteenth Annual Report on the status of the National Wilderness Preservation System for the calendar year 1981.

RONALD REAGAN.

THE WHITE HOUSE, *July 7, 1983.*

MESSAGES FROM THE PRESIDENT

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

REPORT ON UNITED STATES INTERNATIONAL ACTIVITIES IN THE FIELD OF SCIENCE AND TECHNOLOGY—MESSAGE FROM THE PRESIDENT—PM 66

The Presiding Officer laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

In accordance with Title V of the Foreign Relations Authorization Act for Fiscal Year 1979 (Public Law 95-426), I am pleased to transmit the 1982 annual report on the United States Government's international activities in the field of science and technology. This report, as were its predecessors, has been prepared by the Department of State in collaboration with other concerned Federal agencies.

In the past year, there have been several important developments in our international science relationships, all of them reflecting one of our principal foreign policy goals—to give science and technology a more prominent position in our relations with other countries. This is important not only to the conduct of our foreign relations, but to the successful fulfillment of many of our own science and technology objectives. As I have indicated in my Annual Science and Technology Report to the Congress, international collaboration can help advance many of our own national interests. Thus, I have asked my science adviser, Dr. George Keyworth, to pay special attention to international affairs and, throughout the Federal government, concerted action has been taken to demonstrate our commitment to using the advances in science to overcome both national and international challenges.

There has been substantial progress. For the first time, international science cooperation was a subject for discussion among the leaders of the principal industrial democracies at the Versailles Summit. Those discussions led to a study by the Summit countries of the relationship between technology, employment, and growth, and to the establishment of eighteen new projects for cooperation among us. Although these projects will, in the first instance, be led by one or another of the Summit countries, they could eventually involve other countries and international organizations and lead, in time, to advances for countries of the Third World. These projects for enhanced cooperation were endorsed by the heads of state at the Williamsburg Summit and it was agreed that we would discuss them again at our next meeting.

Last July, Prime Minister Gandhi and I initiated a new program for enhanced scientific collaboration between the United States and India. A group of some of the most distinguished scientists from both our countries met in India in January and prepared a far-reaching program in medicine, agriculture, meteorology, and energy. Work began in April 1983, and we expect to see the first results within the next twenty-four months.

Similarly, when I visited Brazil late last year, President Figueiredo and I reaffirmed our desire to strengthen science and technology collaboration. We have developed a program for joint work in five significant areas and, as part of our projected joint efforts in space, I proposed that a Brazilian payload specialist train with American astronauts for participation in a future space shuttle mission. When President Zia of Pakistan came to Washington in December, we agreed to establish a new Joint Commission to coordinate several bilateral activities, including common undertakings in science and technology.

In May, Dr. Keyworth led a highly successful mission to China for the third meeting of the U.S.-PRC Joint Commission for Scientific and Technological Cooperation. At the conclusion of the meeting, three new protocols on cooperation in nuclear physics and magnetic fusion, aeronautical science and technology, and transportation science and technology were signed. These supplement seventeen existing protocols that already include agriculture, students and scholars, space technology, high energy physics, and hydropower. In addition to the new protocols a memorandum of understanding on cooperation in the basic biomedical sciences was also signed. It is in our fundamental interest to advance our relations with China. Science and technology are an essential part of that relationship and I have taken steps recently to ensure that China has improved access to the U.S. technology it needs for its economic modernization goals. We will continue to assist China through mutually beneficial cooperative efforts in science and technology.

We are continuing our cooperation with the U.S.S.R. in science and technology. This is a complex matter made more difficult because of Soviet behavior regarding Afghanistan and Poland, as well as their efforts to acquire sensitive Western technology. Decisions to renew agreements are being made on a case-by-case basis taking these concerns into account along with the benefits to the U.S. through participation. For example, I have recently approved the renewal of an agreement for cooperation with the Soviets on atomic energy, with appropriate limitations to protect our interests while letting the work proceed.

These examples suggest the range of our international effort in science and technology, but they are hardly exclusive. We have programs with more than three dozen countries, in every part of the world, at every level of sophistication. Science, as we know, has always had a special international character, the advancement of science

can make profound contributions to freedom and prosperity around the world. These tasks are formidable, for our scale of measurement must be decades, even generations. For this reason alone, our government, in a cooperative spirit, will continue to work closely with others prepared to join with us.

RONALD REAGAN.

THE WHITE HOUSE, *July 11, 1983.*

PRESIDENTIAL APPROVALS

A message from the President of the United States reported that he had approved and signed the following bills and joint resolutions:

May 25, 1983:

S. 957. An act to provide for an increase in the number of members of the Congressional Award Board, and for other purposes.

May 27, 1983:

S. 653. An act to amend title 10, United States Code, to establish a Foundation for the Advancement of Military Medicine, and for other purposes.

June 6, 1983:

S. 967. An act to amend the Independent Safety Board Act of 1974 to authorize appropriations for fiscal years 1984, 1985, and 1986.

June 14, 1983:

S.J. Res. 75. Joint Resolution to provide for the designation of June 12 through 18, 1983, as "National Scleroderma Week."

June 22, 1983:

S.J. Res. 42. Joint resolution designating Alaska Statehood Day, January 3, 1984.

June 27, 1983:

S. 639. An act to authorize supplemental assistance to aid Lebanon in rebuilding its economy and armed forces, and for other purposes.

MESSAGES FROM THE HOUSE RECEIVED DURING THE ADJOURNMENT

Under the authority of the order of the Senate of June 29, 1983, the Secretary of the Senate on June 30, 1983, during the adjournment of the Senate, received a message from the House of Representatives announcing that the House had passed the following bills, without amendment:

S. 680. An act entitled the "Gladys Noon Spellman Dedication"; and

S. 925. An act to make certain technical corrections in the Atlantic Salmon Convention Act of 1982.

Under the authority of the order of the Senate of June 29, 1983, the Secretary of the Senate on July 1, 1983, during the adjournment of the Senate, received a message from the House of Representatives announcing that the House agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 273) to amend section 8(a)(1) of the Small Business Act.

The message further announced that the House has passed the following joint resolutions, without amendment:

S.J. Res. 18. Joint resolution designating September 22, 1983, as "American Business Women's Day";

S.J. Res. 34. Joint resolution designating "National Reyes Syndrome Week"; and

S.J. Res. 68. Joint resolution to authorize and request the President to designate July 16, 1983, as "National Atomic Veterans' Day."

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3415. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1984, and for other purposes.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had signed the following enrolled bills:

S. 273. An act to amend section 8(a) of the Small Business Act;

S. 680. An act entitled the "Gladys Noon Spellman Dedication";

S. 925. An act to make certain technical corrections in the Atlantic Salmon Convention Act of 1982;

H.R. 1271. An act with regard to Presidential certifications on conditions in El Salvador;

H.R. 1746. An act to authorize appropriations for the Navajo and Hopi Indian Relocation Commission;

H.R. 2065. An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research of program management, and for other purposes;

H.R. 3132. An act making appropriations for energy and water development for the fiscal year ending September 30, 1984, and for other purposes; and

H.R. 3135. An act making appropriations for the Legislative Branch for the fiscal year ending September 30, 1984, and for other purposes.

Under the authority of the order of the Senate on June 29, 1983, the enrolled bills were subsequently signed on July 1, 1983, during the adjournment of the Senate, by the President pro tempore (Mr. THURMOND).

HOUSE MEASURE REFERRED DURING THE ADJOURNMENT

Under the authority of the order of the Senate of June 29, 1983, the following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 3415. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of the said District for the fiscal year ending September 30, 1984, and for other purposes; to the Committee on Appropriations.

MESSAGES FROM THE HOUSE

At 12:10 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its clerks, announced that the House has passed the following bill, with amendments, in which it requests the concurrence of the Senate:

S. 861. An act to amend the Consumer Product Safety Act (15 U.S.C. 2051 et seq.) to provide authorization of appropriations, and for other purposes.

The message further announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 173. Joint resolution to authorize and request the President of the United States to issue a proclamation designating the 7-day period commencing October 2, 1983, as "National Port Week."

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 126. Concurrent resolution providing for the commemoration of the 100th anniversary of the birth of Harry S. Truman.

At 1:50 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3392. An act to amend the Agricultural Act of 1949.

HOUSE JOINT RESOLUTION REFERRED

The following joint resolution was read the first and second times by unanimous consent, and referred as indicated:

H.J. Res. 173. Joint resolution to authorize and request the President of the United States to issue a proclamation designating the 7-day period commencing October 2, 1983, as "National Port Week"; to the Committee on the Judiciary.

HOUSE CONCURRENT RESOLUTION REFERRED

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 126. Concurrent resolution providing for the commemoration of the 100th anniversary of the birth of Harry S. Truman; to the Committee on Rules and Administration.

HOUSE MEASURE PLACED ON CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 3392. An act to amend the Agricultural Act of 1949.

ENROLLED BILLS PRESENTED

The Secretary reported that on July 1, 1983, he had presented to the President of the United States the following enrolled bills:

S. 273. An act to amend section 8(a) of the Small Business Act;

S. 680. An act entitled the "Gladys Noon Spellman Dedication"; and

S. 925. An act to make certain technical corrections in the Atlantic Salmon Convention Act of 1982.

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-1347. A communication from the Acting Secretary of State transmitting, pursuant to law, a report on loans and credits to the Polish People's Republic; to the Committee on Appropriations.

EC-1348. A communication from the Secretary of State transmitting, pursuant to law, a report on loans and credits to the Polish People's Republic; to the Committee on Appropriations.

EC-1349. A communication from the President of the United States transmitting proposals for a net reduction in the request for supplemental appropriations for fiscal year 1983 and amended appropriation language for fiscal year 1984; to the Committee on Appropriations.

EC-1350. A communication from the President of the United States transmitting a request for supplemental appropriations for fiscal year 1983 for the Arms Control and Disarmament Agency; to the Committee on Appropriations.

EC-1351. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report on the examination of the attending physician's revolving fund financial statements for fiscal years 1981 and 1982; to the Committee on Appropriations.

EC-1352. A communication from the Clerk of the U.S. Claims Court transmitting, pursuant to law, a copy of the court's judgment order for the plaintiff in the Fort McDermitt Paiute Shoshone Tribe v. the U.S.; to the Committee on Appropriations.

EC-1353. A communication from the Director of the Defense Security Assistance Agency transmitting, pursuant to law, a report on a foreign military sale to Lebanon; to the Committee on Armed Services.

EC-1354. A communication from the Acting Assistant Secretary of the Army for Manpower and Reserve Affairs transmitting a draft of proposed legislation to authorize the President, in time of war or national emergency, to prescribe a course of instruction of not less than three years at the U.S. Military, Naval, and Air Force Academies, and to appoint graduates therefrom as commissioned officers without Senate confirmation; to the Committee on Armed Services.

EC-1355. A communication from the Assistant Secretary of Defense for Manpower, Reserve Affairs, and Logistics transmitting, pursuant to law, a report on U.S. European manning plans; to the Committee on Armed Services.

EC-1356. A communication from the Principal Deputy Assistant Secretary of the Navy for Shipbuilding and Logistics transmitting, pursuant to law, a report on a decision to convert the food service function at the Naval Submarine Medical Center, Groton, Conn., to performance under contract; to the Committee on Armed Services.

EC-1357. A communication from the Deputy Assistant Secretary of the Defense for Reserve Affairs transmitting, pursuant to law, a report on the Selected Reserve recruiting and retention incentives; to the Committee on Armed Services.

EC-1358. A communication from the Deputy Secretary of Defense transmitting, pursuant to law, certain certifications relative to the GLCM missile system; to the Committee on Armed Services.

EC-1359. A communication from the Comptroller General of the United States transmitting pursuant to law, a report entitled "Air Force and Navy Trainer Aircraft Acquisition Programs"; to the Committee on Armed Services.

EC-1360. A communication from the Director of the Federal Emergency Management Agency transmitting, pursuant to law, a report on the strategic and critical materials stockpile; to the Committee on Armed Services.

EC-1361. A communication from the Deputy Secretary of Defense transmitting, pursuant to law, a report on four violations of law involving overobligation of appropriations; to the Committee on Armed Services.

EC-1362. A communication from the 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 Belvoir, Va., to performance under contract; to the Committee on Armed Services.

EC-1363. A communication from the President and Chairman of the Export-Import Bank of the United States transmitting, pursuant to law, a report on loan, guarantee, and insurance transactions with Communist countries during May 1983; to the Committee on Banking, Housing, and Urban Affairs.

EC-1364. A communication from the executive director of the U.S. Olympic Committee transmitting, pursuant to law, the committee's financial statement for the year ended December 31, 1982; to the Committee on Commerce, Science, and Transportation.

EC-1365. A communication from the Secretary of the Interstate Commerce Commission transmitting, pursuant to law, a report on an extension of time for acting on appeals in Volkswagen of America, Inc. v. The Baltimore and Ohio Railroad Co., et al. and an embraced proceeding, long-and-short haul application No. 43960, motor vehicles—Westmoreland, Pa., to named points in West; to the Committee on Commerce, Science, and Transportation.

EC-1366. A communication from the Chairman of the Interstate Commerce Commission transmitting, pursuant to law, a report on customer pickup of food and grocery products; to the Committee on Commerce, Science, and Transportation.

EC-1367. A communication from the Secretary of the Federal Communications Commission transmitting, pursuant to law, a memorandum of opinion and order in certain broadcasting applications; to the Committee on Commerce, Science, and Transportation.

EC-1368. A communication from the Assistant Secretary of State for Legislative and Intergovernmental Affairs transmitting a draft of proposed legislation to implement the Convention on the Conversion of Antarctic Marine Living Resources; to the Committee on Commerce, Science, and Transportation.

EC-1369. A communication from the General Counsel of the Department of Energy, transmitting, pursuant to law, notice of meetings related to the international energy program on July 11 and 12, 1983 in Paris, France; to the Committee on Energy and Natural Resources.

EC-1370. A communication from the Secretary of Energy transmitting, pursuant to law, a report on payment charges for interim storage of spent nuclear fuel; to the Committee on Energy and Natural Resources.

EC-1371. A communication from the Director of the Office of Technology Assessment, U.S. Congress, transmitting, pursuant to law, a summary and report brief on Industrial Energy Use; to the Committee on Energy and Natural Resources.

EC-1372. A communication from the Acting Assistant Secretary of the Interior transmitting a draft of proposed legislation relating to authority of the Secretary to accept volunteer services in aid of the work of the Bureau of Land Management; to the Committee on Energy and Natural Resources.

EC-1373. A communication from the Secretary of Energy transmitting, pursuant to law, a report on the program management plan for ocean thermal energy conversion systems; to the Committee on Energy and Natural Resources.

EC-1374. A communication from the President of the United States transmitting, pursuant to law, a report on the decision to grant import relief to the specialty steel industry; to the Committee on Finance.

EC-1375. A communication from the Secretary of the Treasury transmitting a draft of proposed legislation to authorize appropriations for the international affairs functions of the Department of the Treasury for fiscal years 1980 and 1981; to the Committee on Finance.

EC-1376. A communication from the Chairman of the U.S. International Trade Commission transmitting, pursuant to law, the 54th quarterly report on trade between the United States and nonmarket economy countries; to the Committee on Finance.

EC-1377. A communication from the U.S. trade representative transmitting, pursuant to law, a resolution of the President's Advisory Committee for Trade Negotiations; to the Committee on Finance.

EC-1378. A communication from the Secretary of Health and Human Services transmitting a draft of proposed legislation entitled "Child Support Enforcement Amendments of 1983"; to the Committee on Finance.

EC-1379. A communication from the board of trustees of the Federal Hospital Insurance Trust Fund transmitting, pursuant to law, its 1983 annual report; to the Committee on Finance.

EC-1380. A communication from the board of trustees of the Federal Supplementary Medical Insurance Trust Fund transmitting, pursuant to law, its annual report for 1983; to the Committee on Finance.

REPORTS OF COMMITTEES RECEIVED DURING ADJOURNMENT

Under the authority of the order of the Senate of June 29, 1983, the following reports of committees were submitted on July 5, 1983:

By Mr. TOWER, from the Committee on Armed Services, with amendments:

S. 1230: A bill to authorize appropriations for the fiscal year 1984 for intelligence activities of the U.S. Government, the Intelligence Community Staff, the Central Intelli-

gence Agency Retirement and Disability System, and for other purposes (Rept. No. 98-171).

By Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 1046: A bill to clarify the applicability of a provision of law regarding risk retention (Rept. No. 98-172).

S. 1424: A bill to amend Public Law 92-444 to reflect the change in the name of the Pacific Tuna Development Foundation to the Pacific Fisheries Development Foundation (Rept. No. 98-173).

By Mr. TOWER, from the Committee on Armed Services, with an amendment in the nature of a substitute and an amendment to the title:

S. 675: A bill to authorize appropriations for fiscal year 1984 for the Armed Forces for procurement, for research, development, test, and evaluation, and for operation and maintenance, to prescribe personnel strengths for such fiscal year for the Armed Forces and for civilian employees of the Department of Defense, and for other purposes (Rept. No. 98-174).

By Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation, without amendment and with a preamble:

S. Res. 118: A resolution to express the sense of the Senate in support of continued integrity of the National Oceanic and Atmospheric Administration.

By Mr. TOWER, from the Committee on Armed Services, without amendment:

S. Res. 172: An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 675; referred to the Committee on the Budget.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ANDREWS, from the Select Committee on Indian Affairs, without amendment:

S. 1168. A bill to declare that the United States holds certain lands in trust for the Kaw Tribe of Oklahoma (Rept. No. 98-175).

By Mr. PERCY, from the Committee on Foreign Relations, with amendments, and amendments to the preamble:

S.J. Res. 111. A joint resolution expressing the sense of the Congress with respect to international efforts to further a revolution in child health.

By Mr. CHAFEE, from the Committee on Environment and Public Works, without amendment:

H.R. 1935. An act to ratify an exchange agreement concerning National Wildlife Refuge System lands located in Matagorda Island in Texas (Rept. No. 98-176).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PERCY, from the Committee on Foreign Relations:

Ex. T, 96-1. Convention on Future Multilateral Cooperation in the Northwest Atlantic Fisheries (the NAFO Convention) (Ex. Rept. No. 98-12).

Treaty Doc. 98-3. Eastern Pacific Ocean Tuna Fishing Agreement (Ex. Rept. No. 98-13).

Treaty Doc. 97-24. Shipping and Aircraft Tax Agreement with the Government of the People's Republic of China (Ex. Rept. No. 98-14).

Treaty Doc. 97-27. Tax Treaty (and Proposed Protocol) with the Government of New Zealand (Ex. Rept. No. 98-15).

Treaty Doc. 97-28. Tax Convention with the Government of Australia (Ex. Rept. No. 98-16).

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. QUAYLE:

S. 1595. A bill to provide for a series of regional Presidential primary elections; to the Committee on Rules and Administration.

By Mr. TRIBLE (for himself, Mr. BAUCUS, Mr. BOSCHWITZ, Mr. COCHRAN, Mr. FORD, and Mr. HUDDLESTON):

S. 1596. A bill to amend the Internal Revenue Code of 1954 to exempt farm trucks from the heavy truck use tax where use on public highways does not exceed 10,000 miles; to the Committee on Finance.

By Mr. STAFFORD:

S. 1597. A bill to amend the Elementary and Secondary Education Act of 1965 to provide comprehensive elementary school guidance and counseling programs for elementary students through States and local educational agencies; to the Committee on Labor and Human Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. JEPSEN:

S. Con. Res. 51. A concurrent resolution expressing the sense of Congress that the 50 States and the District of Columbia should establish a program for the mutual recognition of the identification systems used by other States to indicate which vehicles are allowed to park in spaces reserved for the disabled; to the Committee on Governmental Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. QUAYLE:

S. 1595. A bill to provide for a series of regional Presidential primary elections; to the Committee on Rules and Administration.

PRESIDENTIAL PRIMARIES TIMING ACT

● Mr. QUAYLE. Mr. President, the season of Presidential politics is drawing near, and there are less than 9 months before the first Presidential primary of the 1984 elections. I believe the time has come to consider serious reform of our primary elections system. Today I am proposing one model for that reform.

Mr. President, the primary elections have gotten so out of hand that many pundits call the approaching campaigns the silly season of Washington. When Lewis Carroll described a croquet game in "Alice in Wonderland", he could just as well have been describing our Presidential primary system:

> The players all play at once, without waiting for turns. . . . They don't seem to have any rules in particular: at least, if there are, nobody attends to them—and you've no idea how confusing it is.

Now is the time for primary reform. Since 1968 the nominating process has been altered dramatically by the proliferation of Presidential primaries in the States. In 1980 there were 37, beginning in February with New Hampshire and finishing with what one commentator called Sweepstakes Day, June 3, when 8 States held primaries. The process in between is no longer a series of independent State primaries, as some claim, but a serialized national primary, like some bad soap opera, carried on over a 5-month period.

If I might quote the majority leader at the end of the 1980 campaign season, "It's going to bore us to death, work us to death and spend us to death."

Reform legislation is needed now if we are to check the tide moving toward earlier and earlier Presidential politics. Candidates, and potential candidates, recognize that Presidential nominations in 1984 could be sewn up before the two parties' midsummer national conventions. Many States, anxious to play some role in deciding the national tickets, are rushing to advance their own primaries as early as possible next year. In the last election we had caucuses. Now we have straw polls. Where does it end?

At least 11 States, according to U.S. News & World Report, are considering endorsing candidates on March 13, 1984—already being dubbed "Super Tuesday." It now appears that nearly half our States will have chosen their favorites by the end of March 1984. This drawn-out schedule gives disproportionate influence to small States with early caucuses and primaries, while larger States find the race nearly over by the date of their primaries. Many States west of the Mississippi are nearly disenfranchised by the whole process.

I am not proposing that we do away with individual States' ability to hold primaries. The truth of the matter is that nothing ever devised by the American political parties to maximize citizen participation approaches the success of the Presidential primaries. Far from wanting to do away with this stunningly popular institution, I want to make it even more accessible to all the people.

The fact the Presidential primaries are popular is clear, Twenty-four States held Democratic primaries for Governor in 1978 and Presidential primaries in 1980. The Presidential vote was bigger in 15 of those States. There

were 23 States which held Republican primaries for Governor in 1978 and Presidential primaries in 1980. On the Republican side, Presidential primaries won 18 to 5.

In a number of States the differences were dramatic. In Ohio, New Hampshire, and Vermont the Democratic Presidential vote doubled the gubernatorial vote. In Illinois, Kansas, and Wisconsin it was half again as large. On the Republican side, Presidential primary turnout doubled the 1978 primary vote in Alabama, Illinois, Wisconsin, Texas, and Georgia. Overall, the combined 1980 primary vote for President in the 24 combined States was 4 million more than the combined primary vote for Governor in 1978.

To preserve the popularity of this system, and to expand voter participation, I am proposing a regional primary system. My regional primary plan would do away with the biggest flaw in the current system—that it makes irrelevant the votes of those casting their ballots late in the primary system.

The purpose of my bill is to establish an orderly system of regional Presidential primaries, to be held on the second Tuesday of 4 consecutive months, March through June. The four regions are defined so as to correspond to the time zones within the United States. To insure that no region or group of States receives undue early attention from the candidates, the order of the four primaries is selected at random, by drawing separate lots 70 days before each primary date.

My plan would cover both primaries and caucuses—as defined by current law—so as to include any selection process for choosing delegates, and any expression of preference for nomination to the Presidential election.

In order for any candidate to be eligible for matching funds under the Presidential primary matching account, any candidate of a political party must agree to be on the ballot in at least one State in each of the four regions. The candidates must notify the Federal Election Commission in writing of the primary they intend to enter within each region.

Mr. President, the American people are soon to be dragged through another long and tortuous Presidential campaign. The race is on, more than a year and a half before election day. There is no better time for a national debate on reforming our Presidential primary system, and I propose that we begin that debate today.●

By Mr. TRIBLE (for himself, Mr. BAUCUS, Mr. BOSCHWITZ, Mr. COCHRAN, Mr. FORD, and Mr. HUDDLESTON):

S. 1596. A bill to amend the Internal Revenue Code of 1954 to exempt farm trucks from the heavy truck use tax where use on public highways does not exceed 10,000 miles; to the Committee on Finance.

FARM TRUCK TAX EXEMPTION ACT OF 1983

Mr. TRIBLE. Mr. President, I rise to introduce a bill which increases the 5,000 mile per year exemption for farm trucks from payment of the heavy vehicle use tax to 10,000 miles per year. This tax, which will go into effect on July 1, 1985, is inequitable, penalizing the farmer whose only hauling activity is taking his produce to market.

Farmers are currently staggering under the burden of years of inflation, lagging exports, and persistently high interest rates. Farm debt is at an all-time high and bankruptcies are too common. This bill will make the lot of the farmer who trucks his own produce to market in either single or light combination trucks far less burdensome.

Under the provisions of my bill, farmers will be able to travel an additional 5,000 miles annually on public roads without having to pay the increased tax which will be imposed starting in July 1985. That increase could go as high as $1,600 in 1985, and up to $1,900 by 1988. That is a lot of money to spend simply to get your crops to market.

Many farm trucks are already exempt from paying the use tax because they fall under the 5,000-mile exclusion clause in existing law. However, in certain parts of the country—California, the Midwest and the coastal parts of the East—farmers frequently have to travel in excess of the permitted 5,000 miles to get their harvest to market. This situation has been aggravated by rail abandonments and grain elevator bankruptcies. The Department of Transportation estimates that about 35,000 vehicles would benefit from increasing the exemption to 10,000 miles annually.

Revenue loss in fiscal year 1985 is estimated by the Federal Highway Administration to be about $11 million annually; or 1 percent of the total annual estimated heavy vehicle use tax. This tax is expected to yield $953 million in fiscal year 1985, $1.027 billion in fiscal year 1986, and $1.172 billion in fiscal year 1987.

Mr. President, this much-needed legislation has been endorsed by the American Farm Bureau Federation and the Virginia Farm Bureau. I urge my colleagues to carefully consider the merits of the bill. It would be a great help to our beleaguered farmers.

I ask unanimous consent that the text of the bill be included in the RECORD at this point.

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

S. 1596

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (d) of section 4483 of the Internal Revenue Code of 1954 (relating to exemptions from highway use tax) is amended by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following new paragraph:

"(5) 10,000 mile exemption for farm vehicles used for certain farm purposes.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), in the case of a farm vehicle, paragraphs (1) and (2) shall be applied by substituting '10,000' for '5,000' each place it appears.

"(B) NO MORE THAN 5,000 MILES FOR NONQUALIFIED FARM USE.—Subparagraph (A) shall not apply to any farm vehicle if such vehicle is used (or may reasonably be expected to be used) for more than 5,000 miles during such taxable period for purposes other than a qualified farm purpose.

"(C) QUALIFIED FARM PURPOSE.—For purposes of this paragraph, a farm vehicle is used for a qualified farm purpose if it is used in public highways to transport property—

"(1) substantially all of which is any farm commodity in its unmanufactured state, and

"(ii) at least one-half of which is any farm commodity produced by the owner of such vehicle.

"(D) DEFINITIONS.—For purposes of this paragraph—

"(i) FARM VEHICLE.—The term 'farm vehicle' means any highway motor vehicle the owner of which is the owner, tenant, or operator of a farm (within the meaning of section 6420(c)(2)).

"(ii) FARM COMMODITY.—

"(I) IN GENERAL.—The term 'farm commodity' means any agricultural or horticultural commodity, livestock, bees, poultry, furbearing animals, and wildlife.

"(II) SPECIAL RULE FOR TREES.—Trees shall be treated as a farm commodity only if the production thereof is incidental to the farming operations of the owner, tenant, or operator of the farm.".

(b) The amendments made by subsection (a) shall take effect as if included in the amendments made by section 513 of the Highway Revenue Act of 1982.

By Mr. STAFFORD:

S. 1597. A bill to amend the Elementary and Secondary Education Act of 1965 to provide comprehensive elementary school guidance and counseling programs for elementary students through States and local educational agencies; to the Committee on Labor and Human Resources.

ELEMENTARY SCHOOL GUIDANCE AND COUNSELING INCENTIVE ACT

● Mr. STAFFORD. Mr. President, the recent release of numerous analyses of the state of American education gives us all pause. While these studies may differ on various minor points, their major conclusions are remarkably similar: Our educational system needs a sustained overhaul.

Several recommendations have been made to begin this process of renewal in our school systems, and, I want to focus on just one key element to an

improved educational environment: Guidance and counseling.

Today, I am introducing the Elementary School Guidance and Counseling Incentive Act. As the preamble of this legislation underscores, the elementary school of today is no longer protected and isolated from society's problems and concerns, but it has become a setting where the early symptoms of these problems are displayed.

Mr. President, a child's education involves many individuals. The teacher is the most obvious influence on a student's in-school day, but other participants in the education system—parents, administrators, school board members, to name a few—play a definite role.

Let us not forget that individuals trained in guidance and counseling are indisputable parts of a child's educational universe as well, and this legislation promotes the improvement of guidance and counseling services in our elementary schools, where such services indeed can have a positive and long-lasting impact on a young person's life.

The beloved poet, Robert Frost, who adopted my State of Vermont, often wrote about the choices an individual makes throughout life. In one poem, using a trip along a road as a metaphor for life's journey, he wrote:

Two roads diverged in a wood
And I,—I took the less traveled by
And that's made all the difference.

When American elementary students standing at some fork in the road could benefit from effective guidance and counseling to help them with their choice, I hope it will be available. That is the purpose of this legislation.●

ADDITIONAL COSPONSORS

S. 44

At the request of Mr. KASTEN, the name of the Senator from Kansas (Mrs. KASSEBAUM) was added as a cosponsor of S. 44, a bill to regulate interstate commerce by providing for a uniform product liability law, and for other purposes.

S. 74

At the request of Mr. MELCHER, the names of the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Mississippi (Mr. COCHRAN), the Senator from Arkansas (Mr. PRYOR), the Senator from Mississippi (Mr. STENNIS), and the Senator from Kentucky (Mr. FORD) were added as cosponsors of S. 74, a bill entitled the "Reye's Syndrome Act of 1983."

S. 314

At the request of Mr. GOLDWATER, the name of the Senator from New Hampshire (Mr. HUMPHREY) was added as a cosponsor of S. 314, a bill to encourage inflight emergency care aboard aircraft by requiring the placement of emergency equipment, supplies, and drugs aboard aircraft and by relieving appropriate persons of liability for the provision and use of such emergency equipment, supplies, and drugs.

S. 476

At the request of Mr. LEVIN, the name of the Senator from Massachusetts (Mr. TSONGAS) was added as a cosponsor of S. 476, a bill to amend title II of the Social Security Act to require a finding of medical improvement when disability benefits are terminated, to provide for a review and right to personal appearance prior to termination of disability benefits, to provide for uniform standards in determining disability, to provide continued payment of disability benefits during the appeals process, and for other purposes.

S. 591

At the request of Mr. INOUYE, the name of the Senator from Maryland (Mr. SARBANES) was added as a cosponsor 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 United States Olympic Committee.

S. 1144

At the request of Mr. HEINZ, the name of the Senator from New Hampshire (Mr. HUMPHREY) was added as a cosponsor of S. 1144, a bill to suspend periodic reviews of disability beneficiaries having mental impairments pending regulatory reform of the disability determination process.

S. 1146

At the request of Mr. BENTSEN, the names of the Senator from Kansas (Mrs. KASSEBAUM), and the Senator from Florida (Mrs. HAWKINS) were added as cosponsors of S. 1146, a bidl to amefd the Federal Aviation Act of 1958 to provide for the revocation of the airman certificates and for additional penalties for the transportation by aircraft of controlled substances, and for other purposes.

S. 1278

At the request of Mr. MELCHER, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 1278, a bill to provide for an accelerated program of research, development, and demonstration with respect to the production of electricity from magnetohydrodynamics, leading to the construction and operation of at least one major proof of concept demonstration project in connection with an existing electric powerplant, and for other purposes.

S. 1348

At the request of Mr. MOYNIHAN, the names of the Senator from Tennessee (Mr. SASSER), and the Senator from Ohio (Mr. METZENBAUM) were added as cosponsors of S. 1348, a bill to authorize the President of the United States to present on behalf of Congress a specially struck gold medal to the widow of Roy Wilkins.

S. 1469

At the request of Mr. SPECTER, the names of the Senator from North Dakota (Mr. BURDICK), and the Senator from Illinois (Mr. PERCY) were added as cosponsors of S. 1469, a bill to amend title 18 of the United States Code relating to the sexual exploitation of children.

S. 1475

At the request of Mr. WALLOP, the names of the Senator from Wyoming (Mr. SIMPSON), and the Senator from Mississippi (Mr. COCHRAN) were added as cosponsors of S. 1475, a bill to amend the Internal Revenue Code of 1954 to repeal the highway use tax on heavy trucks and to increase the tax on diesel fuel used in the United States.

S. 1550

At the request of Mr. CHAFEE, the name of the Senator from Idaho (Mr. McCLURE) was added as a cosponsor of S. 1550, a bill to amend the Internal Revenue Code of 1954 to relieve international double taxation of overseas construction projects of U.S. contractors.

SENATE JOINT RESOLUTION 50

At the request of Mr. LEVIN, the name of the Senator from New Jersey (Mr. BRADLEY) was added as a cosponsor of Senate Joint Resolution 50, a joint resolution designating the week beginning September 25, 1983, as "National Adult Day Care Center Week."

SENATE JOINT RESOLUTION 54

At the request of Mr. NICKLES, the names of the Senator from North Carolina (Mr. EAST), and the Senator from Nebraska (Mr. EXON) were added as cosponsors of Senate Joint Resolution 54, a joint resolution to authorize and request the President to designate the month of January 1984 as "National Eye Health Care Month."

SENATE JOINT RESOLUTION 93

At the request of Mr. EAST, the name of the Senator from Hawaii (Mr. MATSUNAGA) was added as a cosponsor of Senate Joint Resolution 93, a joint resolution to designate the month of September each year as "National Sewing Month."

SENATE JOINT RESOLUTION 98

At the request of Mr. TOWER, the name of the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of Senate Joint Resolution 98, a joint resolution to designate October 2 through October 9, 1983, as "National Housing Week."

SENATE JOINT RESOLUTION 106

At the request of Mr. SIMPSON, the names of the Senator from Minnesota (Mr. DURENBERGER), and the Senator from Georgia (Mr. MATTINGLY) were added as cosponsors of Senate Joint

Resolution 106, a joint resolution designating August 3, 1983, as "National Paralyzed Veterans Recognition Day."

SENATE JOINT RESOLUTION 111

At the request of Mr. PERCY, the names of the Senator from Pennsylvania (Mr. HEINZ), the Senator from Minnesota (Mr. DURENBERGER), the Senator from Minnesota (Mr. BOSCHWITZ), and the Senator from Alaska (Mr. MURKOWSKI) were added as cosponsors of Senate Joint Resolution 111, a joint resolution expressing the sense of the Congress with respect to international efforts to further a revolution in child health.

SENATE JOINT RESOLUTION 113

At the request of Mr. WILSON, the names of the Senator from Rhode Island (Mr. PELL) and the Senator from Ohio (Mr. METZENBAUM) were added as cosponsors of Senate Joint Resolution 113, a joint resolution to provide for the designation of the week beginning June 3 through June 9, 1984, as "National Theatre Week."

SENATE CONCURRENT RESOLUTION 21

At the request of Mr. COHEN, the names of the Senator from Illinois (Mr. PERCY) and the Senator from Wisconsin (Mr. PROXMIRE) were added as cosponsors of Senate Concurrent Resolution 21, a concurrent resolution expressing the sense of the Congress respecting the administration of title X of the Public Health Service Act.

SENATE RESOLUTION 130

At the request of Mr. GORTON, the name of the Senator from Indiana (Mr. QUAYLE), was added as a cosponsor of Senate Resolution 130, a resolution expressing the sense of the Senate that the President should award the Presidential Medal of Freedom to Barney Clark, to be presented to his family in his memory.

SENATE RESOLUTION 139

At the request of Mr. ZORINSKY, the names of the Senator from Iowa (Mr. GRASSLEY), the Senator from Georgia (Mr. MATTINGLY), the Senator from Wyoming (Mr. SIMPSON), and the Senator from Michigan (Mr. LEVIN) were added as cosponsors of Senate Resolution 139, a resolution disapproving the recommendation of the Study Group on Senate Practices and Procedures to abolish the Senate Committee on Veterans' Affairs.

SENATE CONCURRENT RESOLUTION 51—RELATING TO HANDICAPPED PARKING

Mr. JEPSEN submitted the following concurrent resolution, which was referred to the Committee on Governmental Affairs:

S. CON. RES. 51

Whereas all fifty States and the District of Columbia recognize the special needs of disabled individuals and have established disabled or handicapped parking spaces for the convenience of such individuals;

Whereas many disabled individuals who drive automobiles are given parking citations for parking in spaces designated for the disabled because the police do not recognize disability identification on out-of-State vehicles;

Whereas the special needs of the handicapped and disabled should be universally recognized and not subject to the vagaries of individual State laws with respect to special parking privileges;

Whereas the Congress and the Administration have historically supported programs and policies which recognize the special needs of the handicapped and the disabled;

Whereas the establishment of a coordinated vehicle identification system for handicapped and disabled drivers could facilitate interstate travel by assuring disabled individuals accessible parking while on vacations or business trips; and

Whereas confusion could be reduced and time and effort of police and courts saved by having a coordinated vehicle identification system: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that the States, working through the National Governors Association should, as soon as possible, establish a cooperative program under which the legitimate parking privileges of the disabled and handicapped in each State are accorded to disabled and handicapped individuals displaying legitimate parking stickers of other States.

SEC. 2. As used in this resolution the term "State" means the several States and the District of Columbia.

SEC. 3. The Secretary of the Senate is directed to transmit a copy of this resolution to the Governors of all fifty States, and the Mayor of the District of Columbia.

● Mr. JEPSEN. Mr. President, today I am submitting a resolution that 2 months ago I would have thought unnecessary. But recently, a situation has been brought to my attention which I think most of my colleagues will agree necessitates correction.

As most of my colleagues are aware, many States provide special parking privileges for handicapped and disabled persons. In general, these special privileges include reserved parking spaces for persons displaying some type of "handicapped" parking sticker. As anyone who was traveled in different States can attest to, the type of sticker used or the location of the sticker varies from State to State.

In Iowa, for instance, there is a portable placard that can be displayed by hanging it from the rear view mirror. Other States have permanent license plates that designate the vehicle as being eligible for the special parking privileges. As a result of a very unfortunate incident involving a constituent of mine, it has come to my attention that many States do not recognize the valid handicapped parking permits issued by other States.

In the particular instance I am aware of, the handicapped person was traveling in a New England State and was displaying the Iowa handicapped parking permit. While shopping at a mall, the individual took advantage of the special spaces provided for the handicapped. Unfortunately, upon returning to her car, this person found a parking ticket for illegally parking in a space reserved for cars displaying a handicapped sticker. My constitutent found the police officer and pointed out her Iowa sticker but was still required to pay the fine.

The amount of the fine was not excessive, Mr. President, but it is a fine that never should have been levied. The individual is clearly handicapped and was displaying the valid Iowa handicapped parking sticker.

In talking with individuals at the Congressional Research Service and the Disabled American Veterans, I have found that the incident described is all too common. It seems to me that this is a situation which can be rectified if there was a better system of cooperation among the States.

I am therefore taking this opportunity to introduce a sense of Congress resolution calling upon the States, through the National Governors' Association, to come up with some type of cooperative approach to resolving this problem. I have spoken to the Governor of Iowa and he has agreed to bring up the subject at the next National Governors' Association meeting. I am hopeful that we can get the problem resolved in the near future.

Now some have suggested, Mr. President, that perhaps we should come up with some type of uniform symbol that all the States can use. It seems, however, that there are a number of problems with this type of approach, least of which is administrative.

Many handicapped persons, I have learned, do not like the idea of a permanent symbol such as a license plate. Others believe this type of approach is necessary in order to prevent fraudulent distribution of the symbol. Both sides have strong and valid arguments as to why their approach is the right approach.

Quite frankly, I do not have any opinion as to which approach is the correct approach. Furthermore, I do not think this is the type of matter that should be dictated by the Federal Government. That is why I have chosen to introduce a concurrent resolution instead of statutory language.

I believe, Mr. President, that it is important for Congress to use its powers of persuasion before resorting to its powers of legislation. I would point out, however, that should the situation still prove to be a problem next year, I am prepared to take more drastic steps. In particular, I note that some have suggested that a State's Federal transportation funds be restricted unless the State agreed to some type of reciprocity. I think that approach is unnecessary right now, but support for such a measure could

grow the longer the problem goes unresolved.

In closing, Mr. President, I want to put my colleagues on notice that I intend to offer my resolution in the form of an amendment when the Senate turns to consideration of the transportation appropriations bill later this session. I do not believe this is a matter that can wait and we must act as soon as possible.

I look forward to the day when handicapped and disabled individuals can travel from State to State without fear of inadvertently violating another State's special handicapped parking privileges.●

NOTICES OF HEARINGS

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. ANDREWS. Mr. President, I would like to announce for the information of the public that the Select Committee on Indian Affairs will be holding the following hearings:

On July 19, 1983, at 10 a.m., in room SD-608, a hearing on S. 1499, to settle certain claims of the Mashantucket Pequot Indians; and, S. 1196, to confer jurisdiction on the U.S. Claims Court with respect to certain claims of the Navajo Indian Tribe. Those wishing additional information should contact Paul Alexander of the committee at 224-2251.

On July 21, 1983, at 10 a.m., in room SD-608, an oversight hearing on the branch of Federal acknowledgment within the Bureau of Indian Affairs. Those wishing additional information should contact Marilyn Heller of the committee at 224-2251.

On July 26, 1983, at 10 a.m., in room SD-608, a hearing on S. 1151, to compensate heirs of deceased Indians for improper payments from trust estates to States or political subdivisions thereof as reimbursements for old age assistance received by decedents during their lifetime; and, House Joint Resolution 158, to make technical corrections in the act of January 12, 1983 (Public Law 97-459). The hearing will be followed by a business meeting on S. 1499, S. 1196, S. 1151, and House Joint Resolution 158. Those wishing additional information should contact Paul Alexander or Pete Taylor of the committee at 224-2251.

On July 28, 1983, at 10 a.m., in room SR-485, an oversight hearing on issues of Indian health. Those wishing additional information should contact Patricia Zell of the committee at 224-2251.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a public hearing before the Committee on Energy and Natural Resources to consider the nomination of William Perry Pendley, of Wyoming, to be an Assistant Secretary of the Interior for Energy and Minerals. The hearing will be held on Tuesday, July 12, beginning at 10 a.m. in room SD-366 of the Dirksen Senate Office Building.

Those wishing to submit written statements for the hearing record should write to the Committee on Energy and Natural Resources, room SD-360, U.S. Senate, Washington, D.C. 20510.

For further information regarding this hearing you may wish to contact Mr. Gary Ellsworth of the committee staff at 224-5304.

In addition, I would like to announce that the full committee hearing regarding the geopolitics of strategic and critical minerals scheduled for Friday, July 22, will begin at 2 p.m. instead of 10 a.m.; and the full committee hearing on S. 1132 scheduled for Monday, July 25, will begin at 2 p.m. instead of 10 a.m.

SUBCOMMITTEE ON PUBLIC LANDS AND RESERVED WATER

Mr. WALLOP. Mr. President, I would like to announce for the information of the Senate and the public that the oversight hearing scheduled before the Subcommittee on Public Lands and Reserved Water regarding acquisition of land, and acquisition and termination of grazing permits or licenses, will begin at 2 p.m. on Tuesday, July 26, instead of 10 a.m. as previously scheduled.

SUBCOMMITTEE ON CONSUMER AFFAIRS

Mrs. HAWKINS. Mr. President, I would like to announce that the Senate Banking Committee's Subcommittee on Consumer Affairs hearing on S. 1152, a bill to amend the Consumer Credit Protection Act with respect to consumer leases and rental-purchase agreements scheduled for July 13, 1983, has been postponed until July 19, 1983. The hearing will be held at 9:30 a.m. in room SD-538 of the Dirksen Senate Office Building.

For further information, please contact Linda C. Zemke at 224-1566.

ADDITIONAL STATEMENTS

BUDGET STATUS REPORT

● Mr. DOMENICI. Mr. President, I hereby submit to the Senate a status report on the budget for fiscal year 1983 pursuant to section 311 of the Congressional Budget Act.

Since my last report the Congress has completed action on House Concurrent Resolution 91, the first budget resolution for fiscal year 1984. This status report reflects the revised revenue and spending totals for fiscal year 1983 that are contained in House Concurrent Resolution 91 and presents the current budget levels for fiscal year 1983 on a basis that is consistent with the economic and technical assumptions of House Concurrent Resolution 91.

The report follows:

REPORT NO. 83-6

REPORT TO THE PRESIDENT OF THE U.S. SENATE FROM THE COMMITTEE ON THE BUDGET—STATUS OF THE FISCAL YEAR 1983 CONGRESSIONAL BUDGET ADOPTED IN H. CON. RES. 91, REFLECTING COMPLETED ACTION AS OF JUNE 30, 1983

[In millions of dollars]

	Budget authority	Outlays	Revenues
Revised 2d budget resolution level	877,200	807,400	604,300
Current level	865,128	805,560	604,400
Amount remaining	12,072	1,840	100

BUDGET AUTHORITY

Any measure providing budget or entitlement authority which is not included in the current level estimate and which exceeds $12,072 million for fiscal year 1983, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in H. Con. Res. 91 to be exceeded.

OUTLAYS

Any measure providing budget or entitlement authority which is not included in the current level estimate and which would result in outlays exceeding $1,840 million for fiscal year 1983, if adopted and enacted, would cause the appropriate level of outlays for that year as set forth in H. Con. Res. 91 to be exceeded.

REVENUES

Any measure that would result in revenue loss exceeding $100 million for fiscal year 1983, if adopted and enacted, would cause revenues to be less than the appropriate level for that year as set forth in H. Con. Res. 91.●

CAPITAL PUNISHMENT

● Mr. LEVIN. Mr. President, I wish to have printed in the RECORD two insightful articles regarding the effort currently underway in Great Britain to reinstitute capital punishment, which has been outlawed in that country since 1964. "The Case Against the Rope," which appeared in a British weekly, the Economist, was reprinted Monday, July 11, 1983, in the Washington Post. The editorial, "The Death Penalty as a Final Escape," appeared in the Detroit News on July 10, 1983. I hope my colleagues will have an opportunity to read both of these articles, which provide compelling arguments against reinstituting the death penalty.

The articles follow:

[From the Washington Post, July 11, 1983]

THE CASE AGAINST THE ROPE

(Britain's Parliament will soon consider the reinstitution of capital punishment. This contribution to the debate is reprinted, with permission, from the British weekly, The Economist.)

The last time a British government paid an official to break a criminal's neck with a rope was in 1964. The last state-sanctioned killing of a non-military offender in a civil-

ized European nation was in France in 1977. They cut the head off of a North African immigrant with a weighted blade on vertical runners—and a lot of respectable Frenchmen now think they guillotined the wrong man.

It had finally seemed in the past decade that instruments of execution had been swept off the Western European continent and its islands . . .

But there are still those who want to bring official violence back, hankering not so much for justice as for revenge against the enemies of society, or for better protection for those (like policemen) who stand in the front line of its defense. Most people in Britain, if asked the abstract question, say they would like certain classes of criminal killed in their name—although when individual hard cases arise they tend to be more forgiving. Something like half of the new, Tory-dominated House of Commons inclines to that popular view.

On a vote free of party pressure, Parliament will soon be asked whether it wants Britain to start executing people again. If the answer is yes, there would then have to be a grisly debate both about the offenses to be scheduled as meet for capital punishment, and about the appropriate technology for state-sponsored killing.

It is strange that it should be mainly Conservatives who wish to put this ultimate power in the hands of the state, whose authority in other ways they rightly wish to limit. What the pro-hangers hanker for, evidently is a simple solution to complex problems. They think execution is a unique deterrent, that because it is swift and sure it closes the endless arguments about crime and punishment, right and wrong, and signifies society's absolute abhorrence of certain sorts of offense. In practice, it does exactly the opposite.

The three main white-ruled countries that still execute people are Russia, South Africa and America. Presumably, British executioners would wish to be compared only with the last. In about three-quarters of the United States, hanging, shooting, electrocuting or poisoning are now on offer. Whether the prevalence of murder and violence there persists because of, or in spite of, this institutional contempt for human life is a question for Americans. But clearly the execution even of duly convicted American killers is far from being swift, sure and condign. So grave is the penalty that the legislators and the courts struggle to make it socially acceptable by finding distinctions between capital and non-capital offenses.

The resulting appeals against sentence last for years. Lawyers' ingenuity prevails over retributive justice—exactly what a simple and final punishment is meant to avoid. Any categories of crime subjected to capital punishment in Britain would have to be equally subtly defined. . . .

The principal effect of hanging about a dozen of Britain's 600 or so murderers a year would be to fasten enormous publicity on any trial which might qualify among those dozen. Before 1964 occasional executions were very good for sales of the popular Sunday newspapers; and, in general, whatever is lurid in the British popular Sunday newspapers is bad for the British people. With the advent of television, the danger of publicity leading to imitation becomes greater. As a child murderer is executed, details of how he tortured his victims to death are revealed to the telemass; deviants are excited thereby. "Bloggs, who is being hanged behind these walls", says the telereporter at the early morning wake, "was caught by the following million-to-one chance"; there are plenty of people who would like to murder somebody else when ceaselessly told of how to do it with only a million-to-one chance of being discovered.

When death was the sole penalty for all willful murder, capital punishment did at least have the attraction of straightforwardness. You killed, you were killed, and the account was square according to Deuteronomy. But nobody seriously supports that biblical objective any more.

Most murders in Britain are domestic or neighborly affairs, the terrible consequence of desperation (usually drunken, often sexual). Practically all pro-hangers now found their case, with an effort at rationality, on the degree of horror that particular offenses excite, or on the intention to deter specific categories of crime.

Which should be the categories? The murder of children—usually committed by distraught women or by sexual inadequates? These last generally confess quickly today when they can expect the medical treatment they know they need; if they feared the rope they might spin their defenses out, and disturbed people in the tele-audience would dangerously suck in their dreadful excitements. Murder by firearms—but not by poison, or with knives or car-jacks? Murder of policemen—but not of security guards or firemen on duty, or boy scouts looking after old ladies?

One category of crime that needs deterring is the use of firearms for robbery. It has increased in Britain, although not so much as is commonly supposed; but the rise in armed robbery is much smaller than the rise in undetected robbery. A greater risk of being caught and imprisoned would deter the gunmen. To propose execution, by contrast, would give criminals every incentive to make sure they have eliminated all potential witnesses.

The case for hanging terrorist murderers is even weaker, a rare ground for doubting the good sense of the new home secretary, Leon Brittan, is that in 1979 he voted against all judicial killing except in its most indefensible form, against terrorists. To accept that a criminal acted for "political" ends, and therefore to raise him into a more awful category, is to concede and glorify his case. The truly anti-terrorist penal system is one that treats all crime as crime, without exception. Killing rebels—remember the story of the Dublin Easter uprising of 1916—can hand them victory. It is absurd to advocate capital punishment of Irish terrorists when 10 of their members, only two years ago, were carefully inflicting capital punishment on themselves by hunger strike, because they thought they served their cause better dead than alive.

Most terrorists in Ulster possess Irish as well as British citizenship. The British government could not deny them an appeal against the death sentence to the European court of human rights, nor could the Irish government. . . . The political cost would infinitely outweigh the human satisfaction of revenge for their hateful acts. As an execution neared, there might be hostage-taking and the horrors of simultaneous revenge "execution" by the IRA. Today some terrorists are caught because the police are told where they are by other Irishmen, sometimes by their relatives; with any danger of hanging, that would stop.

Hanging, even only for rare and vicious crime, would upset the entire system of criminal justice, and put increased strain on the judges. From 1957 to 1965 Britain tried to operate a law that differentiated between capital and other murders. It was capital to kill while stealing or resisting lawful arrest; to kill a policeman or anybody helping a policeman; or, if a prisoner, to kill a prison officer on duty. . . .

The distinctions were intricate. The facts of the cases were heard before juries. But the fine legal points had to be disentangled by the bench. It thus fell upon the judge to rule without the assistance of a jury whether a man was on trial for his life or not. The judges hated the task, since it is their sound inclination to punish the criminal, not the crime. Nobody should want to reimpose that dreadful burden on the judges.

Some judges—some of the best—would decline this butchers' work. Many barristers would refuse on grounds of conscience to take part in capital cases. Others would prosecute less than wholeheartedly, and defend very emotionally. Juries proved less willing to convict just before 1964, when execution could follow their verdict. Prison governors would be reluctant to officiate in overcrowded jails whose latent atmosphere of violence and sexual frustration is knotted up by the grisly presence of the gallows.

The Conservative waverers, many of them newly elected, now probably hold the parliamentary balance. They are under pressure from their local pro-hanging party activists (who no more reflect public opinion than do the correspondingly militant Labor activists on other issues). . . .

Those tempted to vote yes to hanging must decide whether the duty they would lay on others is one that they would themselves discharge. Would they, if asked by the state, pull that lever and break that villain's neck? If not, they must vote no and lay the subject to rest for the life of this Parliament. Every year that passes makes a return to the old barbarity more remote, more unthinkable for a civilized nation, and less useful for a society that wishes to deter crime.

[From the Detroit News, July 10, 1983]

THE DEATH PENALTY AS A FINAL ESCAPE

(By Edwin A. Roberts, Jr.)

The Economist, a British news magazine whose thoroughness and respect for the written word puts its American counterparts on the children's shelf, published an editorial in its July 2-8 issue condemning the movement in the United Kingdom to bring back the hangman's rope.

The editorial notes: "The three main white-ruled countries that still execute people are Russia, South Africa, and America. Presumably, British executioners would wish to be compared only with the last. In about three-quarters of the United States, hanging, shooting, electrocuting, or poisoning are now on offer. Whether the prevalence of murder and violence there persists because of, or in spite of, this institutional contempt for human life is a question for Americans. But clearly the execution even of duly convicted American killers is far from being swift, sure, and condign. So grave is the penalty that the legislators and the courts struggle to make it socially acceptable by finicky distinctions between capital and noncapital offenses."

The Economist then goes on to make the familiar antiexecution arguments, disputing Old Testament support for capital punishment, insisting that the practice doesn't deter murderers, and winding up by asking whether prohanging politicians would, if

asked by the state, "pull that lever and break that villain's neck? If not, they must vote no and lay the subject to rest for the life of this parliament."

The only problem with the magazine's argument is that it is one to which many pro-execution people in that country, and in this one, are invincibly immune.

Such people are chiefly interested in retribution—i.e., refined revenge. The feeling is easy to understand. There *are* murderers whose monstrous crimes scream not just for death but for an extended sojourn on the rack. Nevertheless, how a society manages its emotions is a measure of its intelligence, maturity, and morality. Does an intelligent, mature, and moral society execute felons for civil crimes? To my mind, no.

What, then, is the best way to dissuade capital punishment advocates?

We must play to their emotional need. We must remind them that even as death can be called a blessing to a long-suffering hospital patient, so can it be defined as an escape for the murderer. When a killer is executed, he is set free. No longer does he face the possibility of a hopeless, almost unimaginably miserable life behind bars. Arguably perhaps, but still probably, a short period of terror and an instantaneous death are easier to bear than 30 or 40 years in a maximum-security prison, there to be denied everything that makes life endurable. Especially hope and freedom.

It follows, of course, that murderers who under present law in most states rate the death penalty should be forever denied parole and kept in the closest confinement. That would satisfy the demands of justice while sparing society the grisly business of killing even a hideously evil person in cold blood.

Since the beginning, Michigan has disdained capital punishment. Since 1964, Britain has too. That profound reverence for life reveals the kind of character civilized men can only honor.●

U.N. CONTRIBUTIONS

● Mr. D'AMATO. Mr. President, I rise today to join the distinguished senior Senator from my home State of New York in consponsorship of Senate Concurrent Resolution 50. This resolution urges the administration to withhold from the 1983 American contribution to the United Nations the proportionate U.S. share of funds that are spent on an "International Conference on the Fascist-Racist Alliance between South Africa and Israel," a meeting being held this week in Vienna.

The scheduled conference is but another of the blatantly one-sided attacks on Israel, and Jews worldwide, begun by elements of the United Nations more than 20 years ago. Increasingly, the rhetoric of Third World and Soviet alined countries has been vitriolic in its criticisms of Israel, while they continue to actively endorse the politics and the policies of the terrorist PLO.

In the past year alone, U.N. elements have viciously targeted Israel in a variety of arenas: the U.N. Educational, Cultural and Scientific Organizations passed one resolution which equates Zionism with colonialism and racial discrimination, and another resolution which calls for the rewriting of Biblical history to eliminate the role of the Jews; the International Atomic Energy Agency rejected Israel's credentials; an effort was made in the International Telecommunications Union to expel Israel; and Iran attempted to challenge Israel's credentials in the U.N. General Assembly.

These types of malicious and malevolent actions, funded in part through U.S. contributions to the United Nations, are reaching a pinnacle of deceit this week with the scheduling of a conference to examine Israel as a so-called "fascist-racist" state. And through all these efforts, the acclaimed heroes are the members of the most frightening terrorist groups in today's world: the PLO.

It is painfully obvious that the purposes of the conference are twofold: first, to defame our strong ally in the Middle East, the State of Israel, through irrational slander; and second, to glorify the PLO through propaganda and falsification. The first objective is clearly not within our own national interest, nor does it further world peace. The second, as noted by my colleague from New York, cannot legally be funded by U.S. contributions to the United Nations. This body recognized some years ago that it was totally inappropriate for the United States to finance activities which provide "political benefits to the Palestine Liberation Organization," and U.S. laws restrict our contributions to the U.N. accordingly. This resolution strengthens our position in this regard so that neither our financial nor moral support is provided to enhance a premeditated propaganda display designed to glorify terrorists at the expense of a strong ally.

Mr. President, I urge that immediate action be taken to bring this resolution to the Senate floor. We must pass it with resounding support. We can, in this way, show our concern for truth and honesty in the international arena, and our firm conviction that terrorist organizations should not be exalted as heroes.●

ARMS CONTROL IMPLEMENTATION FORCE STUDY

● Mr. DOLE. Mr. President, shortly before we adjourned for the Fourth of July recess, I had the opportunity to present my proposal on arms control, Senate Concurrent Resolution 46, to the Foreign Relations Committee. During that testimony, I indicated that the Congressional Research Service was preparing, under my general policy guidance, a force study that was illustrative of my approach. That study has now been completed, and I ask that it be printed in the RECORD, together with my letter of transmittal to Senator PERCY.

The Senator from Kansas believes, Mr. President, that we must all seriously address the awesome issue of the control of nuclear weapons. We must control those weapons, their numbers, and certainly their proliferation. Otherwise, we will run the clear risk that instead of furnishing a shield for our protection, that nuclear weapons will themselves become the problem.

That is why I have joined many of our colleagues in analyzing the nuclear arms control issue. I will have more to say on various aspects of this proposal and its component elements in the weeks and months to come. But for now, Mr. President, I want to make available for the consideration of all Senators and their staffs the attached practical illustration of my "triad" proposal.

I am not wedded to every detail of this illustration of the proposal, Mr. President, and I recognize that there could well be other ways of addressing the problem in an overall way, consonant with the general thrust and meaning of Senate Concurrent Resolution 46. But the Senator from Kansas believes that this is a useful contribution to the debate, that more such contributions are useful and indeed desirable, and that together, we can fashion an arms control package that is realistic, fully consonant with the requirements of our national defense and the general views of the Scowcroft Commission, and that advances the cause of peace and nonproliferation of nuclear weapons.

Mr. President, it is in that spirit that the Senator from Kansas brings this force study to the general attention of the Senate. I welcome comments and contributions on the proposal from both sides of the aisle.

The material follows:

U.S. SENATE,
Washington, D.C., June 24, 1983.

Hon. CHARLES PERCY,
Chairman, Senate Foreign Relations Committee, Washington, D.C.

DEAR MR. CHAIRMAN: During my arms control testimony before the Foreign Relations Committee last Tuesday, June 21, I referred to a Congressional Research Study that would set forth one illustration of my approach to overall nuclear arms negotiations at the strategic and intermediate ranges. That study has now been completed according to my general guidelines, and is attached.

The study, I believe, illustrates a number of the serious questions which arms negotiators must begin to address, particularly in the new negotiation area of intermediate range weapons. As I replied to Senator Kassebaum during the hearings on Tuesday, for example, the smaller missiles which may be developed under the Midgetman concept will also introduce special issues of verification. Similarly, dual purpose aircraft, such as F-16s, would require some modification to see whether any nuclear role could become observable on a functional basis.

Similarly, the highly dangerous submarine-launched cruise missiles deserve special study, and if possible, specially negotiated sublimitations. Further, the problem of any inclusion of French and British forces becomes illustrated clearly if we see what that would do to allowable weapons allocations on both sides. The problem, as Dr. Eugene Rostow testified on Wednesday, is however a political one primarily, and I would not favor the inclusion of these weapons in the negotiations. Nevertheless, for the sake of force comparison, I did ask for the study to set forth one scenario of inclusion.

As I mentioned on Tuesday afternoon, the Foreign Relations Committee is to be commended for its attention to this critical area. I am glad to add this further contribution to the debate and ask that this letter and enclosed study be included in the full record of your hearings.

Sincerely yours,

BOB DOLE.

A COMPREHENSIVE ARMS CONTROL PROPOSAL PREPARED ACCORDING TO THE INSTRUCTIONS OF THE HONORABLE ROBERT DOLE

ARMS CONTROL PROPOSAL: CONCEPTUAL FRAMEWORK

My recent comments on the floor of the Senate, together with the ideas expressed by myself and several of my colleagues in Senate Concurrent Resolution 46, suggest a number of basic principles related to the U.S. position on nuclear arms control. These principles, while not inconsistent with the proposals made by the President and many of my colleagues in the Congress, I believe form a basis for a conceptual framework for American arms control policy which combines and extends these proposals in a way that better promotes and protects our security.

My purpose in this discussion is to begin to go beyond these principles with some more specific ideas which could form a conceptual framework for future U.S. arms control negotiating positions. On the one hand, I believe such specific suggestions are essential if our policies are going to move in sensible directions. At the same time, I fully recognize the complexity and inherent difficulty of the problem we are trying to tackle. Therefore, I offer these suggestions not as sure fire prescriptions for success. Rather they are directed at channeling the public debate toward the tough problems which we in the United States need collectively to solve if our approach to arms control is to contribute measurably to our security.

In my remarks which follow, I will lay out the basic principles mentioned earlier together with some specific ways that they could be included in our arms control positions.

Balanced force structure

Traditionally the U.S. has relied on a balanced force structure based on a triad of manned bombers, submarine-based missiles and land-based missiles. This structure has effectively preserved deterrence. Any arms control approach we pursue should not preclude continuing with this balanced approach. At the same time, our experience should tell us that military power is a complex function of all three legs of the triad, and that any arms control agreement that will effectively check and reduce the military power of our adversaries must take this into account.

Relating this to the President's current proposal, it's worth noting that only two thirds of the triad—submarine and land-based missiles—are included. In the short terms, this might seem to be a shrewd negotiating strategy since the U.S. has a big advantage in bombers—the triad leg left out. Putting aside whether the Soviets would ever agree to such an approach, it is important to consider the consequences for American security of leaving Soviet bomber forces totally unchecked. We know from intelligence sources that the Soviets are aggressively pursuing development of a new bomber—the Blackjack, which appears to be designed along the lines of our B-1. We also know that the Soviets have considerable experience in developing cruise missiles that can be launched from aircraft—giving the potential for an even more lethal dimension to their bomber force. Finally, independent of whether one believes the Soviets violate arms control agreements, there is a widespread consensus that the Soviets will exploit loopholes in agreements to their best advantage.

With the stage set as it is, I believe we are not in a position where we can afford to allow the bomber forces to go unaccounted for in our arms control policy. Such a gaping void may skew the Soviet's force structure way out of kilter to the detriment of our security especially given the absence of U.S. continental air defenses. At the same time, reasonable, balanced limits which affect bombers on both sides can be designed in ways that accommodate necessary modernization of American forces while cutting back on the overall size of strategic nuclear arsenals.

Attention to destabilizing weapons

A major accomplishment of the Scowcroft Commission and the subsequent position adopted by the President is recognition that our arms control positions can and should pay particular attention to certain weapons that might unnecessarily lead to making nuclear warfare more likely. The President's proposal certainly heads in the right direction. It may be possible to take it further in certain areas.

One area concerns land-based ICBMs. An important lesson from the Scowcroft Commission is that for a given number of ICBM warheads on both sides, more ICBM launchers will improve stability in a crisis since it will be more difficult to disarm an opponent's ICBM force with a preemptive attack. Despite this lesson, press reports indicate that the U.S. negotiating position still includes a limit of 1200 ICBM launchers. While this 1200 limit is better than the earlier 850 proposal, there may be some circumstance where even 1200 launchers are too few to ensure stability. Since the limits on ICBM warheads already contained in the President's proposal are sufficient to limit effectively military capabilities from ICBMs, it would seem that limiting ICBM launchers would be at least superfluous, and as mentioned, actually contrary to improving stability in some circumstances.

Another area of substantial potential instability not dealt with in the President's proposal involves sea launched cruise missiles. While nuclear armed sea launched cruise missiles have been deployed in the past by both the U.S. and U.S.S.R., they have been relatively few in number and crude by performance standards. A new generation of sea launched cruise missiles promises a substantial jump in performance. Further, our plans to deploy hundreds of these systems, and apparent Soviet plans to invest in this type weapon in a big way (exemplified by their apparent plans to outfit their new Oscar submarine as a cruise missile carrier) seem to foretell a major jump in U.S./Soviet nuclear competition. From a standpoint of stability, such a circumstance will signal yet another turn in the arms race spiral and in a crisis, could tempt the Soviets to use these systems for essentially no warning attacks against the vast, undefended target complexes on American coasts and the shores of our allies. Because of this situation, I believe U.S. arms control policy should pay special attention substantially limiting this class of weapons which threatens to inject instability into the U.S./U.S.S.R. nuclear relationship.

A third area where I believe more effort is needed to check destabilizing nuclear weapons involves intermediate range nuclear aircraft. (These are aircraft which have range not sufficient to attack the U.S. from the U.S.S.R. and vice versa, but do have range to attack Western Europe from the Soviet Union and vice versa.) To begin with, these aircraft are not included in any of the President's proposals for arms control. Yet they constitute a significant threat in the first instance to our friends and allies in Europe, Asia and elsewhere. In the case of at least one aircraft sometimes put in this category—the Backfire—there are many who argue that it constitutes a threat to the United States itself. In addition to posing threats to our interests, these aircraft are also destabilizing in a crisis or conventional conflict. They are typically based in the theater of potential (or actual) conflict in very vulnerable postures at bases of fixed, known locations. As such, they provide easy targets which invite preemptive nuclear attack—a situation clearly to be avoided in the interests of maintaining stability. Thus, because of the destabilizing character of these weapons, I believe they deserve explicit treatment in our arms control positions.

Comprehensive coverage

As the preceding discussion indicates, while the President's proposals treat a range of nuclear weapons systems, they are by no means comprehensive. They leave out a number of weapons which are—or at least should be—of concern to ourselves and to the Soviets. Some of the weapons left out are particularly destabilizing, both in fueling an arms race and in making a nuclear conflict more likely in times of heightened international tension. In the interests of preserving our security and pursuing a permanent peace, our arms control positions need to be expanded to take on coverage of these additional weapons.

Realistic negotiating approach

To be realistic, our negotiating proposals must first recognize our legitimate security concerns. For example, some freeze proposals would effectively perpetuate Soviet advantages gained by their massive buildup in ICBM forces—advantages which have left our ICBMs potentially vulnerable to a preemptive attack. Such freeze proposals, however well intended, realistically do not help our security—in fact they hurt it.

Another element of realism for our negotiating approach is to seek approaches that offer something to both sides so that there will be some chance that both parties will come to an agreement. It takes little skill to develop proposals which are clearly in the American interest but clearly unacceptable under any circumstances to our adversaries. My objective in outlining these proposals here is to develop a negotiating framework which is realistic first and foremost in protecting U.S. security interests, but also one

which I think the Soviets should find in their best interest as well.

Verification

An absolute necessity for any arms control agreement to safeguard American security is that it be adequately verifiable—that any cheating on the part of our adversaries that would significantly affect the balance of military power be detected in time for the U.S. to take effective corrective action. There are some proposals actively supported today which unfortunately do not meet this test—for example freezes on the production of nuclear warheads seem beyond any practical means of verification currently available. There are others where the question of verification is at best unclear—for example limiting the number of mobile IRBMs or counting dual-capable aircraft. The arms control proposals offered here recognize these difficulties, and their enactment would be dependent on agreed adequate verification measures.

Unfortunately an informed public debate on verification is difficult to stage. Traditionally the intelligence community carefully guards the details of how good our intelligence resources are in gathering information on Soviet weapons. In order for Americans—in the Congress and in the public—to make intelligent choices, I call upon the Administration to make available to the greatest extent possible information on our capabilities and limitations for determining whether the Soviets will be living up to their part of any agreements that we may negotiate with them.

Mutual freeze at lower levels

The spirit of a freeze—calling a halt to an arms race—is an important one to capture in any arms control agreement. Freezes which perpetuate armament levels which are already too high, freezes which sanction a state of nuclear instability, and freezes which confer to our enemy advantage that we are precluded from redressing cannot on balance be worth our while. What is worth our while is a freeze which gives deep cuts in the nuclear arsenals for both sides, which deals directly and comprehensively with the most destabilizing weapons on both sides and which confers the rights to equal military power on both sides. This is the type of freeze which I propose.

In terms of specific ceilings and limitations, I believe a proposal along the following lines would capture these principles:

Phase I: START

The basic premise of the Phase I strategic reductions would be to follow the lead offered in President Reagan's START proposal by limiting the warheads (or reentry vehicles—RVs) on ballistic missiles on both sides. However, it may be necessary to move beyond the START proposal in two significant ways:

(1) by adding bombers and cruise missiles as part of an overall larger aggregate strategic ceiling;

(2) not setting specific limits for ballistic missile launchers, which may not be necessary with firm RV constraints. Indeed, force structure changes made by the United States along the lines recommended by the Scowcroft Commission could very well lead the Soviet Union to alter its force structure as US ICBMs de-MIRV.

The outline of the revised START proposal in Phase I would be:

(a) an aggregate ceiling of 6500 strategic RVs, nuclear bombs, and cruise missiles

(b) a sub-ceiling of no more than 5000 RVs on ballistic missiles (ICBMs and SLBMs)

(c) a sub-ceiling of no more than 2500 RVs on ICBMs within the 5000 ballistic missile RV sub-ceiling

(d) a ban on tests to increase the fractionation (i.e., the MIRV capacity) of ICBMs and SLBMs beyond those levels in SALT II

(e) force modernization of all legs of the strategic triad allowed on a 1:1 RV/weapon basis within the agreed ceilings.

Such a proposal would have the following effects:

(1) it preserves the basic goal of the START proposal by emphasizing warheads and not launchers, and offers genuine reductions in the strategic arsenals of both sides. The US arsenal would reduce from approximately 9,500 weapons to 6,500, and the Soviet inventory from approximately 8,500 to 6,500.

(2) it preserves the strategic triad.

(3) it would allow the US and the Soviet Union to modernize their strategic forces. For the US this would be especially important, and would allow us to carry out the proposals of the Scowcroft Commission.

(4) it moves strategic arms control away from launchers and firmly onto the weapons themselves.

(5) it requires the largest reductions in the most destabilizing weapons, the ICBMs.

(6) Verification could be carried out as follows:

(a) RV capabilities for missiles currently in the arsenals are already established, providing a data base for both sides;

(b) counting rules for bombers and cruise missiles have been established;

(c) rules and procedures for dismantling and destroying excess systems are already in place;

(d) National Technical Means (NTM) already in place can observe the RV capacity of new missiles during tests, or observe tests of current missiles to enforce the ban on increased fractionation.

Under this proposal the strategic force structure for the United States and the Soviet Union could look like the following illustrative examples, which presume that both nations decide to maintain their current asymmetrical forces, with the US emphasizing a greater overall balance, and the Soviets emphasizing ICBMs:

United States

ICBM:	
100 MX × 10 MIRV's	1,000
500 Minuteman II/SICBM × 1 RV	500
Total ICBM RV's	1,500
SLBM:	
12 *Ohio* SSBN's × 24 tubes = 288 Trident II × 8 MIRV's	2,304
9 [1] *Lafayette* SSBN's × 16 tubes = 144 Trident I × 8 MIRV's	1,152
Total SLBM RV's	3,456
Subtotal, U.S. ICBM + SLBM RV's	4,956
Manned bombers: 102 [1] B-1B's × 15 ALCM's/weapons	1530
Aggregate, U.S. Strategic weapons	6,486

[1] Under one of the INF approaches outlined below the United States would subsume the 144 SLBM RV's currently deployed by Britain and France in U.S. START totals. In that case the U.S. ICBM force could remain as above, while the SLBM and manned bomber totals under START would change as follows:

SLBM:	
12 U.S. *Ohio* SSBN's × 24 tubes = 288 Trident II × 8 MIRV's	2,304
9 U.S. *Lafayette* SSBN's × 16 tubes = 128 Trident I × 8 MIRV's	1,024
4 British Polaris SSBN's × 16 tubes = 64 Polaris × 1 RV	64
5 French SSBN's × 16 tubes = 80 MSBS × 1 RV	80
Total, allied SLBM RV's	3,472
Subtotal, U.S. ICBM RV's + allied SLBM RV's	4,972
Manned bomber: 101 B-1B's × 15 ALCM's/weapons	1,515
Aggregate, U.S. allied strategic weapons	6,487

Soviet Union

ICBM's:	
100 SS-18 × 10 MIRV's	1,000
100 SS-24 × 10 MIRV's	1,000
500 SS-11/SS-13/SICBM × 1 RV	500
Total, ICBM RV's	2,500
SLBM's:	
4 Typhoon SSBN's × 20=80 SS-N-X × 10 MIRV's	800
15 Delta III SSBN's × 16=240 SS-N-18 × 7 MIRV's	1,680
Total, SLBM RV's	2,480
Subtotal, Soviet ICBM + SLBM RV's	4,980
Manned bombers:	
101 Blackjack × 12 weapons	1,212
77 Tu-95 Bear × 4 weapons	308
Total, manned bomber weapons	1,520
Aggregate, Soviet strategic weapons	6,500

Phase II: INF

INF is a thornier problem than strategic systems for several reasons:

(a) there is less agreement as to which systems should be included, and what constitutes a balance in INF;

(b) unlike strategic arms, there are no precedents for INF arms control upon which to draw;

(c) verification issues become much more complex given systems that are more mobile, or that have dual (i.e., conventional and nuclear) capabilities, or in which the actual weapons themselves are much smaller.

To a large extent the outcome of the INF talks could depend on the resolution of the first issue, which systems should be included. The Soviet Union has insisted that British and French nuclear systems be included in this total, while the United States has said that this is not an issue for bilateral negotiations, and that the US has no control over those systems.

Obviously, it might be possible for the US and its allies to work out some arrangement to include these systems. The Phase I INF proposal could take either track, including or excluding these systems.

In the first proposal outlined below the current British and French nuclear forces have been included; in the second they have not. The first proposal does not take into account British and French plans for force modernization. These plans would greatly increase Allied RV totals (from the current

total of 162 RVs to some 934 RVs), which would have to be compensated for out of US SLBM totals under START, or by a major revision of INF to include SLBMs, which would then allow the Soviets to keep many of the SLBMs they otherwise would have to dismantle.

The INF proposal would take the following lines:

(a) a global ceiling of 1500 INF weapons, including IRBM/MRBM RVs, GLCMs, SLCMs, and dual capable aircraft weapons. British and French SLBMs would count as part of the US SLBM total under START;

(b) a sub-ceiling of 126 RVs on IRBMs and MRBMs;

(c) GLCMs and SLCMs are to be counted as part of the dual capable aircraft total;

(d) no SLCMs may be deployed on submarines; SLCMs may be deployed on surface vessels subject to agreed counting rules for the number of canisters per ship times the number of SLCMs carried on board.

Such a proposal would have the following effects:

(1) the global ceiling would require a reduction of Soviet systems down from current totals of approximately 2880 to 1500.

(2) the sub-ceiling on IRBM/MRBM RVs would require a reduction of approximately 318 SS-20s globally, and 198 in the SS-20 force now threatening Western Europe. Limits on IRBMs would affect the most destabilizing weapons.

(3) this ceiling could accommodate current British and French systems, but planned British and French force modernizations could be allowed only by decreasing US SLBM forces in START or raising INF limits with the possibility of Soviet SLBM deployments under INF.

(4) the US could carry out most of the planned GLCM deployment.

(5) Verification would be more difficult, especially in terms of counting aircraft and SLCMs. Agreed weapon loads counting rules for each type of aircraft and for ship loadings of SLCMs would be necessary. It might also be necessary to agree to identify all sites at which LRBMs and MRBMs and/or their mobile launchers are manufactured.

Allied and Soviet force structures might appear as follows under this proposal:

Allied INF

IRBM/MRBM:	
18 SSBS (French MRBM) × 1 RV	18
108 U.S. Pershing II × 1 RV	108
Total, allied IRBM/MRBM RV's	126
Aircraft/GLCM:	
48 Vulcan B-2 (Britain) × 2 weapons	96
33 Mirage IV A (France) × 1 weapon	33
165 F-111 (U.S.) × 2 weapons	330
60 FB-111A (U.S.) × 4 weapons	240
120 A-6E (U.S.) (12 aircraft carriers × 10 aircraft = 120 aircraft) × 1 weapon	120
150 F-16 [1] (U.S.) × 1 weapon	150
404 GLCMs (U.S.) × 1 weapon	404
Total, aircraft/GLCM weapons	1,373
Total, Allied INF	1,499

Soviet INF

IRBM/MRBM: 42 SS-20 × 3 MIRV's	126
Aircraft/GLCM's:	
62 TU-16 Badger × 2 weapons	124
150 Tu-22 Blinder × 2 weapons	300
350 Su-19/Su-24 × 1 weapon	350
300 Tu-26 Backfire × 2 weapons	600
Total, aircraft weapons	1,374
Total, Soviet INF	1,500

[1] The inclusion of F-16's assumes agreement on some kind of FROD—functionally related observable difference—to allow verification of those aircraft committed to a nuclear mission, and the larger number planned for a conventional role.

Finally, should be the INF negotiations not include British and French systems, the US could deploy the INF forces shown below. In this case the overall INF ceiling could be dropped to 1482 and the IRBM/MRBM sub-ceiling dropped to 108 (the decrease of French MRBMs), or the US could deploy 18 additional Pershing IIs. Should the overall ceilings be lowered the Soviet total of SS-20s would have to decrease to 36, while their aircraft total could remain as above. In the US force structure shown below the INF ceiling remains at 1500, with the IRBM RV sub-ceiling dropping to 108. This would allow the full planned GLCM deployment of 464, leaving room for 88 additional aircraft to be determined in the future. In an INF agreement of 1500 weapons and 108 IRBM RVs, the Soviet could also add 18 weapons to their Aircraft/GLCM total. An INF limit of 1482 would keep their aircraft levels as above.

United States INF

IRBM: 108 Pershing II × 1 RV	108
Aircraft/GLCM:	
165 FB-111 × 2 weapons	330
60 FB-111A × 4 weapons	240
120 A-6E (12 aircraft carriers × 10 aircraft = 120 A-6E's) × 1 weapon	120
150 F-16 × 1 weapon	150
464 GLCM's × 1 weapon	464
88 other nuclear aircraft, to be decided × 1 weapon	88
Total, aircraft weapons/GLCM	1,392
Total, U.S. INF	1,500

Beyond phase I

With Phase I successfully in place, which would probably require several years to implement, it would then be possible to freeze the inventories of both sides at levels that would indeed be equal. With such a freeze in place we could then proceed to further phased reductions on strategic and intermediate forces. A number of different methods would be possible, including percentage reductions to maintain the triads in both areas, or a willingness to continue to emphasize the more destabilizing weapons first.●

CONCLUSION OF MORNING BUSINESS

Mr. BAKER. Mr. President, will the Chair inquire if there is further morning business?

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

OMNIBUS DEFENSE AUTHORIZATIONS, 1984

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will proceed to consider the bill, S. 675, which the clerk will state by title.

The assistant legislative clerk read as follows:

A bill (S. 675) to authorize appropriations for fiscal year 1984 for the Armed Forces for procurement, for research, development, test, and evaluation, and for operation and maintenance, to prescribe personnel strengths for such fiscal year for the Armed Forces and for civilian employees of the Department of Defense, and for other purposes.

The Senate proceeded to consider the bill (S. 675) which had been reported from the Committee on Armed Services with an amendment to strike all after the enacting clause, and insert the following:

SHORT TITLES

SECTION 1. (a) This Act may be cited as the "Omnibus Defense Authorization Act, 1984".

(b) Title I may be cited as the "Department of Defense Authorization Act, 1984".

(c) Title II may be cited as the "Military Construction Authorization Act, 1984".

(d) Title III may be cited as the "Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act, 1984".

TITLE I—PROCUREMENT, COMPENSATION, AND PERSONNEL MATTERS

PART A—PROCUREMENT

AUTHORIZATION OF APPROPRIATIONS, ARMY

SEC. 101. (a) Funds are hereby authorized to be appropriated for fiscal year 1984 for procurement of aircraft, missiles, weapons and tracked combat vehicles, and ammunition, and for other procurement for the Army, as follows:

For aircraft, $3,230,900,000.

For missiles, $2,806,900,000.

For weapons and tracked combat vehicles, $4,531,016,000.

For ammunition, $2,144,589,000.

For other procurement, $4,758,170,000.

For Army National Guard equipment, $100,000,000.

(b) The Secretary of the Army shall continue to evaluate the feasibility of establishing a second production source for the M-1 tank engine and submit the results of his evaluation to the appropriate committees of the Congress at least 30 days before any funds are obligated under a second source contract for such engine.

AUTHORIZATION OF APPROPRIATIONS, NAVY AND MARINE CORPS

SEC. 102. (a) Funds are hereby authorized to be appropriated for fiscal year 1984 for procurement of aircraft, weapons (including missiles and torpedoes), shipbuilding and conversion, and for other procurement for the Navy, as follows:

For aircraft, $10,457,400,000.

For weapons (including missiles and torpedoes), $3,769,400,000.

For shipbuilding and conversion, $11,391,600,000.

For other procurement, $4,375,338,000.

(b) Funds are hereby authorized to be appropriated for fiscal year 1984 for procurement for the Marine Corps (including missiles, tracked combat vehicles, and other weapons) in the amount of $1,808,149,000.

(c) None of the funds appropriated pursuant to an authorization of appropriations in this or any prior Act may be used to equip any Naval Air Reserve unit with F/A-18 aircraft.

(d) None of the funds appropriated pursuant to any authorization of appropriations

contained in this or any other Act may be obligated or expended for the purchase of the 5-inch semiactive laser guided projectile until the Navy has caused to be published, after the date of the enactment of this Act, a notice of the proposed procurement of such projectile, as provided in section 8(e) of the Small Business Act (15 U.S.C. 637(e)), reflecting up-to-date information on such projectile. Such notice shall give reasonable opportunity, but in no event less than 90 days, for response before the award of any contract is made for procurement of such projectile.

AUTHORIZATION OF APPROPRIATIONS, AIR FORCE

SEC. 103. (a) Funds are hereby authorized to be appropriated for fiscal year 1984 for procurement of aircraft and missiles, and for other procurement for the Air Force, as follows:

For aircraft, $21,286,690,000.

For missiles, $8,532,334,000.

For other procurement, $7,150,902,000.

For Air National Guard equipment, $25,000,000.

(b) Of the funds authorized to be appropriated in this section for aircraft for the Air Force, the sum of $112,100,000 is available only for contribution by the United States as its share of the cost for fiscal year 1984 of acquisition by the North Atlantic Treaty Organization of the Airborne Warning and Control System (AWACS).

AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES

SEC. 104. (a) Funds are hereby authorized to be appropriated for fiscal year 1984 for procurement by the Defense agencies in the amount of $969,091,000.

AUTHORIZATION OF APPROPRIATIONS, DEFENSE PRODUCTION ACT PURCHASES

SEC. 105. Funds are hereby authorized to be appropriated for fiscal year 1984 for purchases of, or commitments to purchase, metals, minerals, or other materials by the Department of Defense pursuant to section 303 of the Defense Production Act of 1950 (50 U.S.C. App. 2093) in the amount of $150,000,000.

CERTAIN AUTHORITY PROVIDED THE SECRETARY OF DEFENSE IN CONNECTION WITH THE NATO AIRBORNE WARNING AND CONTROL SYSTEM (AWACS) PROGRAM

SEC. 106. Effective on October 1, 1983, section 103(a) of the Department of Defense Authorization Act, 1982 (Public Law 97-86; 95 Stat. 1100) is amended by striking out "fiscal year 1983" both places it appears and inserting in lieu thereof "fiscal year 1984".

SECURE COMMUNICATIONS EQUIPMENT AND A SPECIAL CLASSIFIED PROGRAM

SEC. 107. The Secretary of Defense is authorized to procure secure telephone communication systems, including equipment and related items, during fiscal year 1984 for the Department of Defense and other Government agencies and entities to support a national program to provide secure telephone service. Of the funds authorized to be appropriated pursuant to this title, not more than $60,000,000 may be used to provide secure telephone equipment and related items to the Department of Defense and other Government agencies and entities in support of such a national program. Equipment provided to Government agencies and entities outside the Department of Defense under the authority of this section, and such related services as may be necessary, may be furnished by the Secretary of Defense with or without reimbursement. In addition, of the funds authorized to be appropriated pursuant to this title, not more than $220,000,000 is authorized for a special classified program.

AUTHORIZATION OF MULTIYEAR CONTRACTS FOR THE B-1B AIRCRAFT; PROHIBITION ON MULTIYEAR CONTRACTS FOR CERTAIN EQUIPMENT

SEC. 108. (a) Notwithstanding any other provision of law, procurement of the B-1B aircraft program may be carried out under a multiyear procurement contract in accordance with section 2306(h) of title 10, United States Code.

(b) The Department of Defense is denied the authority to execute multiyear procurement contracts, as proposed in the Department's fiscal year 1984 budget request, for procurement of any of the following:

(1) AH-64 helicopter engines.

(2) F-18 aircraft engines.

(3) LSD-41 class amphibious ships.

(4) F-15 aircraft.

(5) KC-135 reengining (airframes).

(6) Mark 30 targets.

(7) AN/SSQ-62 DICASS sonobouys.

(8) TB-16 towed arrays.

LIMITATIONS AND REQUIREMENTS WITH RESPECT TO THE PROCUREMENT AND DEPLOYMENT OF THE MX MISSILE

SEC. 109. (a)(1) Funds appropriated pursuant to the authorization of appropriations in section 103 may be used to procure not more than twenty-one operational MX missiles for deployment.

(2) MX missiles procured with funds authorized to be appropriated by section 103 shall be deployed in existing Minuteman missile silos that are part of the 319th and 400th Strategic Missile Squadrons and supported by Francis E. Warren Air Force Base, Wyoming. The first ten MX missiles procured for deployment by the Air Force shall be placed on alert status, with appropriate security and logistics facilities in operation, not later than December 31, 1986.

(b)(1) The Secretary of the Air Force shall prepare a full draft and final environmental impact statement in accordance with all terms, conditions, and requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) on the proposed deployment and peacetime operations of MX missiles in the Minuteman silos referred to in subsection (a). The final environmental impact statement on the proposed deployment of such missiles shall be published not later than January 31, 1984.

(2) Notwithstanding any other provision of law, the Secretary of the Air Force (A) may immediately commence planning, facility and equipment designing, surveying, and other predeployment activities with respect to the MX missile, and (B) shall proceed promptly following the publication of the final environmental impact statement referred to in paragraph (1) with deployment of MX missiles in the missile silos referred to in subsection (a).

(c) The President shall submit to the Committees on Armed Services of the Senate and the House of Representatives, coincident with the submission to the Congress of any request made after the date of the enactment of this Act for funds for the procurement of operational MX missiles intended for deployment, a written assessment relating to the requirement for and the anticipated impact of the procurement of such missiles. This assessment shall include the President's judgment with respect to—

(A) the degree to which current and projected international conditions require the procurement of such missiles for operational purposes;

(B) the expected impact the procurement of such missiles will have on the stability of the strategic balance between the United States and the Soviet Union; and

(C) the effect the procurement of such missiles, if approved by the Congress, will likely have on achieving negotiated reductions in the nuclear forces of the United States and the Soviet Union through sound, equitable, and verifiable arms control agreements.

PART B—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

AUTHORIZATION OF APPROPRIATIONS

SEC. 111. (a) Funds are hereby authorized to be appropriated for fiscal year 1984 for the use of the Armed Forces for research, development, test, and evaluation, in amounts as follow:

For the Army, $4,193,364,000.

For the Navy (including the Marine Corps), $7,652,642,000.

For the Air Force, $12,499,116,000.

For the Defense agencies, $2,468,537,000, of which $55,800,000 is authorized for the activities of the Director of Test and Evaluation, Defense.

(b) In addition to the funds authorized to be appropriated in subsection (a), there are authorized to be appropriated for fiscal year 1984 such additional sums as may be necessary for increases in salary, pay, retirement, and other employee benefits authorized by law for civilian employees of the Department of Defense whose compensation is provided for by funds authorized to be appropriated in subsection (a).

RESTRICTION ON USE OF FUNDS FOR THE C-17 AIRCRAFT PROGRAM

SEC. 112. None of the funds appropriated pursuant to the authorization of appropriations in section 111 may be obligated or expended for the C-17 aircraft program until (1) a Selected Acquisition Report on the C-17 aircraft program has been submitted to the Committees on Armed Services of the Senate and House of Representatives, (2) the Secretary of Defense has submitted to such committees a report validating the requirement, concepts, and design of the C-17 aircraft, and (3) a period of 30 days has elapsed after the date on which such committees receive such submissions.

RESTRICTION ON THE USE OF FUNDS FOR THE JOINT TACTICAL MISSILE PROGRAM AND THE JOINT SURVEILLANCE AND TARGET ATTACK SYSTEM

SEC. 113. (a) None of the funds appropriated pursuant to the authorization contained in section 111 may be obligated or expended for the Joint Tactical Missile Program or the Joint Surveillance and Target Attack System until the Secretary of Defense and the Chairman of the Joint Chiefs of Staff have jointly submitted a report to the Committees on Armed Services of the Senate and the House of Representatives containing a comprehensive and coordinated plan for the development and procurement of such program and system and submunitions associated with such program and system. The Secretary of Defense and the Chairman of the Joint Chiefs of Staff shall clearly define the integration of such program and system within the Air-Land Battle concept developed in the Department of Defense and the expected contribution of such program and system to the disruption and destruction of follow-on enemy forces.

(b) The President shall submit a written report to the Congress, within 30 days after the receipt by the Committees on Armed Services of the Senate and the House of Rep-

resentatives of the report referred to in subsection (a), containing his views and recommendations on the subjects discussed in that report.

PART C—OPERATION AND MAINTENANCE

AUTHORIZATION OF APPROPRIATIONS

SEC. 116. (a) Funds are hereby authorized to be appropriated for fiscal year 1984 for the use of the Armed Forces and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance, in amounts as follow:

For the Army, $17,460,900,000.

For the Navy, $22,538,100,000.

For the Marine Corps, $1,552,100,000.

For the Air Force, $18,017,000,000.

For the Defense agencies, $6,716,600,000.

For the Army Reserve, $654,000,000.

For the Naval Reserve, $675,300,000.

For the Marine Corps Reserve, $52,429,000.

For the Air Force Reserve, $785,700,000.

For the Army National Guard, $1,126,400,000.

For the Air National Guard, $1,808,900,000.

For the National Board for the Promotion of Rifle Practice, $899,000.

For Defense Claims, $172,900,000.

For the Court of Military Appeals, $3,372,000.

(b) There are authorized to be appropriated for fiscal year 1984, in addition to the amounts authorized to be appropriated in subsection (a), such sums as may be necessary—

(1) for increases in salary, pay, retirement, and other employee benefits authorized by law for civilian employees of the Department of Defense whose compensation is provided for by funds authorized to be appropriated in subsection (a);

(2) for unbudgeted increases in fuel cost; and

(3) for increases as the result of inflation in the costs of activities authorized by subsection (a).

AUTHORIZATION OF APPROPRIATIONS FOR ASSISTANCE FOR 1984 GAMES OF THE XXIII OLYMPIAD

SEC. 117. (a) Notwithstanding any other provision of law, the Secretary of Defense is authorized—

(1) to provide logistical support and personnel services to the 1984 Games of the XXIII Olympiad;

(2) to lend and provide equipment in support of the 1984 Games of the XXIII Olympiad; and

(3) to provide such other services in support of the 1984 Games of the XXIII Olympiad as the Secretary may consider advisable.

(b) There is authorized to be appropriated to the Department of Defense for fiscal year 1984 an amount not to exceed $25,000,000 for the purpose of carrying out subsection (a). Except for funds used for pay and nontravel-related allowances for members of the Armed Forces other than members of the Reserve components thereof called or ordered to active duty to provide support for the XXIII Olympiad, no funds may be obligated for such purpose unless specifically appropriated for such purpose. The costs for pay and nontravel-related allowances of members of the Armed Forces, other than members of the Reserve components thereof called or ordered to active duty to provide support for the XXIII Olympiad, may not be charged to appropriations made pursuant to this authorization.

(c) None of the funds appropriated pursuant to the authorization contained in this section may be obligated until the President approves the justification for the assistance described in subsection (a) submitted by the Olympic Law Enforcement Coordination Council. The justification shall include an explanation of the necessity for the requested support for security, medical services, and for related equipment or other support. The justification shall also include the operational responsibilities and financial limitations of each governmental agency represented on the Council. Such justification shall be presented in such detail as the Secretary of Defense considers necessary.

(d) Upon approval of the justification referred to in subsection (c) by the President, a copy of such justification shall be forwarded to the Committees on Armed Services and on Appropriations of the Senate and the House of Representatives.

FORCE STRUCTURE CHANGES, AIR FORCE

SEC. 118. None of the funds appropriated pursuant to an authorization contained in this or any other Act for "Operation and Maintenance, Air Force" or "Operation and Maintenance, Air National Guard" may be obligated or expended to carry out alterations in the planned changes with respect to F-106, F-4, and F-15 aircraft types announced by the Air Force on January 31, 1983, in its plan for "Tactical and Air Defense Force Structure Changes", until—

(1) the Secretary of the Air Force has conducted a study of the cost-benefit, cost effectiveness, and military-effectiveness of the proposed alterations to such plan and has submitted a written report to the Congress, in conjunction with the submission of the Department of Defense's budget request for funds for fiscal year 1985, or in conjunction with any other formal budget request for the Department of Defense, containing the results of such study, including an analysis of (A) the impacts on the regional economies of the areas that would be affected by the proposed alterations to such plan and of the non-military costs to the United States, including increases in Federal outlays for unemployment compensation, for other benefits and services to individuals and communities, and for economic adjustment activities, and (B) the environmental, strategic, and operational consequences of the proposed alterations to such plan; and

(2) a period of 60 days has expired after the date on which such report is received by the Congress and the appropriate committees have had ample opportunity to consider fully the fiscal, economic, environmental, and military ramifications of these proposed alterations to the plan announced January 31, 1983.

LIMITATION ON AMOUNT THAT MAY BE MADE AVAILABLE FROM THE REVOLVING AND MANAGEMENT FUNDS FOR FISCAL YEAR 1984

SEC. 119. Not more than $2,519,166,600 may be made available out of the Revolving and Management Funds of the Department of Defense for fiscal year 1984.

PART D—ACTIVE FORCES

AUTHORIZATION OF END STRENGTH

SEC. 121. The Armed Forces are authorized strengths for active duty personnel as of September 30, 1984, as follows:

(1) The Army, 780,459.

(2) The Navy, 565,782

(3) The Marine Corps, 196,872.

(4) The Air Force, 599,561.

QUALITY CONTROL ON ENLISTMENTS INTO THE ARMY

SEC. 122. Effective on October 1, 1983, section 302(a) of the Department of Defense Authorization Act, 1981 (Public Law 96-342; 10 U.S.C. 520 note), is amended by striking out "October 1, 1982" and "September 30, 1983" and inserting in lieu thereof "October 1, 1983" and "September 30, 1984", respectively.

EXTENSION OF AUTHORITY FOR THE TEMPORARY PROMOTIONS OF CERTAIN NAVY LIEUTENANTS

SEC. 123. Section 5721(f) of title 10, United States Code, is amended by striking out "September 30, 1983" and inserting in lieu thereof "September 30, 1984".

PART E—RESERVE FORCES

AUTHORIZATION OF AVERAGE STRENGTHS FOR SELECTED RESERVE

SEC. 131. (a) For fiscal year 1984, the Selected Reserve of the Reserve components of the Armed Forces shall be programed to attain average strengths of not less than the following:

(1) The Army National Guard of the United States, 424,400.

(2) The Army Reserve, 273,700.

(3) The Naval Reserve, 112,600.

(4) The Marine Corps Reserve, 40,300.

(5) The Air National Guard of the United States, 103,400.

(6) The Air Force Reserve, 68,600.

(7) The Coast Guard Reserve, 12,000.

(b) The average strength prescribed by subsection (a) for the Selected Reserve of any Reserve component shall be proportionately reduced by (1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at any time during the fiscal year, and (2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at any time during the fiscal year. Whenever such units or such individual members are released from active duty during any fiscal year, the average strength prescribed for such fiscal year for the Selected Reserve of such Reserve component shall be proportionately increased by the total authorized strength of such units and by the total number of such individual members.

AUTHORIZATION OF END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES

SEC. 132. (a) Within the average strengths prescribed in section 131, the Reserve components of the Armed Forces are authorized, as of September 30, 1984, 45,098 Reserves to be serving on full-time active duty for the purpose of organizing, administering, recruiting, instructing, or training the Reserve components.

(b)(1) The end strengths for Reserves prescribed in subsection (a) shall be apportioned among the Army National Guard of the United States, the Army Reserve, the Naval Reserve, the Marine Corps Reserve, the Air National Guard of the United States, and the Air Force Reserve in such numbers as the Secretary of Defense shall prescribe. The Secretary of Defense shall report to the Congress within 60 days after the date of the enactment of this Act on the manner in which the initial allocation of such Reserve personnel is made and shall include the rationale for each allocation.

(2) Upon a determination by the Secretary of Defense that such action is in the national interest, the end strength prescribed in subsection (a) may be increased by a total of

not more than the number equal to 2 percent of the total end strengths prescribed.

INCREASE IN NUMBER OF CERTAIN PERSONNEL AUTHORIZED TO BE ON ACTIVE DUTY IN SUPPORT OF THE RESERVE COMPONENTS

SEC. 133. (a) The table in section 517(b) of title 10, United States Code, is amended to appear as follows:

"Grade	Army	Navy	Air Force	Marine Corps
E-9	314	156	143	6
E-8	1,494	381	617	56".

(b) The table in section 524(a) of such title is amended to appear as follows:

"Grade	Army	Navy	Air Force	Marine Corps
Major or Lieutenant Commander	1,948	823	408	95
Lieutenant Colonel or Commander	967	520	303	48
Colonel or Navy Captain	338	177	171	23".

(c) The amendments made by subsections (a) and (b) shall take effect on October 1, 1983.

BONUSES FOR ENLISTMENTS, REENLISTMENTS, AND VOLUNTARY EXTENSIONS OF SERVICE IN ELEMENTS OF THE READY RESERVE OTHER THAN THE SELECTED RESERVE

SEC. 134. (a) Chapter 5 of title 37, United States Code, is amended by inserting after section 308f the following new sections:

"§ 308g. Special pay: bonus for enlistment in elements of the Ready Reserve other than the Selected Reserve

"(a) An eligible person who enlists in a combat or combat support skill of an element (other than the Selected Reserve) of the Ready Reserve of an armed force for a term of enlistment of not less than six years, and who has not previously served in an armed force, may be paid a bonus as provided in subsection (b) of this section.

"(b) Eligibility for and the amount and method of payment of a bonus under this section shall be determined in accordance with regulations prescribed under subsection (g) of this section, except that the amount of such a bonus may not exceed $1,000.

"(c) A bonus may not be paid under this section for a term of enlistment to any person who fails to complete satisfactorily initial active duty for training or who, upon completion of initial active duty for training, elects to serve the remainder of the term of enlistment in the Selected Reserve or in an active component of an armed force.

"(d) A person who receives a bonus payment under this section and who fails during the period for which the bonus was paid to serve satisfactorily in the element of the Ready Reserve with respect to which the bonus was paid shall refund to the United States an amount which bears the same ratio to the amount of the bonus paid to such person as the period which such person failed to serve satisfactorily bears to the total period for which the bonus was paid.

"(e) An obligation to reimburse the United States imposed under subsection (d) of this section is, for all purposes, a debt owed to the United States.

"(f) A discharge in bankruptcy under title 11 that is entered less than five years after the termination of an enlistment for which a bonus was paid under this section does not discharge the person receiving such bonus payment from the debt arising under subsection (d) of this section. This subsection applies to any case commenced under title 11 after the date of the enactment of the Department of Defense Authorization Act, 1984.

"(g) This section shall be administered under regulations prescribed by the Secretary of Defense for the armed forces under his jurisdiction and by the Secretary of Transportation for the Coast Guard when it is not operating as a service in the Navy.

"(h) A bonus may not be paid under this section to any person for an enlistment after September 30, 1985.

"§ 308h. Special pay: bonus for reenlistment, enlistment, or voluntary extension of enlistment in elements of the Ready Reserve other than the Selected Reserve

"(a)(1) An eligible person who is or has been a member of an armed force and who reenlists, enlists, or voluntarily extends an enlistment in a combat or combat support skill of an element (other than the Selected Reserve) of the Ready Reserve of an armed force for a period of not less than three years beyond any other period the person is obligated to serve may be paid a bonus as provided in subsection (b) of this section.

"(2) A bonus may not be paid under this section to a person who has failed to complete satisfactorily any original term of enlistment in the armed forces.

"(b) Eligibility for and the amount and method of payment of a bonus under this section shall be determined under regulations to be prescribed under subsection (f) of this section, except that the amount of such a bonus may not exceed $900.

"(c) A person who receives a bonus payment under this section and who fails during the period for which the bonus was paid to serve satisfactorily in the Ready Reserve shall refund to the United States an amount which bears the same ratio to the amount of the bonus paid to such person as the period which such person failed to serve satisfactorily bears to the total period for which the bonus was paid.

"(d) An obligation to reimburse the United States imposed under subsection (c) of this section is, for all purposes, a debt owed to the United States.

"(e) A discharge in bankruptcy under title 11 that is entered less than five years after the termination of a reenlistment, enlistment, or extension for which a bonus was paid under this section does not discharge the person receiving such bonus payment from the debt arising under subsection (c) of this section. This subsection applies to any case commenced under title 11 after the date of the enactment of the Department of Defense Authorization Act, 1984.

"(f) This section shall be administered under regulations to be prescribed by the Secretary of Defense for the armed forces under his jurisdiction and by the Secretary of Transportation for the Coast Guard when it is not operating as a service in the Navy.

"(g) A bonus may not be paid under this section to any person for a reenlistment, enlistment, or voluntary extension of an enlistment after September 30, 1985.".

(b)(1) Section 308d of such title is repealed.

(2) The table of sections at the beginning of such chapter is amended—

(A) by striking out the item relating to item 308d; and

(B) by inserting after the item relating to section 308f the following new items:

"308g. Special pay: bonus for enlistment in elements of the Ready Reserve other than the Selected Reserve.

"308h. Special pay: bonus for reenlistment, enlistment, or voluntary extension of enlistment in elements of the Ready Reserve other than the Selected Reserve.".

(c) The amendments made by subsections (a) and (b) shall take effect on October 1, 1983.

MODIFICATION OF VARIABLE HOUSING ALLOWANCE FOR MEMBERS OF RESERVE COMPONENTS SERVING SHORT TOURS OF ACTIVE DUTY

SEC. 135. (a) Section 403(a)(2) of title 37, United States Code, is amended—

(1) by striking out "A member" in the first sentence of subparagraph (A) and inserting in lieu thereof "Except as provided in subparagraph (D) of this paragraph, a member"; and

(2) by adding at the end thereof the following new subparagraph:

"(D) Under regulations prescribed by the Secretary of Defense, a member of a reserve component is not entitled to a variable housing allowance while on active duty for annual training or for any other purpose under a call or order specifying a period of duty of less than 140 days.".

(b) The amendments made by subsection (a) shall take effect on October 1, 1983, and shall apply to entitlements to a variable housing allowance for active duty performed on or after that date by members of the Reserve components of the Armed Forces.

EXTENDING MEDICAL AND DENTAL CARE FOR RESERVISTS IN CERTAIN CIRCUMSTANCES

SEC. 136. (a)(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1074 the following new section:

"§ 1074a. Medical and dental care for members of the uniformed services for injuries incurred or aggravated while traveling to and from inactive duty training

"(a) Under joint regulations prescribed by the Secretary of Defense and the Secretary of Health and Human Services, a member of the uniformed services is entitled to the medical benefits described in subsection (b) for an injury incurred or aggravated while the member is traveling directly to or from the place at which he is to perform, or has performed, inactive duty training.

"(b) A person described in subsection (a) is entitled to—

"(1) the hospitalization, rehospitalization, medical care (including outpatient medical care), and dental care appropriate for the treatment of his injury until the resulting disability cannot be materially improved by further hospitalization or treatment; and

"(2) subsistence during hospitalization or rehospitalization.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1074 the following new item:

"1074a. Medical and dental care for members of the uniformed services for injuries incurred or aggra-

vated while traveling to and from inactive duty training.".

(b) Section 204 of title 37, United States Code, is amended by adding at the end thereof the following new subsection:

"(j) A member of the uniformed services who is entitled to hospitalization, medical, or dental care under section 1074a is entitled to travel and transportation allowances, or a monetary allowance in place thereof, for necessary travel incident to his hospitalization and medical care, and return to his home upon discharge from treatment.".

(c) The amendments made by subsections (a) and (b) shall apply only in cases of injuries incurred or aggravated on or after the date of the enactment of this Act.

INCREASE IN THE PERIOD FOR WHICH MEMBERS OF THE SELECTED RESERVE MAY BE ORDERED TO ACTIVE DUTY

SEC. 137. Section 673b(a) of title 10, United States Code, is amended by striking out "90 days" and inserting in lieu thereof "180 days".

AUTHORITY OF PRESIDENT TO SUSPEND CERTAIN LAWS RELATING TO PROMOTION, RETIREMENT, AND SEPARATION

SEC. 138. (1) Chapter 39 of title 10, United States Code, is amended by adding after section 673b the following new section:

"§ 673c. Authority of President to suspend certain laws relating to promotion, retirement, and separation

"(a) Notwithstanding any other provision of law, during any period members of a Reserve component of the armed forces are serving on active duty pursuant to an order to active duty under authority of section 672, 673, or 673b of this title, the President may suspend any provision of law relating to promotion, retirement, or separation applicable to any member of the armed forces who the President determines is essential to the national security of the United States.

"(b) A suspension made under the authority of subsection (a) shall terminate (1) upon release from active duty of members of the Reserve component ordered to active duty under the authority of section 672, 673, or 673b, as the case may be, or (2) at such time as the President determines the circumstances which required the action of ordering members of the Reserve component to active duty no longer exist, whichever is earlier.".

(2) The table of sections at the beginning of chapter 39 of such title is amended by inserting immediately below the item relating to section 673b the following new item:

"673c. Authority of President to suspend certain laws relating to promotion, retirement, and separation.".

AUTHORITY TO INCREASE TOTAL TERM OF SERVICE IN THE ARMED FORCES

SEC. 139. (a)(1) Section 511 of title 10, United States Code, is amended—

(A) in subsection (b), by striking out "six years" and inserting in lieu thereof "not less than six years nor more than eight years"; and

(B) in subsection (d), by striking out "six years" and inserting in lieu thereof "not less than six years nor more than eight years".

(2) The amendments made by paragraph (1) shall apply only with respect to persons who enlist under the authority of subsection (b) or (d) of section 511 of title 10, United States Code, sixty or more days after the date of the enactment of this Act.

(b)(1) Subsection (a) of section 651 of title 10, United States Code, is amended to read as follows:

"(a) Each person who becomes a member of an armed force, other than a person deferred under the next to the last sentence of section 6(d)(1) of the Military Selective Service Act (50 U.S.C. App. 456(d)(1)) shall serve in the armed forces for a total period of not less than six years nor more than eight years, as provided in regulations prescribed by the Secretary of Defense for the armed forces under his jurisdiction and by the Secretary of Transportation for the Coast Guard when it is not operating as a service in the Navy, unless such person is sooner discharged under such regulations because of personal hardship. Any part of such service that is not active duty or that is active duty for training shall be performed in a reserve component.".

(2) The amendment made by paragraph (1) shall apply only with respect to persons who enter the Armed Forces sixty or more days after the date of the enactment of this Act.

AUTHORITY TO RETAIN IN AN ACTIVE STATUS CERTAIN RESERVE OFFICERS WHO ARE SUBJECT TO ELIMINATION FROM ACTIVE STATUS BECAUSE OF FAILURE OF PROMOTION

SEC. 140. (a) Section 3846 of title 10, United States Code is amended—

(1) by striking out "Except as provided in" and inserting in lieu thereof "(a) Except as provided in subsection (b) and"; and

(2) by adding at the end thereof the following new subsection:

"(b) The Secretary of the Army may retain in an active status an officer described in subsection (a) who is in the reserve grade of first lieutenant or captain for such period as the Secretary prescribes or until such officer's removal from an active status is required by another provision of law.".

(b) Section 8846 of such title is amended—

(1) in subsections (a) and (b), by striking out "Except as provided in" and inserting in lieu thereof "Except as provided in subsection (c) and"; and

(2) by adding at the end thereof the following new subsection:

"(c) The Secretary of the Air Force may retain in an active status an officer described in subsection (a) or (b) who is in the reserve grade of first lieutenant or captain for such period as the Secretary prescribes or until such officer's removal from an active status is required by another provision of law.".

PROMOTION OF CERTAIN RESERVE COMMISSIONED OFFICERS SERVING ON ACTIVE DUTY

SEC. 140A. (a)(1) Section 3380 of title 10, United States Code, is amended to read as follows:

"§ 3380. Commissioned officers: promotion of reserve commissioned officers on active duty and not on the active duty list

"(a) Notwithstanding any other provision of law, a reserve commissioned officer on active duty for duty described in clause (1)(B), (1)(C), or (7) of section 523(b) of this title who is recommended by a selection board for promotion to, or found qualified for Federal recognition in, a higher reserve grade may, in accordance with regulations prescribed by the Secretary of Defense and subject to the limitations of section 524 of this title, be promoted to or extended Federal recognition in such higher reserve grade and may continue to serve on active duty, or be ordered to serve on active duty, in such higher reserve grade.

"(b) Notwithstanding any other provision of law, the service in grade for promotion purposes only of any reserve commissioned officer who is promoted to or extended Federal recognition in a higher reserve grade but whose promotion to or recognition in such higher reserve grade was delayed solely because of limitations imposed in accordance with regulations prescribed by the Secretary of Defense under subsection (a) or contained in section 524 of this title, is the date such officer would have been promoted to or recognized in such higher reserve grade if the limitations did not exist. In computing service in grade for the purposes of determining the date for discharge or transfer to the Retired Reserve under chapter 363 of this title, the date the officer would have been promoted to or recognized in such higher grade had the limitations not existed shall be considered the date of promotion to or recognition in such higher grade.".

(2) The item relating to section 3380 in the table of sections at the beginning of chapter 337 of such title is amended to read as follows:

"3380. Commissioned officers: promotion of reserve commissioned officers on active duty and not on the active duty list.".

(b)(1) Section 8380 of title 10, United States Code, is amended to read as follows:

"§ 8380. Commissioned officers: promotion of reserve commissioned officers on active duty and not on the active duty list

"(a) Notwithstanding any other provision of law, a reserve commissioned officer on active duty for duty described in clause (1)(B), (1)(C), or (7) of section 523(b) of this title who is recommended by a selection board for promotion to, or found qualified for Federal recognition in, a higher reserve grade may, in accordance with regulations prescribed by the Secretary of Defense and subject to the limitations of section 524 of this title, be promoted to or extended Federal recognition in such higher reserve grade and may continue to serve on active duty, or be ordered to serve on active duty, in such higher reserve grade.

"(b) Notwithstanding any other provision of law, the service in grade for promotion purposes only of any reserve commissioned officer who is promoted to or extended Federal recognition in a higher reserve grade but whose promotion to or recognition in such higher reserve grade was delayed solely because of limitations imposed in accordance with regulations prescribed by the Secretary of Defense under subsection (a) or contained in section 524 of this title, is the date such officer would have been promoted to or recognized in such higher reserve grade if the limitations did not exist. In computing service in grade for the purposes of determining the date for discharge or transfer to the Retired Reserve under chapter 863 of this title, the date the officer would have been promoted to or recognized in such higher grade had the limitations not existed shall be considered the date of promotion to or recognition in such higher grade.".

(2) The item relating to section 8380 in the table of sections at the beginning of chapter 837 of such title is amended to read as follows:

"8380. Commissioned officers: promotion of reserve commissioned officers on active duty and not on the active duty list.".

AUTHORITY TO ORDER RETIRED MEMBERS OF RESERVE COMPONENTS TO ACTIVE DUTY

SEC. 140B. (a) Section 675 of title 10, United States Code, is amended by inserting "or 688" after "672(a)".

(b) Section 688 of such title is amended—

(1) in the first sentence of subsection (a)—

(A) by striking out "or" before "Regular Marine Corps"; and

(B) by inserting ", a retired member of a reserve component who has completed at least twenty years of active service, or a member of the Fleet Reserve or Fleet Marine Corps Reserve" after "Marine Corps"; and

(2) in subsection (b) by striking out "A retired member of the Regular Army, Regular Navy, Regular Air Force, or Regular Marine Corps" and inserting in lieu thereof "A member ordered to active duty under this section".

(c) The section heading of section 688 of such title is amended to read as follows:

"§ 688. Authority to order retired members to active duty".

(d) The table of sections at the beginning of chapter 39 of such title is amended by striking out the item relating to section 688 and inserting in lieu thereof the following:

"688. Authority to order retired members to active duty.".

DETERMINING YEARS OF SERVICE FOR TRANSFER TO THE RETIRED RESERVE

SEC. 140C. (a) Section 3853(l) of title 10, United States Code, is amended—

(1) by inserting "and" at the end of clause (A);

(2) by striking out the comma and "and" at the end of clause (B) and inserting in lieu thereof a semicolon and "and";

(3) by striking out clause (C); and

(4) by striking out the last sentence.

(b) Sections 3360(b), 3360(c), and 3853 of such title are each amended by striking out the last sentence.

(c) Section 8853 of such title is amended—

(1) by inserting "and" at the end of clause (1);

(2) by striking the semicolon and "and" at the end of clause (2) and inserting in lieu thereof a period; and

(3) by striking out clause (3).

GRADE DETERMINATION FOR PERSONS RECEIVING ORIGINAL APPOINTMENTS AS RESERVE OFFICERS IN MEDICAL CORPS OF THE ARMY OR AIR FORCE

SEC. 140D. (a) Section 3359 of title 10, United States Code, is amended—

(1) by striking out "Based" at the beginning of such section and inserting in lieu thereof "(a) Except in the case of a person originally appointed as a reserve officer in the Medical Corps of the Army, based"; and

(2) by adding at the end of such section the following new subsection:

"(b) Based upon the service credited under section 3353 of this title, the commissioned grade in which a person credited with service under that section is originally appointed as a reserve officer in the Medical Corps of the Army is:

"(1) For persons with at least 4, but less than 14, years of service—captain.

"(2) For persons with at least 14, but less than 21, years of service—major.

"(3) For persons with at least 21 years of service—lieutenant colonel.

"(4) For persons with at least 23 years of service—lieutenant colonel or colonel, as the Secretary of the Army determines.".

(b) Section 8359 of title 10, United States Code, is amended—

(1) by striking out "Based" at the beginning of such section and inserting in lieu thereof "(a) Except in the case of a person originally appointed as a reserve officer in the Medical Corps of the Air Force, based"; and

(2) by adding at the end of such section the following new subsection:

"(b) Based upon the service credited under section 8353 of this title, the commissioned grade in which a person credited with service under that section is originally appointed as a reserve officer in the Medical Corps of the Air Force is:

"(1) For persons with at least four, but less than 14, years of service—captain.

"(2) For persons with at least 14, but less than 21, years of service—major.

"(3) For persons with at least 21 years of service—lieutenant colonel.

"(4) For persons with at least 23 years of service—lieutenant colonel or colonel, as the Secretary of the Air Force determines.".

(c) Reserve officers in the Medical Corps of the Army and Air Force who have at least four years of commissioned service shall be eligible for immediate promotion to the grade of captain if otherwise qualified.

AUTHORITY TO PERMIT RETIRED ENLISTED MEMBERS OF REGULAR COMPONENTS TO VOLUNTARILY BE PLACED IN THE READY RESERVE

SEC. 140E. Section 269(d) of title 10, United States Code, is amended to read as follows:

"(d) Under such regulations as the Secretary concerned may prescribe, any qualified member of a Reserve component or any qualified retired enlisted member of a regular component may, upon his request, be placed in the Ready Reserve. However, a member of the Retired Reserve entitled to retired pay or a retired enlisted member of a regular component may not be placed in the Ready Reserve unless the Secretary concerned makes a special finding that the member's services in the Ready Reserve are indispensable. The Secretary concerned may not delegate his authority under the preceding sentence.".

VALIDATION OF CERTAIN ARMY APPOINTMENTS MADE IN GRADES ABOVE THE GRADE OF SECOND LIEUTENANT

SEC. 140F. (a) The appointment of a person as a reserve commissioned officer of the Army in a grade above second lieutenant that was made during the period beginning on September 15, 1981 (the effective date of the Defense Officer Personnel Management Act (Public Law 96-513; 94 Stat. 2835)), and ending on August 24, 1982 (the date of a Department of the Army directive which terminated the appointments of reserve commissioned officers above the grade of second lieutenant under appointment criteria in effect before the effective date of the Defense Officer Personnel Management Act) shall be held and considered to be a valid appointment in the grade in which the appointment was made, subject to the consent of the officer concerned.

(b)(1) A reserve commissioned officer whose appointment in a grade above second lieutenant is validated by subsection (a) is entitled to all the rights, privileges, and benefits of the grade to which appointed as of the original date of that appointment, except that such officer is not entitled to any increase in pay or allowances for any period prior to the date of the enactment of this section by virtue of the enactment of this section.

(2) Appointments validated by subsection (a) supersede subsequent appointments or enlistments.

PART F—CIVILIAN PERSONNEL

AUTHORIZATION OF END STRENGTH

SEC. 141. (a)(1) The Department of Defense is authorized a strength in civilian personnel, as of September 30, 1984, of 1,054,155.

(2) In computing the authorized strength for civilian personnel prescribed in paragraph (1), any increase during fiscal year 1984 in civilian personnel employed in Department of Defense industrially funded activities in excess of the number of civilian personnel employed in such activities on September 30, 1982, shall not be counted.

(3) In computing the authorized strength for civilian personnel prescribed in section 601(a) of the Department of Defense Authorization Act, 1983 (Public Law 97-252; 96 Stat. 727), any increase during fiscal year 1983 in Department of Defense industrially funded activities in excess of the number of civilian personnel employed in such activities on September 30, 1982, shall not be counted.

(b) The strength for civilian personnel prescribed in subsection (a) shall be apportioned among the Department of the Army, the Department of the Navy, the Department of the Air Force, and the agencies of the Department of Defense (other than the military departments) in such numbers as the Secretary of Defense shall prescribe. The Secretary of Defense shall report to the Congress within sixty days after the date of enactment of this Act on the manner in which the initial allocation of civilian personnel is made among the military departments and the agencies of the Department of Defense (other than the military departments) and shall include the rationale for each allocation.

(c)(1) In computing the strength for civilian personnel, there shall be included all direct-hire and indirect-hire civilian personnel employed to perform military functions administered by the Department of Defense (other than those performed by the National Security Agency) whether employed on a full-time, part-time, or intermittent basis, but excluding special employment categories for students and disadvantaged youth such as the stay-in-school campaign, the temporary summer aid program, the Federal junior fellowship program, and personnel participating in the worker-trainee opportunity program.

(2) Personnel employed under a part-time career employment program established by section 3402 of title 5, United States Code, shall be counted as prescribed in section 3404 of that title. Personnel employed in an overseas area on a part-time basis under a nonpermanent local-hire appointment who are dependents accompanying a Federal civilian employee or a member of a uniformed service on official assignment or tour of duty shall also be counted as prescribed by section 3404 of that title.

(3) Whenever a function, power or duty, or activity is transferred or assigned to a department or agency of the Department of Defense from a department or agency outside of the Department of Defense, or from another department or agency within the Department of Defense, the civilian personnel end-strength authorized for such departments or agencies of the Department of Defense affected shall be adjusted to reflect any increases or decreases in civilian personnel required as a result of such transfer or assignment.

(d) When the Secretary of Defense determines that such action is necessary in the national interest, the Secretary of Defense

may authorize the employment of civilian personnel in excess of the number authorized by subsection (a), but such additional number may not exceed 2 percent of the total number of civilian personnel authorized for the Department of Defense by subsection (a). The Secretary shall promptly notify the Congress of any authorization to increase civilian personnel strength under this subsection.

PART G—MILITARY TRAINING STUDENT LOADS

AUTHORIZATION OF TRAINING STUDENT LOADS

SEC. 151. (a) For fiscal year 1984, the components of the Armed Forces are authorized average military training student loads, as follows:

(1) The Army, 71,817.

(2) The Navy, 66,911.

(3) The Marine Corps, 21,105.

(4) The Air Force, 49,007.

(5) The Army National Guard of the United States, 21,105.

(6) The Army Reserve, 12,724.

(7) The Naval Reserve, 2,886.

(8) The Marine Corps Reserve, 3,223.

(9) The Air National Guard of the United States, 2,845.

(10) The Air Force Reserve, 1,705.

(b) The average military student loads for the Army, the Navy, the Marine Corps, and the Air Force and the Reserve components authorized in subsection (a) for fiscal year 1984 shall be adjusted consistent with the manpower strengths authorized in parts D, E, and F of this title. Such adjustment shall be apportioned among the Army, the Navy, the Marine Corps, and the Air Force and the Reserve components in such manner as the Secretary of Defense shall prescribe.

SELECTION OF PERSONS FROM FOREIGN COUNTRIES TO RECEIVE INSTRUCTION AT THE SERVICE ACADEMIES

SEC. 152. (a)(1) Section 4344 of title 10, United States Code, is amended to read as follows:

"§ 4344. Selection of persons from foreign countries

"(a)(1) The Secretary of the Army may permit not more than 40 persons at any one time from foreign countries to receive instruction at the Academy. Such persons shall be in addition to the authorized strength of the Corps of the Cadets of the Academy under section 4342 of this title.

"(2) The Secretary of the Army, upon approval by the Secretary of Defense, shall determine the countries from which persons may be selected for appointment under this section and the number of persons that may be selected from each country. The Secretary of the Army may establish entrance qualifications and methods of competition for selection among individual applicants under this section and shall select those persons who will be permitted to receive instruction at the Academy under this section.

"(b)(1) A person receiving instruction under this section is entitled to the pay, allowances, and emoluments of a cadet appointed from the United States, and from the same appropriations.

"(2) Each foreign country from which a cadet is permitted to receive instruction at the Academy under this section shall reimburse the United States for the cost of providing such instruction, including the cost of pay, allowances, and emoluments provided under paragraph (1) unless a written waiver of reimbursement is granted by the Secretary of Defense. The Secretary of the Army shall prescribe the rates for reimbursement under this paragraph.

"(c)(1) Except as the Secretary of the Army determines, a person receiving instruction under this section is subject to the same regulations governing admission, attendance, discipline, resignation, discharge, dismissal, and graduation as a cadet at the Academy appointed from the United States. The Secretary may prescribe regulations with respect to access to classified information by a person receiving instruction under this section that differ from the regulations that apply to a cadet at the Academy appointed from the United States.

"(2) A person receiving instruction under this section is not entitled to an appointment in an armed force of the United States by reason of graduation from the Academy.

"(d) A person receiving instruction under this section is not subject to section 4346(d) of this title.".

(2) Section 4345 of such title is repealed.

(3) The table of sections at the beginning of chapter 403 of such title is amended by striking out the items relating to sections 4344 and 4345 and inserting in lieu thereof the following:

"4344. Selection of persons from foreign countries.".

(b)(1) Section 6957 of title 10, United States Code, is amended to read as follows:

"§ 6957. Selection of persons from foreign countries

"(a)(1) The Secretary of the Navy may permit not more than 40 persons at any one time from foreign countries to receive instruction at the Academy. Such persons shall be in addition to the authorized strength of the midshipmen under section 6954 of this title.

"(2) The Secretary of the Navy, upon approval of the Secretary of Defense, shall determine the countries from which persons may be selected for appointment under this section and the number of persons that may be selected from each country. The Secretary of the Navy may establish entrance qualifications and methods of competition for selection among individual applicants under this section and shall select those persons who will be permitted to receive instruction at the Academy under this section.

"(b)(1) A person receiving instruction under this section is entitled to the pay, allowances, and emoluments of a midshipman appointed from the United States, and from the same appropriations.

"(2) Each foreign country from which a midshipman is permitted to receive instruction at the Academy under this section shall reimburse the United States for the cost of pay, allowances, and emoluments provided under paragraph (1) unless a written waiver of reimbursement is granted by the Secretary of Defense. The Secretary of the Navy shall prescribe the rates for reimbursement under this paragraph.

"(c)(1) Except as the Secretary of the Navy determines, a person receiving instruction under this section is subject to the same regulations governing admission, attendance, discipline, resignation, discharge, dismissal, and graduation as a midshipman at the Academy appointed from the United States. The Secretary may prescribe regulations with respect to access to classified information by a person receiving instruction under this section that differ from the regulations that apply to a midshipman at the Academy appointed from the United States.

"(2) A person receiving instruction under this section is not entitled to an appointment in an armed force of the United States by reason of graduation from the Academy.".

(2) The item relating to section 6957 in the table of sections at the beginning of chapter 603 of such title is amended to read as follows:

"6957. Selection of persons from foreign countries.".

(c)(1) Section 9344 of title 10, United States Code, is amended to read as follows:

"§ 9344. Selection of persons from foreign countries

"(a) The Secretary of the Air Force may permit not more than 40 persons at any one time from foreign countries to receive instruction at the Academy. Such persons shall be in addition to the authorized strength of the Air Force Cadets of the Academy under section 9342 of this title. The Secretary of the Air Force, upon approval by the Secretary of Defense, shall determine the countries from which persons may be selected for appointment under this section and the number of persons that may be selected from each country. The Secretary of the Air Force may establish entrance qualifications and methods of competition for selection among individual applicants under this section and shall select those persons who will be permitted to receive instruction at the Academy under this section.

"(b)(1) A person receiving instruction under this section is entitled to the pay, allowances, and emoluments of a cadet appointed from the United States, and from the same appropriations.

"(2) Each foreign country from which a cadet is permitted to receive instruction at the Academy under this section shall reimburse the United States for the cost of providing such instruction, including the cost of pay, allowances, and emoluments provided under paragraph (1) unless a written waiver of reimbursement is granted by the Secretary of Defense. The Secretary of the Air Force shall prescribe the rates for reimbursement under this paragraph.

"(c)(1) Except as the Secretary of the Air Force determines, a person receiving instruction under this section is subject to the same regulations governing admission, attendance, discipline, resignation, discharge, dismissal, and graduation as a cadet at the Academy appointed from the United States. The Secretary may prescribe regulations with respect to access to classified information by a person receiving instruction under this section that differ from the regulations that apply to a cadet at the Academy appointed from the United States.

"(2) A person receiving instruction under this section is not entitled to an appointment in an armed force of the United States by reason of graduation from the Academy.

"(d) A person receiving instruction under this section is not subject to section 9346(d) of this title.".

(2) Section 9345 of such title is repealed.

(3) The table of sections at the beginning of chapter 903 of such title is amended by striking out the items relating to sections 9344 and 9345 and inserting in lieu thereof the following:

"9344. Selection of persons from foreign countries.".

(d) Sections 4344(b)(2), 6957(b)(2), and 9344(b)(2) of title 10, United States Code, as added by this Act, do not apply to the cost of providing instruction to a person who, before the effective date of this Act, entered the United States Military Academy, the United States Naval Academy, or the United States Air Force Academy under section 4344, 4345, 6957, 9344, or 9345 of such title, as in effect on the day before such date. Any such person shall be counted against the maximum of 40 persons who may attend the

Academy concerned at any time under any of those sections.

(e) The amendments made by this Act shall take effect one year after the date of enactment of this Act and shall apply to each person entering the United States Military Academy, the United States Naval Academy, or the United States Air Force Academy after that effective date.

PART H—CIVIL DEFENSE

AUTHORIZATION OF APPROPRIATIONS

SEC. 161. There is hereby authorized to be appropriated for fiscal year 1984 to carry out the provisions of the Federal Civil Defense Act of 1950 (50 U.S.C. App. 2251-2297) the sum of $161,497,000.

AMOUNT AUTHORIZED FOR CONTRIBUTION FOR STATE PERSONNEL AND ADMINISTRATIVE EXPENSES

SEC. 162. Notwithstanding the second proviso of section 408 of the Federal Civil Defense Act of 1950 (50 U.S.C. App. 2260), $54,000,000 of the amount authorized to be appropriated by section 161 is available for appropriations for contributions to the States under section 205 of such Act (50 U.S.C. App. 2286) for personnel and administrative expenses.

PART I—PAY, TRAVEL AND TRANSPORTATION, AND RETIRED PAY MATTERS

PAY INCREASE OF FOUR PERCENT FOR MEMBERS OF THE UNIFORMED SERVICES EFFECTIVE ON APRIL 1, 1984

SEC. 171. (a) The adjustment required by section 1009 of title 37, United States Code, in certain elements of the compensation of members of the uniformed services to become effective on October 1, 1983, shall not be made.

(b)(1) Subject to the provisions of paragraphs (2) and (3), each element of compensation specified in section 1009(a) of title 37, United States Code, shall be increased for members of the uniformed services by 4 percent effective on April 1, 1984.

(2)(A) The increase provided for in paragraph (1) shall not apply to enlisted members in pay grade E-1 with less than 4 months active duty.

(B) The basic pay of enlisted members in grade E-5 shall be increased by 6 percent effective on April 1, 1984.

(C) The basic pay of enlisted members in grade E-6 shall be increased by 5 percent effective on April 1, 1984.

(3) The President may allocate the percentage increase specified under paragraphs (1) and (2) in the same manner and to the same extent the President is authorized under subsections (c) and (d) of section 1009 of title 37, United States Code, to allocate any percentage increase described in subsection (b)(3) of section 1009 of such title.

(c) Notwithstanding the effective date of April 1, 1984, prescribed in subsection (b) for the increase in compensation of members of the uniformed services, if an adjustment is made after the date of the enactment of this Act in the General Schedule of compensation for Federal classified employees and such adjustment is to become effective before April 1, 1984, the increase in the compensation of members of the uniformed services provided for in subsection (b) shall become effective on the first day of the first pay period for members of the uniformed services which begins on or after the effective date of the adjustment made in the compensation of Federal classified employees.

MODIFICATION OF PROVISIONS RELATING TO THE ANNUAL ADJUSTMENT OF PAY OF MEMBERS OF THE UNIFORMED SERVICES

SEC. 172. (a) Subsections (a) and (b) of section 1009 of title 37, United States Code, are amended to read as follows:

"(a)(1) The Secretary of Defense shall prepare and submit to the President on or before July 1 of each year a written report in which the Secretary—

"(A) compares the level of the elements of military compensation described in paragraph (2) of this subsection with the wage and salary levels in the civilian sector in March of that year as reflected in the Employment Cost Index For Wages and Salaries Only for Civilian Workers (including private industry and State and local government workers, but excluding farm, household, and Federal Government workers) published by the Bureau of Labor Statistics of the Department of Labor; and

"(B) recommends an overall percentage adjustment, based upon the comparison referred to in clause (A) of this paragraph, in the elements of military compensation described in paragraph (2) of this subsection.

"(2) When the President receives the report of the Secretary of Defense, he shall immediately transmit a copy of the report to the Congress and, in accordance with the recommendations of the Secretary, make an adjustment in—

"(A) the monthly basic pay authorized members of the uniformed services by section 203(a) of this title;

"(B) the basic allowance for subsistence authorized enlisted members and officers by section 402 of this title; and

"(C) the basic allowance for quarters authorized members of the uniformed services by section 403(a) of this title.

"(b) An adjustment under this section shall have the force and effect of law and shall—

"(1) become effective on October 1 following the date on which the report of the Secretary of Defense is submitted to the President;

"(2) be based on the rates of the various elements of compensation as defined in, or made under, section 402 or 403 of this title or this section; and

"(3) subject to subsections (c) and (d) of this section, provide all eligible members with an adjustment in each element of compensation set forth in subsection (a)(2) of this section of the same overall percentage recommended by the Secretary of Defense under subsection (a)(1)(B) of this section.".

(b)(1) Subsection (c)(1) of section 1009 of title 37, United States Code, is amended—

(A) by striking out "average"; and

(B) by inserting "(2)" after "subsection (a)".

(2) Subsection (c)(2) of such section is amended—

(A) by inserting "(2)" after "subsection (a)"; and

(B) by inserting "of this title" after "section 403 (b) or (c)" the first time it appears.

(3) Paragraph (2)(B) of subsection (d) of such section is amended—

(A) by inserting "(2)" after "subsection (a)"; and

(B) by striking out "in the General Schedule rates of basic pay for civilian employees" and inserting in lieu thereof "that becomes effective for members of the uniformed services".

(c) The amendments made by this section shall be effective with respect to adjustments in military pay to become effective on and after October 1, 1984.

EXTENSION OF SPECIAL PAY FOR AVIATION CAREER OFFICERS

SEC. 173. (a) Section 301b(e) of title 37, United States Code, is amended by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) During the period beginning on October 14, 1981, and ending on September 30, 1984, only agreements executed by officers of the Navy or Marine Corps may be accepted under this section.

"(3) During the period beginning on October 1, 1983, and ending on September 30, 1984, only an agreement—

"(A) that is executed by an officer who—

"(i) has at least six but less than eleven years of active duty;

"(ii) has completed the minimum service required for aviation training; and

"(iii) has not previously been paid special pay authorized by this section; and

"(B) that requires the officer to remain on active duty in aviation service for either three or four years;

may be accepted under this section. An officer from whom an agreement is accepted during such period may be paid an amount not to exceed $4,000 for each year covered by that agreement if that officer agrees to remain on active duty for three years or an amount not to exceed $6,000 for each year covered by that agreement if that officer agrees to remain on active duty for four years. An agreement that requires an officer to remain on active duty in aviation service for six years may also be accepted during such period if the officer meets the requirements of clause (A) of this paragraph and the officer has completed less than seven years of active duty. An officer from whom such an agreement is accepted may be paid an amount not to exceed $6,000 for each year covered by the agreement.

"(4) An officer may not receive incentive pay under section 301 of this title for the performance of hazardous duty for any period of service which the officer is obligated to serve pursuant to an agreement entered into under this section.".

(b) Section 301b(f) of title 37, United States Code, is amended by striking out "September 30, 1982" and inserting in lieu thereof "September 30, 1984".

(c)(1) It is the sense of the Congress that eligibility for special pay for aviation career officers under section 301b of title 37, United States Code, should be made available only to officers who will likely be induced to remain on active duty in aviation service by receipt of the special pay.

(2) The Secretary of the Navy shall submit to the Congress not later than July 1, 1984, a written report, approved by the Secretary of Defense, on the payment of special pay for aviation career officers under section 301b of title 37, United States Code, since the date of the enactment of this Act. Such report shall include—

(A) a list of the specific aviation specialties by aircraft type determined to be critical for purposes of the payment of special pay under such section since the date of the enactment of this Act;

(B) the number of officers within each critical aviation specialty who received the special pay under such section since the date of the enactment of this Act by grade, years of prior active service, and amounts of special pay received under such section;

(C) an explanation and justification for the Secretary's designation of an aviation specialty as "critical" and for the payment of special pay under section 301b of such

title to officers who have more than eight years of prior active service and who are serving in pay grade O-4 or above, if payment of such pay was made to such officers; and

(D) an evaluation of the progress made since the date of the enactment of this Act toward eliminating shortages of aviators in the aviation specialties designated by the Secretary as critical.

FREEZE ON THE RATES AT WHICH VARIABLE HOUSING ALLOWANCES MAY BE PAID DURING FISCAL YEAR 1984

SEC. 174. Notwithstanding the provisions of subsection (a)(2)(B) of section 403 of title 37, United States Code, the monthly amount of a variable housing allowance payable to a member of a uniformed service during fiscal year 1984 shall be at a rate not to exceed the rate to which members serving in the same pay grade and assigned to duty in the same high housing cost area were entitled on September 30, 1983.

CLARIFICATION OF ALLOWANCE FOR TRANSPORTATION OF MOTOR VEHICLE

SEC. 175. Section 406(b)(1) of title 37, United States Code, is amended—

(1) by inserting "(A)" before "Except as provided in paragraph (2)"; and

(2) by striking out the third and fourth sentences; and

(3) by adding at the end thereof the following:

"(B) Subject to uniform regulations prescribed by the Secretaries concerned, in the case of a permanent change of station in which the Secretary concerned has authorized transportation of a motor vehicle under section 2634 of title 10 (except when such transportation is authorized from the old duty station to the new duty station), the member is entitled to a monetary allowance for transportation of that motor vehicle—

"(i) from the old duty station to—

"(I) the customary port of embarkation which is nearest the old duty station if delivery of the motor vehicle to the port of embarkation is not made in conjunction with the member's travel to the member's port of embarkation; or

"(II) the customary port of embarkation which is nearest to the member's port of embarkation if delivery of the motor vehicle to the port of embarkation is made in conjunction with the member's travel to the member's port of embarkation;

whichever is most cost-effective for the Government considering all operational, travel, and transportation requirements incident to such change of station; and

"(ii) from the customary port of debarkation which has been designated by the Government as most cost-effective for the Government considering all operational, travel, and transportation requirements incident to such change of station to the new duty station.

Such monetary allowance shall be established at a rate per mile that does not exceed the rate established under section 404(d)(1) of this title.".

LIMITATION ON APPLICABILITY OF ONE YEAR LOOK-BACK PROVISION

SEC. 176. (a)(1) Subsection (e) of section 1401a of title 10, United States Code, is repealed.

(2)(A) Notwithstanding the repeal of such subsection, the provisions of such subsection shall apply in the case of any member or former member of the Armed Forces eligible to retire on the date of the enactment of this Act for a period of three years after such date in the same manner such provisions would have applied had they not been repealed.

(B) The amount of retired or retainer pay of any member or former member of the Armed Forces who was eligible to retire on the date of the enactment of this Act and who becomes entitled to such pay at any time after the end of the three-year period beginning on the date of the enactment of this Act may not be less than it would have been had he become entitled to retired or retainer pay on the day before the end of such three-year period.

(b) Subsection (f) of such section is amended by striking out ", subject to subsection (e) of this section," in the second sentence.

ROUNDING OF RETIRED PAY AND SURVIVOR ANNUITIES TO NEXT LOWER WHOLE DOLLAR AMOUNT

SEC. 177. (a)(1) Section 1401(a) of title 10, United States Code, is amended by inserting after the second sentence the following new sentence: "The amount computed, if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

(2) Section 1401a of such title is amended by adding at the end thereof the following new subsection:

"(g) Retired or retainer pay of a member or former member of an armed force as adjusted under this section, if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

(3) Section 1402(a) of such title is amended by striking out "as follows:" in the first sentence and inserting in lieu thereof "according to the following table. The amount recomputed, if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

(4) Section 1402(d) of such title is amended by striking out "as follows:" in the first sentence and inserting in lieu thereof "according to the following table. The amount computed, if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

(5) Section 1402a(a) of such title is amended by striking out "as follows:" and inserting in lieu thereof "according to the following table. The amount recomputed, if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

(6) Section 1402a(d) of such title is amended by striking out "as follows:" and inserting in lieu thereof "according to the following table. The amount computed, if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

(7) Section 3991 of such title is amended by inserting after the second sentence the following new sentence: "The amount computed, if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

(8) Section 3992 of such title is amended by striking out "as follows:" and inserting in lieu thereof "according to the following table. The amount recomputed, if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

(9) Section 6151 of such title is amended by adding at the end thereof the following new subsection:

"(e) Retired pay computed under subsection (b) or (c), if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

(10)(A) Chapter 571 of such title is amended by adding at the end thereof the following new section:

"§ 6333. Treatment of fractions of dollar amounts in computing retired and retainer pay

"Retired or retainer pay computed under this chapter, if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

(B) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"6333. Treatment of fractions of dollar amounts in computing retired and retainer pay.".

(11) Section 6383 of such title is amended by adding at the end thereof the following new subsection:

"(k) Retired pay computed under subsection (c), if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

(12) Section 8991 of such title is amended by inserting after the second sentence the following new sentence: "The amount computed, if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

(13) Section 8992 of such title is amended by striking out "as follows:" and inserting in lieu thereof "according to the following table. The amount recomputed, if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

(14)(A) Section 1437(a) of such title is amended by adding at the end thereof the following new sentence: "The monthly amount of an annuity payable under this subchapter, if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

(B) Section 1451 of such title is amended by adding at the end thereof the following new subsection:

"(e) The monthly amount of an annuity payable under this subchapter, if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

(b) Section 423(a) of title 14, United States Code, is amended by adding at the end thereof the following new sentence: "Retired pay, if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

(c) Section 16(a) of the Coast and Geodetic Survey Commissioned Officers' Act of 1948 (33 U.S.C. 853o) is amended by adding at the end thereof the following new sentence: "Retired pay, if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

(d) Section 211(a) of the Public Health Service Act (42 U.S.C. 212(a)) is amended by adding at the end thereof the following new paragraph:

"(7) Retired pay computed under section 210(g)(3) or under paragraph (4) or (5) of this subsection, if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

(e) The amendments made by this section shall take effect on October 1, 1983.

REIMBURSEMENTS FOR ACCOMMODATIONS IN PLACE OF QUARTERS

SEC. 178. (a) Paragraph (3) of section 7572(b) of title 10, United States Code, is amended to read as follows:

"(3) The total amount of reimbursement under this subsection may not exceed $9,000,000 for fiscal year 1981, $6,300,000 for fiscal year 1982, $1,700,000 for fiscal year 1983, and $1,300,000 for fiscal year 1984.".

(b) Section 3 of Public Law 96-357 (94 Stat. 1182; 10 U.S.C. 7572 note) is amended by striking out "September 30, 1982" and inserting in lieu thereof "September 30, 1984".

ADVANCE PAYMENT OF TRAVEL AND TRANSPORTATION ALLOWANCES FOR ESCORTS AND ATTENDANTS OF DEPENDENTS

SEC. 179. (a) Section 1036 of title 10, United States Code, is amended by adding at the end thereof the following new sentence: "The allowances authorized to be paid under this section may be paid in advance.".

(b) The last sentence of section 1040(a) of such title is amended by inserting "and may be paid in advance." after "attendants".

(c) The amendments made by subsections (a) and (b) shall apply to travel performed by escorts or attendants of dependents on and after the date of the enactment of this Act.

TRANSPORTATION OF REMAINS OF PERSONS ENTITLED TO RETIRED OR RETAINER PAY WHO DIE IN MILITARY MEDICAL FACILITIES

SEC. 180. (a)(1) Chapter 75 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 1490. Transportation of remains of members entitled to retired or retainer pay who die in military medical facilities

"(a) Subject to subsection (b), when a member entitled to retired or retainer pay or equivalent pay dies while properly admitted under chapter 55 of this title to a medical facility of the armed forces located in the United States, the Secretary concerned may transport the remains, or pay the cost of transporting the remains, of the decedent to the place of burial of the decedent.

"(b)(1) Transportation provided under this section may not be to a place outside the United States or to a place farther from the place of death than the decedent's last place of permanent residence, and any amount paid under this section may not exceed the cost of transportation from the place of death to the decedent's last place of permanent residence.

"(2) Transportation of the remains of a decedent may not be provided under this section if such transportation is authorized by sections 1481 and 1482 of this title or by chapter 23 of title 38.

"(c) In this section, 'United States' includes the Commonwealth of Puerto Rico and the territories and possessions of the United States.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"1490. Transportation of remains of members entitled to retired or retainer pay who die in military medical facilities.".

(b) Section 1490 of title 10, United States Code, as added by subsection (a), shall apply with respect to the transportation of the remains of persons dying on or after the first day of the month beginning after the date of the enactment of this Act.

TRANSPORTATION FOR DEPENDENT CHILDREN ATTENDING SCHOOL IN THE UNITED STATES WHEN THE MEMBER-PARENT IS STATIONED OVERSEAS

SEC. 180A. (a) Chapter 7 of title 37, United States Code, is amended by inserting after section 429 the following new section:

"§ 430. Travel and transportation: dependent children of members stationed overseas

"(a) Under regulations to be prescribed by the Secretary of Defense and subject to the provisions of subsection (b) of this section, a member of a uniformed service who—

"(1) is assigned a permanent duty station outside the United States,

"(2) is accompanied by his dependents at or near his oversea duty station (unless his only dependents are in the category of dependent described in clause (3) of this subsection), and

"(3) has a dependent child who is under 23 years of age attending a school in the United States for the purpose of obtaining a secondary or undergraduate college education;

may be paid the allowance set forth in subsection (b) of this section if he otherwise qualifies for such allowance.

"(b) A member described in subsection (a) of this section may be paid a transportation allowance for each unmarried dependent child, who is under 23 years of age and is attending a school in the United States for the purpose of obtaining a secondary or undergraduate college education, of one annual trip between the school being attended and the member's duty station in the oversea area and return. The allowance authorized by this section may be transportation in kind or reimbursement therefor, as prescribed by the Secretaries concerned. However, the transportation authorized by this section may not be paid a member for a child attending a school in the United States for the purpose of obtaining a secondary education if the child is eligible to attend a secondary school for dependents that is located at or in the vicinity of the duty station of the member and is operated under the Defense Dependents' Education Act of 1978.

"(c) Whenever possible, the Military Airlift Command or Military Sealift Command shall be used, on a space-required basis, for the travel authorized by this section.".

(b) The table of sections at the beginning of chapter 7 of such title is amended by adding at the end thereof the following new item:

"430. Travel and transportation: dependent children of members stationed overseas.".

(c) The amendments made by this section shall become effective October 1, 1983.

DELAY OF THE PAYMENT OF TEMPORARY LODGING EXPENSES BEFORE OCTOBER 1, 1984

SEC. 180B. No member of the uniformed services may be paid or reimbursed under section 404a of title 37, United States Code, for any subsistence expenses incurred before October 1, 1984, by the member or the member's dependents while occupying temporary quarters incident to a change of permanent station.

PART J—MISCELLANEOUS PERSONNEL PROVISIONS

TEMPORARY INCREASE IN THE NUMBER OF GENERAL AND FLAG OFFICERS ON ACTIVE DUTY

SEC. 181. (a) Notwithstanding section 811(a)(1) of the Department of Defense Appropriation Authorization Act, 1978 (10 U.S.C. 131 note), effective on the date of the enactment of this Act and ending on September 30, 1984, the total number of commissioned officers on active duty in the Army, Air Force, and Marine Corps above the grade of colonel, and in the Navy above the grade of captain, may be a number in excess of 1,073, but not in excess of 1,100.

(b) Of the additional number of commissioned officers authorized by subsection (a) to be on active duty during the period specified in such subsection, in the grades specified in such subsection, the Navy shall be entitled to not less than seven and the Marine Corps shall be entitled to not less than two.

(c) Effective on the date of the enactment of this Act and ending on September 30, 1984, the number of officers of the Navy authorized under section 525(b)(2) of title 10, United States Code, to be on active duty in grades above rear admiral is increased by three. None of the additional officers in grades above rear admiral authorized by this section may be in the grade of admiral.

AUTHORITY FOR VARIABLE ENLISTMENT PERIODS

SEC. 182. Subsections (c) and (d) of section 505 of title 10, United States Code, are amended to read as follows:

"(c) The Secretary concerned may accept original enlistments of persons for the duration of their minority or for periods of at least two but not more than six years that are determined appropriate by the Secretary, in the Regular Army, Regular Navy, Regular Air Force, Regular Marine Corps, or Regular Coast Guard, as the case may be.

"(d) The Secretary concerned may accept reenlistments in the Regular Army, Regular Navy, Regular Air Force, Regular Marine Corps, or Regular Coast Guard, as the case may be, for periods of at least two but not more than six years that are determined appropriate by the Secretary. No enlisted member is entitled to be reenlisted for a period that would expire before the end of his current enlistment.".

AUTHORITY FOR INCREASED USAGE OF CONTRACT HEALTH CARE PROVIDERS

SEC. 183. (a)(1) Chapter 55 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 1091. Contracts for direct health care providers

"(a) The Secretary concerned may contract with persons for personal and nonpersonal services for the purpose of obtaining direct health care services determined by the Secretary concerned to be required by the armed force under his jurisdiction.

"(b) A person who contracts under this section to provide direct health care services to members, former members, or dependents may be compensated at a rate prescribed by the Secretary concerned, but at a rate not greater than the rate of basic pay and allowances authorized by chapters 3 and 7 of title 37 for a commissioned officer in pay grade 0-6 with twenty-six or more years of service computed under section 205 of such title.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"1091. Contracts for direct health care providers.".

(b)(1) Section 4022 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 373 of such title is amended by striking out the item relating to section 4022.

(c)(1) Section 9022 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 873 of such title is amended by striking out the item relating to section 9022.

(d) Section 201 of title 37, United States Code, is amended—

(1) by striking out subsection (b);

(2) by redesignating subsections (c) through (f) as subsections (b) through (e), respectively; and

(3) by striking out "subsections (d) and (e)" in subsection (e), as redesignated by clause (2), and inserting in lieu thereof "subsections (c) and (d)".

(e) Chapter 7 of title 37, United States Code, is amended—

(1) by striking out section 421; and

(2) by striking out in the table of sections at the beginning of such chapter the item relating to section 421.

(f) The amendments made by this section shall take effect on October 1, 1983. Any contract of employment entered into under the authority of section 4022 or 9022 of title 10, United States Code, before the effective date of this section and which is in effect on such date shall remain in effect in accordance with the terms of such contract.

TRANSFER OF PUBLIC HEALTH SERVICE OFFICERS TO OTHER UNIFORMED SERVICES

SEC. 184. (a)(1) Section 716 of title 10, United States Code, is amended to read as follows:

"§ 716. Commissioned officers: transfers among the armed forces, the National Oceanic and Atmospheric Administration, and the Public Health Service

"(a) Notwithstanding any other provision of law, the President, within authorized strengths and with the consent of the officer involved, may transfer any commissioned officer of a uniformed service from his uniformed service to, and appoint him in, another uniformed service. The Secretary of Defense, the Secretary of Transportation, the Secretary of Commerce, and the Secretary of Health and Human Services shall jointly establish, by regulations approved by the President, policies and procedures for such transfers and appointments.

"(b) An officer transferred under this section may not be assigned precedence or relative rank higher than that which he held on the day before the transfer.

"(c) In this section, 'uniformed service' means any of the armed forces, the Commissioned Corps of the National Oceanic and Atmospheric Administration, or the Commissioned Corps of the Public Health Service.".

(2) The item relating to such section in the table of sections at the beginning of chapter 41 of such title is amended to read as follows:

"716. Commissioned officers: transfers among the armed forces, the National Oceanic and Atmospheric Administration, and the Public Health Service.".

(b)(1) Chapter 53 of such title is amended by adding at the end thereof the following new section:

"§ 1043. Service credit: service in the National Oceanic and Atmospheric Administration or the Public Health Service

"Active commissioned service in the National Oceanic and Atmospheric Administration or the Public Health Service shall be credited as active commissioned service in the armed forces for purposes of determining the eligibility for separation pay under section 1174, determining the retirement eligibility of a member of the armed forces, and computing the retired or retainer pay of a member of the armed forces.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"1043. Service credit: service in the National Oceanic and Atmospheric Administration or the Public Health Service.".

(c)(1) Section 533(a)(1) of such title is amended by inserting ", the National Oceanic and Atmospheric Administration, or the Public Health Service" after "in any armed force".

(2) Section 3353(a)(1) of such title is amended—

(A) by striking out "chapters 337 and 363" and inserting in lieu thereof "this chapter and chapter 363"; and

(B) by inserting ", the National Oceanic and Atmospheric Administration, or the Public Health Service" after "in any armed force".

(3) Section 5600(a)(1) of such title is amended by inserting ", the National Oceanic and Atmospheric Administration, or the Public Health Service" after "in any armed force".

(4) Section 8353(a)(1) of such title is amended—

(A) by striking out "chapters 837 and 863" and inserting in lieu thereof "this chapter and chapter 863"; and

(B) by inserting ", the National Oceanic and Atmospheric Administration, or the Public Health Service" after "in any armed force".

(d) An individual who is a former commissioned officer of the Public Health Service who resigned from the Public Health Service after March 9, 1981, and who after such date and before the date of the enactment of this Act was given an original appointment as a commissioned officer in one of the Armed Forces—

(1) may be reappointed by the President in that Armed Force; and

(2) may be credited with any period of active commissioned service that such officer performed as a commissioned officer in the Public Health Service.

(e) Clause (13) of section 3(a) of the Act of August 10, 1956 (33 U.S.C. 857a(a)), is amended to read as follows:

"(13) Section 716, Commissioned officers: transfers among the armed forces, the National Oceanic and Atmospheric Administration, and the Public Health Service.".

EXTENSION OF PERIOD DURING WHICH CERTAIN ACCUMULATED LEAVE MAY BE USED

SEC. 185. (a) The last sentence of section 701(f) of title 10, United States Code, is amended by inserting "third" after "end of the".

(b)(1) The amendment made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply to leave accumulated under section 701(f) of such title after September 30, 1980.

(2) A member of the Armed Forces who was authorized under section 701(f) of such title to accumulate ninety days' leave during fiscal year 1980, 1981, or 1982 and lost any leave at the end of fiscal year 1981, 1982, or 1983, respectively, because of the provisions of the last sentence of such section, as in effect on the day before the date of the enactment of this Act, shall be credited with such lost leave and may retain leave in excess of sixty days until (A) September 30, 1984, or (B) the end of the third fiscal year after the year in which such leave was accumulated, whichever is later, but in no case may such a member accumulate leave in excess of ninety days.

(3) Section 404 of the Department of Defense Authorization Act, 1983 (Public Law 97-252; 96 Stat. 725), is repealed.

AUTHORITY TO WAIVE AGE REQUIREMENT FOR ORIGINAL APPOINTMENT AS A COMMISSIONED OFFICER IN CERTAIN CASES

SEC. 186. Section 532 of title 10, United States Code, is amended by adding at the end thereof the following new subsection:

"(e) Under regulations prescribed by the Secretary of Defense, the Secretary concerned may waive the requirement of subsection (a)(2) in the case of any person if the Secretary concerned determines that the waiver should be made because of exceptional or unusual circumstances and because the person with respect to whom the waiver is being made has a particular skill needed by the armed force concerned.".

PERFORMANCE OF CIVIL FUNCTIONS BY MILITARY OFFICERS

SEC. 187. (a) Subsection (b) of section 973 of title 10, United States Code, is amended by striking out subsection (b) and inserting in lieu thereof the following:

"(b)(1) This subsection applies—

"(A) to a regular officer of an armed force on the active-duty list (and a regular officer of the Coast Guard on the active duty promotion list);

"(B) to a retired regular officer of an armed force serving on active duty under a call or order to active duty for a period in excess of 180 days; and

"(C) to a reserve officer of an armed force serving on active duty under a call or order to active duty for a period in excess of 180 days.

"(2)(A) Except as otherwise authorized by law, an officer to whom this subsection applies may not hold, or exercise the functions of, a civil office in the Government of the United States—

"(i) that is an elective office;

"(ii) that requires an appointment by the President by and with the advice and consent of the Senate; or

"(iii) that is a position in the Executive Schedule under sections 5312 through 5317 of title 5.

"(B) An officer to whom this subsection applies may hold or exercise the functions of a civil office in the Government of the United States that is not described in subparagraph (A) when assigned or detailed to that office or to perform those functions.

"(3) Except as otherwise authorized by law, an officer to whom this subsection applies may not hold or exercise, by election or appointment, the functions of a civil office in the government of a State, the District of Columbia, or a territory, possession, or commonwealth of the United States (or of any political subdivision of any such government).

"(4) Nothing in this subsection shall be construed to invalidate any action undertaken by an officer in furtherance of assigned official duties.

"(c) The Secretary of Defense, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, shall prescribe regulations to implement this section.".

(b) Nothing in section 973(b) of title 10, United States Code, as in effect before the date of the enactment of this Act, shall be construed—

(1) to invalidate any action undertaken by an officer of an Armed Force in furtherance of assigned official duties; or

(2) to have terminated the military appointment of an officer of an Armed Force by reason of the acceptance of a civil office, or the exercise of its functions, by that officer in furtherance of assigned official duties.

REDUCTION IN MILITARY AND CIVILIAN PERSONNEL ASSIGNED TO DUTY OR EMPLOYED IN THE DEPARTMENT OF DEFENSE TO PERFORM CERTAIN MANAGEMENT ACTIVITIES

SEC. 188. (a)(1) Not later than September 30, 1984, the Secretary of Defense shall reduce the total number of military personnel and the total number of civilian personnel assigned to duty in the Office of the Secretary of Defense to perform management headquarters activities or management headquarters support activities. The Secretary shall reduce the total number in each such category of personnel to a number which is at least 10 percent less than the total end strength in each such category of personnel requested by the President for fiscal year 1984 to perform such activities.

(2) Not later than September 30, 1984, the Secretary of Defense shall reduce the total number of military personnel and the total number of civilian personnel assigned to

duty in the agencies of the Department of Defense to perform management headquarters activities or management headquarters support activities. The Secretary shall reduce the total number in each such category of personnel to a number which is at least 5 percent less than the total end strength in each such category of personnel requested by the President for fiscal year 1984 to perform such activities.

(b) The Secretary of each military department shall reduce, by not later than September 30, 1984, the total number of military personnel and the total number of civilian personnel assigned to duty in each such department to perform management headquarters activities or management headquarters support activities. Each Secretary concerned shall reduce the total number in each such category of personnel to a number which is at least 5 percent less than the total end strength in each such category of personnel requested by the President for fiscal year 1984 to perform such activities.

(c) Any reduction in military or civilian personnel assigned to perform management headquarters activities or management headquarters support activities in the National Security Agency/Central Security Service, the Defense Intelligence Agency, the Organization of the Joint Chiefs of Staff, or the Naval Intelligence Command may not be included for the purposes of complying with the requirements of subsection (a) or (b).

(d) In this section, the terms "management headquarters activities" and "management headquarters support activities" have the same meanings as prescribed for such terms in Department of Defense Directive 4100.73 entitled "Department of Defense Management Headquarters and Headquarters Support", dated March 12, 1981.

ADJUSTMENT OF CONSTRUCTIVE SERVICE CREDIT IN THE CASE OF CERTAIN NAVAL MEDICAL AND DENTAL OFFICERS

SEC. 189. (a) The Secretary of the Navy shall convene boards of officers to review the records of each officer of the Medical Corps or the Dental Corps of the Navy who was appointed in either such corps before September 11, 1979, and adjust the service credited to any such officer to reflect any active commissioned service performed by such officer before such appointment or to reflect any professional civilian medical or dental experience gained by such officer in the United States before such appointment if that service or experience has not been credited to such officer. The credit granted for such prior service or experience shall be equal to that granted to similarly situated officers in the Army and Air Force.

(b) If an officer is credited under the authority of subsection (a) with additional service or experience, the Secretary of the Navy shall adjust the date of rank of such officer accordingly, and such officer shall be given precedence for promotion or advanced to a position on the active-duty list (or to a position on a corresponding list in the case of a Reserve officer not on the active-duty list) in accordance with such adjusted date of rank.

(c) If, as a result of an adjustment of his service credit under subsection (a), an officer in the Medical Corps or Dental Corps of the Navy attains precedence for promotion purposes over any other officer on the active-duty list or attains a position on the active-duty list equivalent to another officer who—

(1) is a member of the same corps as the officer whose service is adjusted under subsection (a);

(2) is serving in a grade (not above captain) higher than the grade of the officer whose service is adjusted under subsection (a); and

(3) has not been selected for early promotion to such higher grade or is on a promotion list to the next grade higher than his current grade and has not been selected for early promotion to such higher grade,

then the officer whose service is adjusted under subsection (a) may be promoted to the higher grade appropriate to his adjusted credit if he is recommended for promotion to such grade by a board of officers convened under subsection (a), and, upon promotion to such higher grade, may be assigned a position on the active-duty list (or to a position on a corresponding list in the case of a Reserve officer not on the active-duty list) commensurate with his adjusted service credit.

(d) An officer whose date of rank has been changed by virtue of service credited to him under this section shall not be entitled to any increase in pay or allowances or other compensation for any period before the date of that change, and an officer who is credited with additional service under this section and is promoted to a higher grade pursuant to the recommendation of a board convened under this section shall not be entitled to any increase in pay or allowances or other compensation for the grade to which promoted for any period before the date of the promotion.

(e) Failure of an officer for selection for promotion under the procedures provided for in this section shall not count as a failure of selection for promotion for any other purpose.

(f) As used in this section, the term "active-duty list" means the active-duty list for the Navy provided for in section 620 of title 10, United States Code.

STUDIES AND DEMONSTRATION PROJECTS ON HEALTH-CARE DELIVERY SYSTEMS

SEC. 190. (a)(1) Chapter 55 of title 10, United States Code, as amended by section 183, is amended by adding at the end thereof the following new section:

"§ 1092. Studies and demonstration projects on health-care delivery systems

"(a)(1) The Secretary of Defense, in consultation with the Secretary of Health and Human Services, shall conduct studies and demonstration projects on the health-care delivery system of the uniformed services with a view to improving the quality, efficiency, convenience, and cost effectiveness of providing health care services (including dental care services) under this title to members and former members and their dependents. Such studies and demonstration projects may include the following:

"(A) Alternative methods of payment for health and medical care services.

"(B) Cost-sharing by eligible beneficiaries.

"(C) Methods of encouraging efficient and economical delivery of health and medical care services.

"(D) Innovative approaches to delivery and financing of health and medical care services.

"(E) Alternative approaches to reimbursement for the administrative charges of health-care plans.

"(2) The Secretary of Defense shall include in the studies conducted under paragraph (1) alternative programs for the provision of dental care to the spouses and dependents of members of the uniformed services who are on active duty, including a program under which dental care would be provided the spouses and dependents of such members under insurance or dental plan contracts.

"(3) The Secretary of Defense shall submit to Congress from time to time written reports on the results of the studies and demonstration projects conducted under this subsection and shall include in such reports such recommendations for improving the health-care delivery systems of the uniformed services as the Secretary considers appropriate. The Secretary shall submit the first such report not later than March 1, 1984.

"(b) The Secretary of Defense may enter into contracts with public or private agencies, institutions, and organizations to conduct studies and demonstration projects under subsection (a).

"(c) The Secretary of Defense may obtain the advice and recommendations of such advisory committees as the Secretary considers appropriate. Each such committee consulted by the Secretary under this subsection shall evaluate the proposed study or demonstration project as to the soundness of the objectives of such study or demonstration project, the likelihood of obtaining productive results based on such study or demonstration project, the resources which were required to conduct such study or demonstration project, and the relationship of such study or demonstration project to other ongoing or completed studies and demonstration projects.

"(d) A demonstration project may not be conducted under this section that provides for the furnishing of dental care under an insurance or dental plan contract.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"1092. Studies and demonstration projects on health-care delivery systems.".

(3) The amendments made by paragraphs (1) and (2) shall take effect on October 1, 1983, or the date of the enactment of this Act, whichever is later.

(b)(1) The Secretary of Defense, in consultation with the Secretary of Health and Human Services, shall conduct demonstration projects for the purpose of comparing and evaluating the cost-effectiveness, accessibility, patient acceptance, and the quality of medical care contracted for by the Secretary of Defense under sections 1079 and 1086 of title 10, United States Code, with the medical care provided in those facilities deemed to be facilities of the uniformed services by virtue of section 911 of the Military Construction Authorization Act, 1982 (42 U.S.C. 248c). The Secretary of Defense shall begin conducting such projects within one year after the date of the enactment of this section and continue conducting such projects for not less than three years.

(2) The projects carried out by the Secretary of Defense under this subsection shall utilize various alternative mechanisms for the payment of medical services provided eligible persons, including capitation, prospective payment, all-inclusive fee-for-service charges, and other concepts and programs consistent with the purpose of this subsection.

(3) If the Secretary of Defense and the Secretary of Health and Human Services determine such action is necessary in order to permit a meaningful evaluation of alternative methods of providing medical care to persons eligible for such care under sections 1079 and 1086 of title 10, United States Code, they may jointly designate additional civilian medical facilities to be facilities of

the uniformed services for the purposes of section 1079 of such title. The Secretary may designate a facility under the authority of this paragraph for such purposes only if such action is agreed to by the governing body of the facility.

(4) The Secretary of Defense, in consultation with the Secretary of Health and Human Services, shall submit annually to the Committees on Appropriations and on Armed Services of the Senate and the House of Representatives a written report on the results of the studies and projects carried out under this subsection. The first such report shall be submitted not later than one year after the date of the enactment of this subsection. The last such report shall be submitted not later than one year after the completion of all such studies and projects.

(5) The Secretary of Defense and the Secretary of Health and Human Services may terminate, for purposes of chapter 55 of title 10, United States Code, the status of any facility referred to in paragraph (1) to furnish medical or dental care to members and former members of the uniformed services or their dependents at any time after the expiration of one year following submission to the Congress of the final annual report required under paragraph (4). The termination of such status in the case of any such facility may be effected only by an order jointly issued by the Secretary of Defense and the Secretary of Health and Human Services which identifies the facility whose status is being terminated and specifies the date on which such status is being terminated. A copy of each such order shall be furnished to the affected facility and the Committees on Appropriations and on Armed Services of the Senate and the House of Representatives and shall become effective in accordance with the terms of the notice, but not earlier than six months following the date on which a copy of the notice has been furnished to the facility and the committees. Any facility described in paragraph (1) or facility designated under paragraph (3) may terminate its status described in clause (1) or its designation made under clause (3), as the case may be, at any time after the expiration of six months following the date on which a copy of the order terminating the status or designation has been furnished the facility.

(6) Section 911(b) of the Military Construction Authorization Act, 1982 (42 U.S.C. 248c(b)), is amended by striking out "at any time after" and all that follows through the end of the second sentence and inserting in lieu thereof: "as provided for in section 190(b)(5) of the Department of Defense Authorization Act, 1984.".

PART K—NATO AND RELATED MATTERS

NORTH ATLANTIC DEFENSE COOPERATIVE PROGRAMS

SEC. 191. In order to fulfill the international obligations incurred by the United States under the North Atlantic Treaty Organization's Long-Term Defense Program for the rapid reinforcement of Europe, and recognizing that such action is in the national interest of the United States, the Secretary of Defense is directed to carry out commitments of the United States under the United States-German Wartime Host Nation Support Agreement of April 15, 1982, and under the Prepositioned Materiel Configured in Unit Sets (POMCUS) program not later than December 31, 1988. The Secretary of Defense shall include in his annual report to the Congress a statement describing the status of implementation of such agreement and program, including his assessment of whether our allies are bearing their equitable share under such agreement and program and whether the implementation of such agreement and program adversely affects the readiness of the reserve components of the Armed Forces of the United States.

REPORT ON ALLIED CONTRIBUTIONS TO THE COMMON DEFENSE

SEC. 192. (a) In recognition of the increasing military threat faced by the Western World and in view of the growth, relative to the United States, in the economic strength of Japan, Canada, and a number of Western European countries which has occurred since the signing of the North Atlantic Treaty on April 4, 1949, and the Mutual Cooperation and Security treaty between Japan and the United States on January 19, 1960, it is the sense of the Congress that—

(1) the burdens of mutual defense now assumed by some of the countries allied with the United States under those agreements are not commensurate with their economic resources;

(2) since May 1978, when each NATO member nation agreed to increase real defense spending annually in the range of 3 percent, most NATO members except for the United States have failed to meet the 3 percent real growth commitment consistently and performance toward this goal in 1983 is estimated to be the most deficient, on average, since the goal was established; and since May 1981, when the Government of Japan established its policy to defend the air and sea lines of communication out to 1,000 nautical miles from the coast of Japan, progress to develop the necessary self-defense capabilities to fulfill that 1,000 nautical mile defense pledge has been extremely disappointing;

(3) Japan, as the ally of the United States with the greatest potential to improve its self-defense capabilities, should accelerate current efforts to increase its contributions to the common defense, and, as a tangible sign of commitment to this, as well as other aims, Japan should immediately increase its annual defense spending to the levels required for its forces to deploy fully by 1990 an effective conventional self-defense capability, including the capability to carry out its 1,000-mile defense policy; and

(4) the continued unwillingness of such countries to increase their contributions to the common defense to more appropriate levels will endanger the vitality, effectiveness, and cohesiveness of the alliances between those countries and the United States.

(b) It is further the sense of the Congress that the President should seek from each signatory country (other than the United States) of the two treaties referred to in subsection (a) acceptance of international security responsibilities and an agreement to make contributions to the common defense which are commensurate with the economic resources of such country, including, when appropriate, an increase in host nation support.

(c)(1) The Secretary of Defense shall submit to the Congress not later than March 1, 1984, a classified report containing—

(A) a comparison of the fair and equitable shares of the mutual defense burdens of these alliances that should be borne by the United States, by other member nations of the North Atlantic Treaty Organization (NATO), and by Japan, based upon economic strength and other relevant factors, and the actual defense efforts of each nation together with an explanation of disparities that currently exist and their impact on mutual defense efforts;

(B) a description of efforts by the United States and of other efforts to eliminate existing disparities;

(C) estimates of the real growth in defense spending in fiscal year 1983 projected for each NATO member nation compared with the annual real growth goal in the range of 3 percent set in May 1978;

(D) a description of the defense-related initiatives undertaken by each NATO member nation within the real growth in defense spending of such nation in fiscal year 1984;

(E) an explanation of those instances in which the commitments to real growth in defense spending and to the long-term defense program have not been realized and a description of efforts being made by the United States to ensure fulfillment of these important NATO commitments;

(F) a description of the activities of each NATO member and Japan to enhance the security and stability of the Southwest Asia region and to assume additional missions for their own defense as the United States allocates additional resources to the mission of protecting Western interests in world areas not covered by the system of Western Alliances;

(G) a description of what additional actions the executive branch plans to take should the efforts by the United States referred to in clauses (B) and (E) fail, and, in those instances where such additional actions do not include consideration of the repositioning of American troops, a detailed explanation as to why such repositioning is not being so considered;

(H) a description of the annual financial resources, and the military procurement and programs those resources would acquire, required for Japan to deploy fully by 1990 an effective self-defense capability, including the capability to carry out its 1,000 mile defense policy, and a description of any disparities between these requirements and the financial resources and military programs contained in the Japanese defense budget for 1984 and each succeeding annual budget in its current, multiyear defense plan, and the year by which Japan would develop the required capabilities, if not 1990; and

(I) a description of those United States forces stationed in Japan whose forward deployment in Japan is only for the purposes of defending that nation, as opposed to those United States forces stationed in Japan whose primary mission is to contribute to the defense of other nations in the Pacific Ocean and Indian Ocean regions whose security is of importance to the United States.

(2) The Secretary of Defense shall also submit to the Congress not more than 30 days after the submission of the report required under paragraph (1) an unclassified report containing the matters set forth in clauses (A) through (I) of such paragraph.

LIMITATION ON NUMBER OF MILITARY PERSONNEL STATIONED IN EUROPE

SEC. 193. (a) Except as provided in subsections (b) and (c), none of the funds authorized to be appropriated by this or any other Act may be used for the purpose of supporting an end strength level, as of September 30, 1984, of members of the Armed Forces of the United States assigned to permanent duty ashore in European member nations of the North Atlantic Treaty Organization (NATO) at any level in excess of 315,600.

(b) A number of United States military personnel in excess of 315,600, but not in excess of 320,000, may be permanently as-

signed to duty ashore in such European nations as of September 30, 1984, if—

(1) the Secretary of Defense determines and certifies to the Congress in writing that on September 30, 1984, the total number of military personnel of NATO member nations, other than the United States, stationed in the Federal Republic of Germany will not be less than the total number of military personnel of such member nations stationed in that country on the date of the enactment of this Act;

(2) the Secretary of Defense certifies to the Congress in writing on or after June 1, 1984, that the budget for the Department of Defense for fiscal year 1985 and the Five-Year Defense Plan of the Department of Defense for fiscal years 1985 through 1989 give significant priority to programs directly intended to improve NATO's conventional capabilities, particularly its capability for deep interdiction;

(3) the Department of Defense has conducted a thorough and detailed analysis of NATO's defense posture which the Secretary of Defense submits to Congress on or after June 1, 1984, with his certification in writing that a number of United States military personnel in excess of 315,600 is required to meet the United States commitment to NATO; and

(4) the studies required by sections 194 through 197 have been conducted and the reports and recommendations resulting from such studies have been submitted to the Congress.

(c) A number of United States military personnel in excess of 315,600 or in excess of 320,000 may be assigned to permanent duty ashore in European member nations of NATO as of September 30, 1984, without the conditions specified in subsection (b) having been met if the President (1) determines and certifies to the Congress in writing that overriding national security interests require a number of such personnel to be assigned to permanent duty ashore in such nations in excess of 315,600 or 320,000, as the case may be, and (2) includes in the certification the total number of such personnel required and an explanation of the overriding national security interests that require such number of personnel.

(d) In computing the limitation specified in subsections (a) and (b), there may be excluded not more than 2,600 military personnel assigned to the Ground Launched Cruise Missile program and the Pershing II Missile program.

REPORT ON IMPROVEMENT OF CONVENTIONAL FORCES OF NATO

SEC. 194. At the same time the President submits the budget for fiscal year 1985 pursuant to section 1105 of title 31, United States Code, but not later than March 1, 1984, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a comprehensive report and plan for improving conventional defense capabilities of the North Atlantic Treaty Organization (NATO). The Secretary shall include in such report—

(1) his recommendations on how NATO's strategy and military program could and should be changed to improve substantially the chances of a successful conventional defense of Europe;

(2) a statement and explanation of what the aggregate NATO conventional defense requirements are;

(3) a current assessment and statement of the status of the Air-Land Battle concept within the Department of Defense and NATO;

(4) an explanation of how and to what extent the various doctrines of NATO military forces are coordinated, and how variations in doctrine can be rectified or exploited to NATO's advantage;

(5) his judgment on the most effective means by which NATO military forces can be operationally integrated to implement the Air-Land Battle concept;

(6) the United States programs which are necessary to support improved NATO conventional capabilities, the changes which are needed, and what the fiscal year 1985 budget and Five-Year Defense Plan of the Department of Defense for fiscal years 1985 through 1989 provide for with respect to NATO conventional capabilities;

(7) the United States conventional programs and weapons that are provided for in the fiscal year 1985 budget and Five-Year Defense Plan of the Department of Defense for fiscal years 1985 through 1989 to enhance the disruption and destruction of Soviet follow-on echelons;

(8) the new weapons or systems which are available for such purpose that are not in the current budget or Five-Year Defense Plan of the Department of Defense;

(9) a determination of what are the achievable NATO-wide improvements in conventional defense capability; and

(10) a separate addendum and assessment by the Commander-in-Chief, Allied Forces Europe, on measures necessary to improve NATO conventional defense capabilities, including a recommended plan for such measures.

(b) The President shall submit to the Congress not later than April 1, 1984, his recommendations and plan for improving NATO conventional defense capabilities.

REPORT ON THE NUCLEAR POSTURE OF NATO

SEC. 195. (a) The Secretary of Defense shall conduct a study on the tactical nuclear posture of the North Atlantic Treaty Organization (NATO) and submit a report on the results of such study to the Committees on Armed Services of the Senate and the House of Representatives not later than March 1, 1984. Such study shall include—

(1) a detailed assessment of the current tactical nuclear balance in Europe and that projected for 1990;

(2) an assessment of the current, respective operational doctrines for the use of tactical nuclear weapons in Europe of the Warsaw Pact and NATO;

(3) an explanation of how the threat of the use of such weapons relates to deterrence and to conventional defense;

(4) an identification of the number and types of nuclear warheads, if any, considered to be inessential to the defense structure of Western Europe, the quantity and type of such weapons that could be eliminated from Europe under appropriate circumstances without jeopardizing the security of NATO nations and an assessment of what such circumstances might be;

(5) an explanation of the steps that can be taken to develop a rational and coordinated nuclear posture by NATO in a manner that is consistent with proper emphasis on conventional defense forces and the doctrine of Air-Land Battle; and

(6) an identification of any notable, relevant developments that have occurred since the submission to the Congress in April 1975 of the report entitled "The Theater Nuclear Force Posture in Europe", prepared by the Secretary of Defense pursuant to section 302 of the Department of Defense Appropriations Authorization Act, 1975 (Public Law 93-365), which might cause the findings and conclusions of that report to require revision and such revisions in such report as the Secretary considers appropriate.

(b) The President shall submit a written report to the Congress on or before April 1, 1984, containing his views on the Department of Defense study and report required under subsection (a) together with such recommendations with respect to such study and report as he deems appropriate.

REPORT ON COMBAT-TO-SUPPORT RATIO OF UNITED STATES FORCES IN EUROPE IN SUPPORT OF NATO

SEC. 196. (a) The Secretary of Defense shall submit a report to the Committees on Armed Services of the Senate and House of Representatives not later than March 1, 1984, on the combat, combat support, combat service support, and noncombat components of the Armed Forces of the United States assigned to permanent duty ashore in Europe in support of the North Atlantic Treaty Organization (NATO). The Secretary shall include in such report—

(1) an analysis of the current combat, combat support, combat service support, and noncombat components of the Armed Forces of the United States assigned to permanent duty ashore in Europe in support of NATO and their relationship to each other;

(2) a review of the requirements for such combat, combat support, combat service support, and noncombat components;

(3) an analysis and comparison of such components and the history of their ratios to each other since 1974 as well as the projected ratios to each other during fiscal year 1985 and during each year of the Five-Year Defense Plan of the Department of Defense for fiscal years 1985 through 1989; and

(4) his recommendations for improving the combat portion of the Armed Forces of the United States deployments in Europe or, if in his judgment, no improvements are practicable, the reasons they are not.

(b) For the purposes of the report required by subsection (a)—

(1) the combat component of the Army includes only the infantry, cavalry, artillery, armored, combat engineers, special forces, attack assault helicopter units, air defense, and missile combat units of battalion or smaller size;

(2) the combat component of the Navy includes only the combatant ships (aircraft carrier, battleship, cruiser, destroyer, frigate, submarine, and amphibious assault ships) and combat aircraft wings (fighter, attack, reconnaissance, and patrol); and

(3) the combat component of the Air Force includes only the tactical fighter, reconnaissance, tactical airlift, fighter interceptor, and bomber units of wing or smaller size.

REPORT ON UNITED STATES EXPENDITURES IN SUPPORT OF NATO

SEC. 197. (a) The Secretary of Defense shall review and analyze the fiscal year 1983 expenditures of the Department of Defense in fulfilling the United States commitment to the North Atlantic Treaty Organization (NATO) and the expenditures projected for such purpose for each of the fiscal years 1984 through 1989.

(b)(1) The Secretary of Defense shall submit a detailed written report to the Congress not later than June 1, 1984, on the review and analysis required under subsection (a). The Secretary shall set out in such report, in current and constant fiscal year 1983 dollar figures, the expenditures made in fiscal year 1983 and expenditures project-

ed to be made in fiscal years 1984 through 1989 by the United States in fulfilling its commitment to NATO in each of the following categories:

(A) Procurement.

(B) Operations and maintenance.

(C) Military construction.

(D) Military personnel.

(E) Research, development, test, and evaluation.

(2) The Secretary of Defense shall also include in such report a separate breakout of the fiscal year 1983 Department of Defense expenditures in each of the categories specified in paragraph (1) for the Armed Forces of the United States assigned to permanent duty ashore in the European member nations of NATO and the expenditures projected to be incurred by the Department of Defense in each of those categories in each of the fiscal years 1984 through 1989 for personnel of the Armed Forces of the United States planned to be assigned to permanent duty ashore in such nations during each of those fiscal years. The Secretary of Defense shall also include in such report similar separate breakouts for all classes of United States forces reflected in the data submitted to the Committee on Armed Services of the Senate and printed in part 1, pages 61-68, of that Committee's hearings on Department of Defense Authorization For Appropriations For Fiscal Year 1982.

(3) The Secretary of Defense shall also include in such report the estimated percentage growth in each of the five categories specified in paragraph (1) of subsection (b), after allowing for inflation, from one year to the next for the fiscal years 1983 through 1989. In the case of each category of expenditures for which the annual projected rate of expenditure growth after fiscal year 1983 exceeds 3 percent, after allowing for inflation, over the previous fiscal year, the Secretary shall include his assessment of the impact on NATO of limiting the growth of expenditures in that category to 3 percent real growth.

PART L—GENERAL PROVISIONS

LONG-TERM LEASE AND CHARTER OF AIRCRAFT AND NAVAL VESSELS

SEC. 1001. (a) After considering cost, schedule, and urgent security requirements, it is the sense of the Congress that the most appropriate method for acquiring the T-AKX class Maritime Prepositioning Ships and the T-5 class Tankers is the long-term charter arrangements as negotiated by the Department of the Navy. The Congress directs the Department of the Navy to continue the Maritime Prepositioning Ship and T-5 Tanker programs through such charter arrangements.

(b) No funds may be appropriated for any fiscal year to or for the use of any Armed Force or obligated or expended for the lease or charter or renewal of a lease or charter of aircraft or naval vessels for a long term or for which there is a substantial termination liability unless funds therefor have been specifically authorized by law.

(c) Authorization and appropriation requests for funds for the lease or charter of aircraft or naval vessels for a long term must include as a separate line item in the procurement accounts such amount of such funds that is attributable to capital-hire.

(d) The Office of Management and Budget and the Department of the Treasury shall promulgate guidelines for lease-versus-buy or charter-versus-buy decisions by departments and agencies.

(e) Any authorization request for a lease or charter of aircraft or naval vessels for a long term or for which there is a substantial termination liability must be accompanied by an analysis, submitted by the Department of Defense, of the costs to the United States Government, to include foregone tax revenues, of any such lease or charter program compared to the costs of procurement alternatives. Such analysis must be evaluated within a 30-day period by the Office of Management and Budget and the Department of the Treasury which are to conduct their reviews in accordance with the guidelines promulgated pursuant to subsection (d).

(f) For purposes of subsections (b), (c), and (e)—

(1) a lease or charter shall be considered to be for a long term if the term of the contract, including all options under the contract, is for five years or longer; and

(2) the United States shall be considered to have a substantial termination liability under a lease or charter if, as determined under regulations prescribed by the Secretary of Defense, the present value of the amount of the termination liability of the United States under the contract as of the end of the term of the contract (exclusive of any option to extend the contract) is more than one-fifth the value of the vessel involved.

(g) Subsection (b) does not apply with respect to a contract entered into before the date of the enactment of this Act.

TRANSFER OF CERTAIN AIRCRAFT FROM EXPORT-IMPORT BANK TO THE AIR FORCE

SEC. 1002. (a) The President of the Export-Import Bank of the United States shall transfer to the Secretary of the Air Force, within 30 days after the date of the enactment of this Act (1) the five DC-10-30 aircraft and associated spare parts in the ownership of such Bank as the result of a default on a loan made by such Bank, or (2) other suitable widebody aircraft of equivalent value in the possession of such Bank. Upon the transfer of such aircraft to the Secretary of the Air Force, there shall be transferred to the appropriate account of the Export-Import Bank from Air Force Treasury account numbered 57M3500 the sum of $100,000,000.

(b) None of the aircraft transferred to the Secretary of the Air Force under the authority of subsection (a) may be used as a replacement for Air Force 1 or Air Force 2, the President's aircraft.

REPEAL OF PROHIBITION AGAINST CONSOLIDATING FUNCTIONS OF THE MILITARY TRANSPORTATION COMMANDS

SEC. 1003. Section 1110 of the Department of Defense Authorization Act, 1983 (Public Law 97-252; 96 Stat. 747), is repealed.

AUTHORIZATION TO PROVIDE RECIPROCAL COMMUNICATIONS SUPPORT OR RELATED SUPPLIES AND SERVICES

SEC. 1004. (a) Chapter 147 of title 10, United States Code, is amended by inserting after section 2482, the following new section:

"§ 2483. Reciprocal communications support or related supplies and services

"(a) The Secretary of Defense may, subject to the concurrence of the Secretary of State, enter into agreements with the Government of any allied country or North Atlantic Treaty Organization subsidiary body under which the United States agrees to provide communications support or related supplies and services to such country or subsidiary body in return for the reciprocal provision of an equivalent value of communications support or related supplies and services by such country or subsidiary body.

"(b) In this section:

"(1) 'Allied country' means any of the following:

"(A) A country that is a member of the North Atlantic Treaty Organization.

"(B) Australia or New Zealand.

"(C) Any other country designated as an allied country for the purposes of this section by the Secretary of Defense with the concurrence of the Secretary of State.

"(2) 'North Atlantic Treaty Organization subsidiary body' means any organization or international military headquarters described in section 2331(2) of this title.".

(b) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2482 the following new item:

"2483. Reciprocal communications support and related supplies and services.".

INDEPENDENT COST ESTIMATES OF MAJOR DEFENSE ACQUISITION PROGRAMS

SEC. 1005. (a)(1) Chapter 4 of title 10, United States Code, is amended by inserting after section 139b the following new section:

"§ 139c. Independent cost estimates of major defense acquisition programs

"(a) The Secretary of Defense shall not approve the full-scale engineering development or production and deployment of a major defense acquisition program unless an independent estimate of the cost of the program first has been prepared and submitted to (and considered by) the Secretary of Defense.

"(b) In this section:

"(1) 'Major defense acquisition program' has the same meaning as provided in section 139a(a)(1) of this title.

"(2) 'Independent estimate' means, with respect to a major defense acquisition program, an estimate of the cost of such program prepared by an office or other entity that is not under the supervision, direction, or control of the military department, defense agency, or other component of the Department of Defense that is directly responsible for carrying out the development or acquisition of the program.

"(3) 'Cost of the major defense acquisition program' means, with respect to a major defense acquisition program, all elements of the life-cycle costs of the program, including—

"(A) the cost of all research and development efforts, without regard to the funding source or management control;

"(B) the cost of the prime hardware and its major subcomponents; support costs including training, peculiar support, and data; initial spares; military construction costs; and the cost of all related procurements (including modifications to existing aircraft or ship platforms, where applicable), without regard to the funding source or management control of the program; and

"(C) all elements of operating and support cost.".

(2) The table of sections at the beginning of chapter 4 of such title is amended by inserting after the item relating to section 139b the following new item:

"139c. Independent cost estimates of major defense acquisition programs.".

(b) The provisions of section 139c of title 10, United States Code, as added by subsection (a), shall become effective on October 1, 1983.

(c) On the same date as the President submits the Department of Defense budget request for fiscal year 1985 to the Congress, the Secretary of Defense shall submit a written

report to the Committees on Armed Services of the Senate and the House of Representatives on the use of independent cost estimates in the planning, programing, budgeting, and selection process for major defense acquisition programs in the Department of Defense. Such report shall include an overall assessment of the extent to which such estimates were adopted by the Department in making decisions on the fiscal year 1985 budget and a general explanation of why such estimates might have been modified or rejected. In addition, the Secretary shall report on current and future initiatives to make greater or more productive use of independent cost estimates in the Department of Defense.

(d) It is the sense of the Congress that the Secretary of Defense should ensure that adequate personnel and financial resources are allocated at all levels of the Department of Defense to those organizations or offices charged with developing or assessing independent estimates of the costs of major defense acquisition programs.

CONTINUED OPERATION BY THE SECRETARY OF DEFENSE OF THE DEFENSE DEPENDENTS' EDUCATION SYSTEM

SEC. 1006. (a)(1) Sections 208 and 302, subsection (e) of section 202, and subsection (f) of section 401 of the Department of Education Organization Act (20 U.S.C. 3418, 3442, 3412(e), and 3461(f)) are repealed.

(2) Section 419(a) of such Act (20 U.S.C. 3479(a)) is amended—

(A) by striking out "(1)" after the subsection designation "(a)"; and

(B) by striking out paragraph (2).

(3) Section 503(a) of such Act (20 U.S.C. 3503(a)) is amended—

(A) by striking out "(1)" after the subsection designation "(a)"; and

(B) by striking out clause (2).

(4) The table of contents at the beginning of such Act is amended by striking out the items relating to sections 208 and 302.

(b) The second sentence of section 1410(b) of the Defense Dependents' Education Act of 1978 (20 U.S.C. 928(b)) is amended by striking out "The Secretary of Education, in consultation with the Secretary of Defense," and inserting in lieu thereof "The Secretary of Defense".

(c) Section 1411(a) of the Department of Defense Dependents' Education Act of 1978 (20 U.S.C. 929(a)) is amended to read as follows:

"(a) There is established in the Department of Defense an Advisory Council on Dependents' Education (hereinafter in this section referred to as the 'Council'). The Council shall be composed of—

"(1) the Assistant Secretary of Defense for Manpower, Reserve Affairs, and Logistics (hereinafter in this section referred to as the 'Assistant Secretary'), who shall be the chairman of the Council;

"(2) six individuals appointed by the Assistant Secretary, who shall be individuals versed by training or experience in the field of primary or secondary education and who shall include representatives of professional employee organizations, school administrators, and sponsors of students enrolled in the defense dependents' education system;

"(3) not more than three representatives from overseas military commands appointed by the Assistant Secretary; and

"(4) one individual appointed by the Secretary of Education.

The Director shall be the Executive Secretary of the Council.".

(d) Section 1411(b)(1) of such Act (20 U.S.C. 929(b)(1)) is amended—

(1) by striking out "four" each place it appears and inserting in lieu thereof "two"; and

(2) by striking out "Secretary of Education" and inserting in lieu thereof "Assistant Secretary".

(e) Section 1411(c) of such Act (20 U.S.C. 929(c)) is amended—

(1) by striking out clause (2);

(2) by redesignating clauses (3), (4), and (5) as clauses (2), (3), and (4), respectively; and

(3) by striking out "Secretary of Education" in clause (4) (as redesignated in clause (2) of this subsection) and inserting in lieu thereof "Assistant Secretary".

(f) The Director of the Office of Management and Budget, the Secretary of Defense, and the Secretary of Education are each directed to take such action as may be necessary to assure the continued effective administration of the defense dependents' education system pursuant to title XIV of the Education Amendments of 1978.

USE OF POLYGRAPHS BY THE DEPARTMENT OF DEFENSE

SEC. 1007. (a) Chapter 49 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 979. Prohibition against certain actions based upon results of polygraph examinations

"(a)(1) Except as provided in subsection (c), a civilian employee of the Department of Defense may not be separated from his employment with the Department of Defense, suspended from such employment, reduced in grade or pay, furloughed, denied access to classified information, or subjected to any other adverse action with respect to his employment in any position in the Department of Defense solely on the basis of the results of a polygraph examination or solely on the basis of a refusal to submit to such an examination.

"(2) A member of the armed forces may not be permanently or temporarily transferred to a new duty station, assigned or detailed to perform new duties, denied access to classified information, or subjected to any other adverse action with respect to such member's military status or any duty assignment in the Department of Defense solely on the basis of the results of a polygraph examination or solely on the basis of a refusal to submit to such an examination.

"(b)(1) Not later than March 1, 1984, the President shall submit to the Congress a written report describing (A) unauthorized disclosures of classified information that necessitate expanded use of polygraph examinations in the Department of Defense, (B) the nature and extent of such unauthorized disclosures, and (C) the nature and extent of the damage to the national security that has resulted from the unauthorized disclosures, including specific examples of the damage and the manner in which the damage was determined and measured.

"(2) Not later than March 1, 1984, the Secretary of Defense shall submit to the Congress a written report which expresses the position of the Department of Defense regarding the accuracy and reliability of polygraph examinations and which includes—

"(A) a description of the specific studies (including statistical analyses based on such studies) conducted by or for the Department of Defense, or relied upon by the department, to support the department's use of the polygraph; and

"(B) the Secretary's analysis and explanation of how any potential damage to innocent persons erroneously identified by polygraph examinations as having given false responses or information during the course of polygraph examinations is offset by the potential benefits to the United States of expanded use of the polygraph.

"(c) Polygraph examinations may be used with respect to civilian employees and prospective civilian employees of the National Security Agency of the Department of Defense in accordance with and to the extent provided for in regulations of the Department of Defense or the National Security Agency as in effect on the date of the enactment of this Act.".

(b) The table of sections at the beginning of chapter 49 of such title is amended by adding at the end thereof the following new item:

"979. Prohibition against certain actions based upon results of polygraph examinations.".

ONE-YEAR EXTENSION OF TEST PROGRAM TO AUTHORIZE PRICE DIFFERENTIAL TO RELIEVE ECONOMIC DISLOCATIONS

SEC. 1008. (a) Subsection (a) of section 1109 of the Department of Defense Authorization Act, 1983 (10 U.S.C. 2392 note), is amended by striking out "fiscal year 1983" each place it appears and inserting in lieu thereof "fiscal years 1983 and 1984".

(b) Subsection (b) of section 1109 of such Act is amended—

(1) by inserting "and April 15, 1984," after "1983" in the first sentence; and

(2) by striking out "report" in the second sentence and inserting in lieu thereof "reports".

PROTECTION OF REPORTS OF MILITARY AIRCRAFT ACCIDENT SAFETY INVESTIGATIONS

SEC. 1009. (a)(1) Part I of subtitle A of title 10, United States Code, is amended by adding at the end thereof the following new chapter:

"CHAPTER 19—AIRCRAFT ACCIDENTS

"Sec.

"391. Definition.

"392. Investigation reports: limitation on use.

"§ 391. Definition

"In this chapter, 'safety investigation' means an investigation conducted solely to determine the cause of an aircraft accident and to obtain information which may prevent the occurrence of similar accidents.

"§ 392. Investigation reports: limitation on use

"(a) The Secretary concerned may conduct a safety investigation of any accident involving an aircraft under the jurisdiction of the Secretary.

"(b) No part of any record or report of a safety investigation described in subsection (c) may—

"(1) be released outside of the armed force concerned, unless expressly authorized by the Secretary concerned to be released for safety purposes;

"(2) be subject to discovery in any judicial or administrative proceeding; or

"(3) be used as evidence, or to obtain evidence, in any disciplinary action or suit or other judicial or administrative proceeding.

"(c) Subsection (b) applies to any part of a record or report of a safety investigation relating to—

"(1) the deliberative portions of an investigation, including any discussion, analysis, opinion, conclusion, finding, or recommendation;

"(2) statements or information obtained under an express or implied promise of confidentiality from a witness or manufacturer; or

"(3) life science reports.

"(d) This section does not limit or alter the authority of the National Transportation Safety Board under section 702(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1442(a)), section 304(a)(1)(A) of the Independent Safety Board Act of 1974 (49 U.S.C. 1903(a)(1)(A)), and section 6(d) of the Department of Transportation Act (49 U.S.C. 1655(d)).

"(e) The Secretary concerned shall prescribe regulations to carry out this section.".

(2) The table of chapters at the beginning of subtitle A, and the table of chapters at the beginning of part I of subtitle A, of title 10, United States Code, are each amended by adding the following new item after the item relating to chapter 18:

"19. Aircraft Accidents..... 391".

(b) The amendments made by subsection (a) shall apply to safety investigations of aircraft accidents that occurred before the date of the enactment of this Act and to aircraft accidents that occur after such date.

AUTHORIZATION OF FUNDS FOR UPGRADING THE INTERNATIONAL COORDINATING COMMITTEE (COCOM) LOGISTICAL SUPPORT

SEC. 1010. The Secretary of Defense may use, out of any funds available to the Department of Defense for fiscal year 1984, not to exceed $2,000,000 for the purpose of upgrading and improving the logistical support of the International Coordinating Committee (COCOM) in order to strengthen control over the export of technology and equipment to certain countries by the United States and certain of its allies.

ASSISTANT SECRETARIES

SEC. 1011. (a)(1) Section 136(a) of title 10, United States Code, is amended by striking out "seven" and inserting in lieu thereof "ten".

(2) Section 136(b) of such title is amended by inserting after the fifth sentence the following: "One of the Assistant Secretaries shall be the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence. He shall have as his principal duty the overall supervision of command, control, communications, and intelligence affairs of the Department of Defense.".

(b) The first sentence of section 3013 of title 10, United States Code, is amended by striking out "four" and inserting in lieu thereof "five".

(c) The first sentence of section 5034(a) of such title is amended by striking out "three" and inserting in lieu thereof "four".

(d) Section 5315 of title 5, United States Code, is amended—

(1) by striking out "(7)" after "Assistant Secretaries of Defense" and inserting in lieu thereof "(10)";

(2) by striking out "(4)" after "Assistant Secretaries of the Army" and inserting in lieu thereof "(5)"; and

(3) by striking out "(3)" after "Assistant Secretaries of the Navy" and inserting in lieu thereof "(4)".

COMPENSATION FOR INJURIES INCURRED IN THE PERFORMANCE OF DUTY BY MEMBERS OF THE CIVIL AIR PATROL

SEC. 1012. (a) Section 8141 of title 5, United States Code, is amended—

(1) in subsection (a), by inserting "under 18 years of age" after "Civil Air Patrol Cadet"; and

(2) in subsection (b)(1), by striking out "$300" and inserting in lieu thereof "the rate of basic pay payable for step 1 of grade GS-9 in the General Schedule under section 5332 of this title".

(b)(1) The amendments made by subsection (a) shall take effect on the date of the enactment of this Act.

(2) The amendment made by subsection (a)(1) shall apply only to deaths or injuries occurring on or after the date of the enactment of this Act.

(3) The amendment made by subsection (a)(2) shall apply only to the computation of compensation payable for periods commencing on or after the date of the enactment of this Act.

DELAY ON USE OF FUNDS FOR THE PRODUCTION OF BINARY CHEMICAL MUNITIONS

SEC. 1013. (a)(1) Funds appropriated pursuant to the authorization of appropriations for the Army in section 101 of this Act may be used for the establishment of a production base for binary chemical munitions and for the procurement of components for 155-millimeter binary chemical artillery projectiles, but such funds may not be used for the actual production of binary chemical munitions before October 1, 1985.

(2) Notwithstanding the provisions of paragraph (1), before the production of binary chemical munitions may begin after September 30, 1985, the President must certify to Congress in writing that, in light of circumstances prevailing at the time the certification is made, the production of such munitions is essential to the national interest. The absence of constructive movement toward a negotiated, comprehensive, and verifiable ban on chemical weaponry would contribute to circumstances which justify the initiation of such production.

(b) For purposes of this section, "production of binary chemical munitions" means the final assembly of weapon components and the filling or loading of components with binary chemicals.

EMPLOYMENT PROTECTION FOR CERTAIN NONAPPROPRIATED FUND INSTRUMENTALITY EMPLOYEES

SEC. 1014. (a)(1) Chapter 81 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 1587. Employees of nonappropriated fund instrumentalities

"(a) In this section:

"(1) 'Nonappropriated fund instrumentality employee' means a civilian employee who is paid from nonappropriated funds of Army and Air Force Exchange Service, Navy Resale and Services Support Office, Marine Corps exchanges, or any other instrumentality of the United States under the jurisdiction of the armed forces which is conducted for the comfort, pleasure, contentment, or physical or mental improvement of members of the armed forces.

"(2) 'Civilian employee' has the meaning given the term 'employee' by section 2105(a) of title 5.

"(3) 'Personnel action', with respect to a nonappropriated fund instrumentality employee (or an applicant for a position as such an employee), means—

"(A) an appointment;

"(B) a promotion;

"(C) any disciplinary or corrective action;

"(D) a detail, transfer, or reassignment;

"(E) a reinstatement, restoration, or reemployment;

"(F) a decision concerning pay, benefits, or awards, or concerning education or training if the education or training may reasonably be expected to lead to an appointment, promotion, or other action described in this paragraph; and

"(G) any other significant change in duties or responsibilities that is inconsistent with the employee's salary or grade level.

"(b) Any civilian employee, nonappropriated fund instrumentality employee, or member of the armed forces who has authority to take, direct others to take, recommend, or approve any personnel action shall not, with respect to such authority, take or fail to take a personnel action with respect to any nonappropriated fund instrumentality employee (or any applicant for a position as such an employee) as a reprisal for—

"(1) a disclosure of information by such an employee or applicant which the employee or applicant reasonably believes evidences—

"(A) a violation of any law, rule, or regulation; or

"(B) mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety;

if such disclosure is not specifically prohibited by law and if the information is not specifically required by or pursuant to executive order to be kept secret in the interest of national defense or the conduct of foreign affairs; or

"(2) a disclosure by such an employee or applicant to any civilian employee, nonappropriated fund instrumentality employee, or member of the armed forces designated by law or by the Secretary concerned to receive disclosures described in clause (1), of information which the employee or applicant believes evidences—

"(A) a violation of any law, rule, or regulation; or

"(B) mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety.

"(c) This section does not apply to an employee in a position excluded from the coverage of this section by the President based upon a determination by the President that the exclusion is necessary and warranted by conditions of good administration.

"(d) The Secretary of Defense shall be responsible for the prevention of actions prohibited by subsection (b) and for the correction of any such actions that are taken. The authority of the Secretary to correct such actions may not be delegated to the Secretary of a military department or to the Assistant Secretary of Defense for Manpower, Reserve Affairs, and Logistics.

"(e) The Secretary of Defense, after consultation with the Director of the Office of Personnel Management and the Special Counsel of the Merit Systems Protection Board, shall prescribe regulations to carry out this section. Such regulations shall include provisions to protect the confidentiality of employees and applicants making disclosures described in clauses (1) and (2) of subsection (b).".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"1587. Employees of nonappropriated fund instrumentalities.".

(b) Section 1587 of such title, as added by subsection (a), shall apply with respect to any conduct prohibited by subsection (b) of such section which occurs after the date of the enactment of this Act.

AMENDMENT TO MAKE COMMANDANT OF THE MARINE CORPS A MEMBER OF THE ARMED FORCES POLICY COUNCIL

Sec. 1015. Section 171(a) of title 10, United States Code, is amended—

(1) by striking out "and" at the end of clause (9);

(2) by striking out the period at the end of clause (10) and inserting in lieu thereof a semicolon and "and"; and

(3) by adding after clause (10) the following new clause:

"(11) the Commandant of the Marine Corps.".

RETIREMENT DEDUCTIONS FROM THE PAY OF JUDGES OF THE UNITED STATES COURT OF MILITARY APPEALS

SEC. 1016. (a) Section 8334 of title 5, United States Code, is amended—

(1) in the first sentence of subsection (a)(1) by inserting "and a judge of the United States Court of Military Appeals" before the period; and

(2) by adding at the end of the table contained in subsection (c) the following:

"Judge of the United States Court of Military Appeals for service as a judge of that court	6	May 5, 1950, to October 31, 1956.
	6½	November 1, 1956, to December 31, 1969.
	7	January 1, 1970, to (but not including) the date of the enactment of the Omnibus Defense Authorization Act, 1984.
	8	On and after the date of the enactment of the Omnibus Defense Authorization Act, 1984.".

(b) Section 8836 of such title is amended—

(1) by redesignating subsection (k) as subsection (l); and

(2) by inserting after subsection (j) the following new subsection (k):

"(k) A judge of the United States Court of Military Appeals who is separated from the service after becoming 62 years of age and completing 5 years of civilian service or after completing the term of service for which he was appointed as a judge of such court is entitled to an annuity. If an annuity is elected before the judge becomes 60 years of age, it shall be a reduced annuity.".

(c) Section 8337(a) of such title is amended by inserting the following after the third sentence: "A judge of the United States Court of Military Appeals who completes 5 years of civilian service and who is found by the Office to be disabled for useful and efficient service as a judge of such court or who is removed for mental or physical disability under section 867(a)(2) of title 10 shall be retired on the judge's own application or upon such removal.".

(d) Section 8338 of such title is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection (c):

"(c) A judge of the United States Court of Military Appeals who is separated from the service after completing 5 years of civilian service is entitled to an annuity beginning at the age of 62 years. A judge of such court who is separated from the service after completing the term of service for which he was appointed is entitled to an annuity. If an annuity is elected before the judge becomes 60 years of age, it shall be a reduced annuity.".

(e) Section 8339 of such title is amended—

(1) in subsection (d), by adding at the end thereof the following new paragraph:

"(6) The annuity of an employee who is a judge of the United States Court of Military Appeals, or a former judge of such court, retiring under this subchapter is computed under subsection (a) of this section, except, with respect to his service as a judge of such court, his service as a member, his congressional employee service, and his military service (not exceeding five years) creditable under section 8332 of this title, his annuity is computed by multiplying 2½ percent of his average annual pay by the years of that service.".

(2) by adding at the end of subsection (h) the following new sentence: "The annuity computed under subsection (d)(6) for a judge of the United States Court of Military Appeals retiring under section 8336(k) or 8338(c) of this title is reduced by 1/12 of 1 percent for each full month not in excess of 60 months, and ⅙ of 1 percent for each full month in excess of 60 months, the judge is under 60 years of age at the date of separation.".

(f) The increase in deductions from the pay of a judge of the United States Court of Military Appeals required by section 8334(c) of title 5, United States Code, as amended by subsection (a) of this section, shall be effective with respect to the first pay period that begins after the date of enactment of this Act.

CLARIFICATION OF SURVIVOR BENEFITS COVERAGE FOR FORMER SPOUSES

SEC. 1017. (a)(1) The second sentence of subsection (a)(5) of section 1448 of title 10, United States Code, is amended by inserting "except in accordance with subsection (b)(3)" after "may not be revoked".

(2) Subsection (b) of such section is amended to read as follows:

"(b)(1) A person who is not married and does not have a dependent child when he becomes eligible to participate in the Plan may elect to provide an annuity to a natural person with an insurable interest in that person. In the case of a person providing an annuity under this paragraph by virtue of eligibility under subsection (a)(1)(B), such an election shall include a designation under subsection (e).

"(2) A person who has a former spouse when he becomes eligible to participate in the Plan may elect to provide an annuity to that former spouse. In the case of a person with a spouse or a dependent child, such an election prevents payment of an annuity to that spouse or child, including payment under subsection (d). If there is more than one former spouse, the person shall designate which former spouse is to be provided the annuity. In the case of a person providing an annuity under this paragraph by virtue of eligibility under subsection (a)(1)(B), such an election shall include a designation under subsection (e).

"(3)(A) A person—

"(i) who is a participant in the Plan and is providing coverage for a spouse or a spouse and child (even though there is no beneficiary currently eligible for such coverage), and

"(ii) who has a former spouse who was not that person's former spouse when he became eligible to participate in the Plan,

may (subject to subparagraph (B)) elect to provide an annuity to that former spouse. Any such election terminates any previous coverage under the Plan and must be written, signed by the person, and received by the Secretary concerned within one year after the date of the decree of divorce, dissolution, or annulment.

"(B) A person may not make an election under subparagraph (A) to provide an annuity to a former spouse who that person married after becoming eligible for retired or retainer pay unless—

"(i) the person was married to that former spouse for at least one year, or

"(ii) that former spouse is the parent of issue by that marriage.

"(C) An election under this paragraph may not be revoked except in accordance with section 1450(f) of this title and is effective as of the first day of the first calendar month following the month in which it is received by the Secretary concerned. This paragraph does not provide the authority to change a designation previously made under subsection (e).

"(D) If a person who is married makes an election to provide an annuity to a former spouse under this paragraph, that person's spouse shall be notified of that election.

"(4) A person who elects to provide an annuity to a former spouse under paragraph (2) or (3) shall, at the time of making the election, provide the Secretary concerned with a written statement (in a form to be prescribed by that Secretary and signed by such person and the former spouse) setting forth whether the election is being made pursuant to a written agreement previously entered into voluntarily by such person as a part of or incident to a proceeding of divorce, dissolution, or annulment and (if so) whether such voluntary written agreement has been incorporated in, or ratified or approved by, a court order.".

(3) Section 1450 of title 10, United States Code, is amended—

(A) by striking out "at the time the person to whom section 1448 applies became entitled to retired or retainer pay" in subsection (a)(4); and

(B) by inserting "(without regard to the eligibility of the person making the change of election to make an election under such section)" before the period at the end of the third sentence of subsection (f)(1).

(b) In the case of a person who on the date of the enactment of this Act is a person described in subparagraph (A) of subsection (b)(3) of section 1448 of title 10, United States Code (as amended by subsection (a)(2)), such subsection shall apply to that person as if the one-year period provided for in subparagraph (A) of such subsection began on the date of the enactment of this Act.

(c)(1) Section 1447(8) of title 10, United States Code, is amended by striking out "annulment, or legal separation," both places it appears and inserting in lieu thereof "or annulment".

(2) Section 1448(a)(3) is amended—

(A) by inserting "for a former spouse" after "an annuity" the second place it appears in subparagraphs (A) and (B); and

(B) by striking out "of this section" both places it appears.

(3) Section 1450(f) of such title is amended—

(A) by striking out "of this subsection" in paragraph (1); and

(B) by striking out "annulment, or legal separation," in paragraph (2) and inserting in lieu thereof "or annulment,".

(4) Section 1006(e)(3) of the Uniformed Services Former Spouses' Protection Act (title X of Public Law 97-252; 96 Stat. 738) is amended by striking out "section" and all that follows and inserting in lieu thereof "section 1072 of title 10, United States Code.".

CLARIFICATION OF CONTINUING RESPONSIBILITY FOR FUNDING OF CERTAIN SURVIVORS' BENEFITS

SEC. 1018. Section 156(g)(1) of Public Law 97-377 (96 Stat. 1922) is amended—

(1) by striking out "fiscal year 1983" and inserting in lieu thereof "each fiscal year";

(2) by striking out "from the 'Retired Pay, Defense' account of the Department of Defense"; and

(3) by inserting between the first and second sentences the following: "During fiscal year 1983, transfers under this subsection shall be made from the 'Retired Pay, Defense' account of the Department of Defense. During subsequent fiscal years, such transfers shall be made from such account or from funds otherwise available to the Secretary for the purpose of the payment of such benefits and expenses.".

AUTHORITY FOR REGULAR MEMBER OF THE ARMED FORCES TO SERVE AS THE FEDERAL COMMISSIONER ON THE RED RIVER COMPACT COMMISSION

SEC. 1019. The Act entitled "An Act to grant the consent of the United States to the Red River Compact among the States of Arkansas, Louisiana, Oklahoma, and Texas", approved December 22, 1980 (94 Stat. 3305), is amended by adding at the end thereof the following new section:

"SEC. 5. (a) The President may appoint a regular officer of the Army, Navy, Air Force, or Marine Corps who is serving on active duty as the Federal Commissioner of the Commission.

"(b) Notwithstanding the provisions of section 973(b) of title 10, United States Code, acceptance by a regular officer of the Army, Navy, Air Force, or Marine Corps of an appointment as the Federal Commissioner of the Commission, or the exercise of the functions of Federal Commissioner and chairman of the Commission, by such officer shall not terminate or otherwise affect such officer's appointment as a military officer.".

TEST PROGRAM ON LIMITED USE OF COMMISSARY STORES BY MEMBERS OF THE SELECTED RESERVE

SEC. 1020. (a) The Secretary of Defense shall carry out in one or more areas of the United States a test program under which members of the Selected Reserve of the Ready Reserve of a Reserve component of the Armed Forces will be permitted to use commissary stores of the Department of Defense a number of days each year equal to the number of days the member performs active duty for training as a member of the Selected Reserve. Under any such test program, a member of the Selected Reserve shall be permitted a period of one year, from the date on which the member performs active duty for training, to use a day of eligibility for using commissary stores.

(b) The Secretary of Defense shall report the results of the test program to the Congress no later than June 1, 1984, together with such comments and recommendations as he determines appropriate.

REPORT ON PROPOSED LEGISLATION FOR CODIFICATION OF CERTAIN PROVISIONS OF LAW

SEC. 1021. The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives not later than January 1, 1984, proposed legislation for codification into appropriate titles of the United States Code, or for incorporation into other existing laws, those provisions of law that have been enacted during the past five years as a part of the annual Department of Defense Authorization Act or the annual Department of Defense Appropriation Act under the heading "General Provisions" and that in the opinion of the Secretary should be so codified or incorporated.

REQUIREMENT FOR PROPOSALS OF SUBSTANTIVE LEGISLATION PERTAINING TO THE DEPARTMENT OF DEFENSE BE SUBMITTED TO THE COMMITTEES ON ARMED SERVICES

SEC. 1022. On and after the date of the enactment of this Act, the Secretary of Defense shall require that all proposals or requests by the Department of Defense for legislation which would confer new or expanded authority on the Department of Defense or which would amend, supersede, or otherwise charge any existing law pertaining to any program administered by the Department of Defense shall be submitted or directed only to the Committees on Armed Services of the Senate and the House of Representatives. The preceding sentence does not apply to proposals or requests for legislation that would prohibit or limit the expenditure of funds or to proposals or requests for legislation that is not within the jurisdiction of the Committees on Armed Services of the Senate and the House of Representatives.

COMMITTEES ON ARMED SERVICES TO BE FURNISHED COPIES OF ALL DEPARTMENT OF DEFENSE REGULATIONS

SEC. 1023. (a) The Secretary of Defense shall furnish to the Committees on Armed Services of the Senate and the House of Representatives copies of all regulations promulgated by the Department of Defense, and of all regulations proposed to be promulgated by that department, on and after the date of the enactment of this Act. The Secretary shall furnish such copies to the Committees within five days after the date on which such regulations are first promulgated or first proposed to be promulgated, as the case may be.

(b) The Secretary of Defense shall, within 30 days after the date of the enactment of this Act, furnish to the Committees on Armed Services of the Senate and the House of Representatives a complete set of all regulations of the Department of Defense that are in effect on the date of the enactment of this Act.

AUTHORITY TO WITHHOLD FROM PUBLIC DISCLOSURE CERTAIN TECHNICAL DATA

SEC. 1024. (a) Chapter 4 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 140c. Authority of Secretary of Defense to withhold from public disclosure certain technical data

"(a) Notwithstanding any other provision of law, the Secretary of Defense may withhold from public disclosure any technical data with military or space application in the possession of or under the control of the Department of Defense, if such data may not be exported lawfully outside the United States without an approval, authorization, or license under the Export Administration Act (50 U.S.C. App. 2401-2420) or the Arms Export Control Act (22 U.S.C. 2751 et seq.), except that technical data may not be withheld under this section if regulations promulgated under either such Act authorize the export of such data pursuant to a general, unrestricted license or exemption in such regulations.

"(b)(1) Within 90 days after enactment of this section, the Secretary of Defense shall propose regulations to implement this section, which shall be published in the Federal Register for a period of no less than thirty days for public comment prior to promulgation. Such regulations shall address, where appropriate, releases of technical data to allies of the United States and to qualified United States contractors for use in performing United States Government contracts.

"(2) In this section, 'technical data with military or space application' means any blueprints, drawings, plans, instructions, computer software and documentation, or other technical information that can be used, or be adapted for use, to design, engineer, produce, manufacture, operate, repair, overhaul, or reproduce any military or space equipment or technology concerning such equipment.".

(b) The table of sections at the beginning of chapter 4 of such title is amended by adding at the end thereof the following new item:

"140c. Authority of Secretary of Defense to withhold from public disclosure certain technical data.".

REDUCTION IN AUTHORIZATION OF FUNDS FOR CERTAIN INTELLIGENCE ACTIVITIES

SEC. 1025. The authorization of appropriations contained in this Act are reduced by $100,000,000 in accordance with the classified appendix of the Senate Committee on Armed Services to the classified schedule of appropriations for fiscal year 1984 prepared by the Select Committee on Intelligence of the Senate.

PART M—TECHNICAL AMENDMENTS

TECHNICAL AMENDMENTS TO TITLE 10, UNITED STATES CODE

SEC. 1031. Title 10, United States Code, is amended as follows:

(1) Section 139b(g)(2) is amended by striking out "procurment" and inserting in lieu thereof "procurement".

(2) Section 140 is amended by striking out "of this section" in subsections (a) and (c).

(3) Section 520(a) is amended—

(A) by striking out "For the fiscal year beginning on October 1, 1980" and all that follows through "1982, the" and inserting in lieu thereof "The";

(B) by striking out "such fiscal year" the first place it appears in the last sentence and inserting in lieu thereof "any fiscal year"; and

(C) by striking out "number of such" and all that follows through "into" in the last sentence and inserting in lieu thereof "total number of persons originally enlisted or inducted to serve on active duty (other than active duty for training) in".

(4) Section 1079 is amended—

(A) by striking out "thirty" in subsections (a) and (d) and inserting in lieu thereof "30"; and

(B) by striking out "of this section" in subsection (g).

(5)(A) The heading of section 1081 is amended by striking out the semicolon and the last word.

(B) The item relating to that section in the table of sections at the beginning of chapter 55 is amended by striking out the semicolon and the last word.

(6) Section 1085 is amended by inserting a comma after "or his dependent" the first place it appears.

(7) Section 1090 is amended by striking out "(a)".

(8) Section 1126(a)(1) is amended by striking out "Who" and inserting in lieu thereof "who".

(9) Section 1489(a)(2) is amended by striking out "the date of the enactment of this section" and inserting in lieu thereof "October 14, 1980".

(10) Section 2005 is amended—

(A) by striking out "of this section" each place it appears in subsections (c) and (d); and

(B) by striking out "section—" in subsection (e) and inserting in lieu thereof "section:".

(11) Section 2101 is amended—

(A) by striking out "chapter—" and inserting in lieu thereof "chapter:";

(B) by striking out " 'program' " and inserting in lieu thereof " 'Program' ";

(C) by striking out the semicolon at the end of paragraph (1) and inserting in lieu thereof a period;

(D) by striking out " 'member' " and inserting in lieu thereof " 'Member' ";

(E) by striking out "; and" and inserting in lieu thereof a period; and

(F) by striking out " 'advanced' " and inserting in lieu thereof " 'Advanced' ".

(12)(A) Section 2116 is repealed.

(B) The table of sections at the beginning of chapter 104 is amended by striking out the item relating to section 2116.

(13) Section 2120 is amended by striking out "chapter—" and inserting in lieu thereof "chapter:".

(14) Section 2134 is amended by striking out the second sentence of such section.

(15) The table of chapters at the beginning of subtitle A and the table of chapters at the beginning of part II of such subtitle are amended by striking out "and" in the item relating to chapter 60 and inserting in lieu thereof "or".

TITLE II—MILITARY CONSTRUCTION MATTERS

PART A—ARMY

AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS

SEC. 201. The Secretary of the Army may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations:

INSIDE THE UNITED STATES

UNITED STATES ARMY FORCES COMMAND

Fort Bragg, North Carolina, $31,100,000.
Fort Campbell, Kentucky, $15,300,000.
Fort Carson, Colorado, $17,760,000.
Fort Devens, Massachusetts, $3,000,000.
Fort Douglas, Utah, $910,000.
Fort Drum, New York, $1,500,000.
Fort Hood, Texas, $76,050,000.
Fort Irwin, California, $27,150,000.
Fort Lewis, Washington, $35,310,000.
Fort Meade, Maryland, $5,150,000.
Fort Ord, California, $6,150,000.
Fort Polk, Louisiana, $16,180,000.
Fort Richardson, Alaska, $940,000.
Fort Riley, Kansas, $68,700,000.
Fort Stewart, Georgia, $29,720,000.
Presidio of Monterey, California, $1,300,000.

UNITED STATES ARMY WESTERN COMMAND

Schofield Barracks, Hawaii, $31,900,000.

UNITED STATES ARMY TRAINING AND DOCTRINE COMMAND

Fort Benjamin Harrison, Indiana, $5,900,000.
Fort Benning, Georgia, $21,750,000.
Fort Bliss, Texas, $40,580,000.
Fort Jackson, South Carolina, $39,190,000.
Fort Knox, Kentucky, $4,200,000.
Fort Leavenworth, Kansas, $13,550,000.
Fort Lee, Virginia, $5,930,000.
Fort Leonard Wood, Missouri, $12,600,000.
Fort McClellan, Alabama, $4,220,000.
Fort Rucker, Alabama, $9,650,000.
Fort Sill, Oklahoma, $25,150,000.
Fort Story, Virginia, $9,000,000.

MILITARY DISTRICT OF WASHINGTON

Fort Myer, Virginia, $2,750,000.

UNITED STATES ARMY MATERIEL DEVELOPMENT AND READINESS COMMAND

Aberdeen Proving Ground, Maryland, $26,400,000.
Detroit Arsenal, Michigan, $270,000.
Harry Diamond Laboratories, Maryland, $400,000.
Kansas Army Ammunition Plant, Kansas, $1,150,000.
Louisiana Army Ammunition Plant, Louisiana, $4,250,000.
Milan Army Ammunition Plant, Tennessee, $550,000.
Picatinny Arsenal, New Jersey, $460,000.
Red River Army Depot, Texas, $1,250,000.
Redstone Arsenal, Alabama, $25,400,000.
Rock Island Arsenal, Illinois, $26,500,000.
Sierra Army Depot, California, $3,950,000.
White Sands Missile Range, New Mexico, $310,000.

AMMUNITION FACILITIES

Iowa Army Ammunition Plant, Iowa, $2,000,000.
Lake City Army Ammunition Plant, Missouri, $600,000.
Lone Star Army Ammunition Plant, Texas, $1,300,000.
Longhorn Army Ammunition Plant, Texas, $270,000.
Milan Army Ammunition Plant, Tennessee, $340,000.
Radford Army Ammunition Plant, Virginia, $4,620,000.
Scranton Army Ammunition Plant, Pennsylvania, $1,000,000.

UNITED STATES ARMY COMMUNICATIONS COMMAND

Fort Huachuca, Arizona, $2,750,000.

UNITED STATES MILITARY ACADEMY

United States Military Academy, New York, $12,840,000.

UNITED STATES ARMY HEALTH SERVICES COMMAND

Fort Detrick, Maryland, $1,650,000.
Walter Reed Army Medical Center, Washington, District of Columbia, $4,200,000.

CLASSIFIED PROJECT

Various Locations, $1,300,000.

OUTSIDE THE UNITED STATES

UNITED STATES ARMY, JAPAN

Okinawa, $1,400,000.

EIGHTH UNITED STATES ARMY

Korea, $59,580,000.

BALLISTIC MISSILE DEFENSE SYSTEMS COMMAND

Kwajalein, $5,620,000.

UNITED STATES ARMY FORCES COMMAND OVERSEAS

Fort Buchanan, Puerto Rico, $1,550,000.
Panama, $1,460,000.

UNITED STATES ARMY, EUROPE

Europe, $19,000,000.
Germany, $286,920,000.
Italy, $2,710,000.
Turkey, $5,250,000.

UNITED STATES ARMY INTELLIGENCE AND SECURITY COMMAND OVERSEAS

Korea, $260,000.

FAMILY HOUSING

SEC. 202. (a) The Secretary of the Army may construct or acquire family housing units (including land acquisition), and acquire manufactured home facilities at the following installations, in the number of units shown, and in the amount shown, for each installation:

Various Locations, Alaska, six units, $1,158,000.
Aliamanu, Hawaii, community center, $9,900,000.
Various Locations, Europe NATO, five hundred units, $40,000,000.
Fort Greely, Alaska, thirty-eight units, $5,203,000.
Fort Polk, Louisiana, two hundred units, $15,342,000.
Fort Stewart, Georgia, two hundred and forty-four units, $14,626,000.
Wildflecken, Federal Republic of Germany, one hundred and fifty-three units, $12,157,000.
Bayreuth, Federal Republic of Germany, thirteen units, $1,132,000.
Kitzingen, Federal Republic of Germany, one hundred and three units, $11,140,000.
Vicenza, Italy, two units, $354,000.

CONTRACTING FOR CERTAIN PROJECTS

SEC. 203. (a) The following projects authorized in sections 201 and 202 may be carried out only as provided in subsection (b):

Operations Building in the amount of $2,000,000 at Fort Carson, Colorado.

Child Care Center in the amount of $3,000,000 at Fort Devens, Massachusetts.

Bulk Fuel Storage Facility in the amount of $4,200,000 at Fort Hood, Texas.

Multipurpose Training Range in the amount of $3,350,000 at Fort Hood, Texas.

Hangar Addition in the amount of $2,800,000 at Fort Lewis, Washington.

Instrument Landing System in the amount of $870,000 at Fort Lewis, Washington.

Barracks in the amount of $5,900,000 at Fort Benjamin Harrison, Indiana.

Infantry Remote Target Systems Ranges in the amount of $3,000,000 at Fort Bliss, Texas.

Physical Fitness Training Center in the amount of $2,850,000 at Fort Bliss, Texas.

Chapel/Child Care Center in the amount of $6,400,000 at Fort Jackson, South Carolina.

Education Center in the amount of $5,200,000 at Fort Jackson, South Carolina.

Trainee Barracks in the amount of $26,800,000 at Fort Jackson, South Carolina.

Trainee Barracks with Dining Facility in the amount of $23,000,000 at Fort Sill, Oklahoma.

Brigade Headquarters in the amount of $1,500,000 at Fort Huachuca, Arizona.

Bridge Repair in the amount of $4,500,000 at Rock Island Arsenal, Illinois.

Construction of Family Housing in the amount of $40,000,000 at various North Atlantic Treaty Organization locations in Europe.

(b) A contract for a project listed in subsection (a) may be entered into only if the funds to be obligated for the contract are derived from the total amount of funds (if any) available from (1) the net savings from the execution of the projects authorized by section 201 other than those listed in subsection (a), (2) total savings from cancellations of such projects, and (3) other sources, including savings from projects authorized for the Army in previous military construction authorization Acts.

(c) Before the Secretary of the Army may advertise for bids, or may negotiate, for a contract described in subsection (b), the Secretary shall submit a written report to the appropriate committees of Congress certifying that funds for the contract are available in accordance with subsection (b) and identifying the source of the funds. Such a report may not be submitted before January 1, 1984.

IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS

SEC. 204. Subject to section 2825 of title 10, United States Code, the Secretary of the Army may make expenditures to improve existing military family housing units in an amount not to exceed $102,893,000, of which $26,623,000 is available only for energy conservation projects.

ARCHITECTURAL AND ENGINEERING SERVICES AND CONSTRUCTION DESIGN

SEC. 205. The Secretary of the Army may carry out architectural and engineering services and construction design in connection with military family housing construction (including improvements), in the amount of $6,750,000.

PROJECTS USING UNOBLIGATED PRIOR YEAR AUTHORITY

SEC. 206. (a) The Secretary of the Army may carry out the following projects (for which funds are not authorized under section 251) as provided in subsection (b):

Unspecified Minor Construction projects in the amount of $4,600,000 at various locations.

Construction projects of $1,000,000 or less in the amount of $6,800,000 at various locations.

(b) A contract for a project listed in subsection (a) may be entered into using authorization amounts available from approved projects authorized under title I of any previous Military Construction Authorization Act.

PART B—NAVY

AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS

SEC. 211. The Secretary of the Navy may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations:

INSIDE THE UNITED STATES

UNITED STATES MARINE CORPS

Marine Corps Air Station, Beaufort, South Carolina, $3,530,000.

Marine Corps Base, Camp Lejeune, North Carolina, $31,760,000.

Marine Corps Base, Camp Pendleton, California, $39,070,000.

Marine Corps Air Station, Cherry Point, North Carolina, $1,805,000.

Marine Corps Air Station, El Toro, California, $14,030,000.

Marine Corps Air Station, Kaneohe Bay, Hawaii, $7,900,000.

Marine Corps Air Station, New River, North Carolina, $2,730,000.

Marine Corps Camp Detachment, Camp Elmore, Norfolk, Virginia, $1,160,000.

Camp H. M. Smith, Oahu, Hawaii, $2,700,000.

Marine Corps Development and Education Command, Quantico, Virginia, $2,570,000.

Marine Corps Recruit Depot, San Diego, California, $10,690,000.

Marine Corps Air Station, Tustin, California, $465,000.

Marine Corps Air-Ground Combat Center, Twentynine Palms, California, $25,120,000.

Marine Corps Air Station, Yuma, Arizona, $8,920,000.

CHIEF OF NAVAL OPERATIONS

Naval Academy, Annapolis, Maryland, $6,650,000.

Naval Station, Annapolis, Maryland, $405,000.

Naval Space Surveillance Field Station, Hollandale, Mississippi, $495,000.

COMMANDER IN CHIEF, UNITED STATES ATLANTIC FLEET

Naval Air Station, Brunswick, Maine, $7,800,000.

Naval Air Station, Cecil Field, Florida, $17,670,000.

Naval Station, Charleston, South Carolina, $43,150,000.

Naval Air Station, Key West, Florida, $27,435,000.

Naval Amphibious Base, Little Creek, Virginia, $9,170,000.

Naval Station, Mayport, Florida, $25,520,000.

Naval Submarine Base, New London, Connecticut, $8,200,000.

Naval Station, Norfolk, Virginia, $2,560,000.

Naval Air Station, Oceana, Virginia, $415,000.

Tactical Training Group, Atlantic, Virginia Beach, Virginia, $3,750,000.

COMMANDER IN CHIEF, UNITED STATES PACIFIC FLEET

Naval Station, Adak, Alaska, $2,970,000.

Naval Submarine Base, Bangor, Washington, $8,040,000.

Naval Air Station, Barbers Point, Hawaii, $890,000.

Naval Amphibious Base, Coronado, California, $21,222,000.

Naval Air Station, Fallon, Nevada, $11,900,000.

Naval Air Station, Lemoore, California, $20,920,000.

Naval Air Station, Miramar, California, $2,020,000.

Naval Air Station, Moffett Field, California, $1,870,000.

Naval Air Station, North Island, California, $20,650,000.

Fleet Intelligence Center, Pacific, Pearl Harbor, Hawaii, $990,000.

Naval Station, Pearl Harbor, Hawaii, $3,350,000.

Naval Submarine Base, Pearl Harbor, Hawaii, $2,590,000.

Tactical Training Group, Pacific, San Diego, California, $3,260,000.

Naval Station, San Diego, California, $980,000.

Naval Submarine Base, San Diego, California, $6,660,000.

Naval Station, Mare Island, Vallejo, California, $210,000.

Naval Air Station, Whidbey Island, Washington, $3,160,000.

NAVAL EDUCATION AND TRAINING COMMAND

Naval Air Station, Chase Field, Texas, $2,625,000.

Naval Air Station, Corpus Christi, Texas, $495,000.

Fleet Combat Training Center, Atlantic, Dam Neck, Virginia, $12,190,000.

Naval Guided Missiles School, Dam Neck, Virginia, $1,860,000.

Naval Air Station, Kingsville, Texas, $4,830,000.

Naval Air Station, Memphis, Tennessee, $11,800,000.

Naval Air Station, Meridian, Mississippi, $610,000.

Naval Education and Training Center, Newport, Rhode Island, $1,110,000.

Fleet Anti-Submarine Warfare Training Center, Atlantic, Norfolk, Virginia, $4,130,000.

Fleet Training Center, Norfolk, Virginia, $1,120,000.

Naval Training Center, Orlando, Florida, $19,690,000.

Naval Technical Training Center, Pensacola, Florida, $210,000.

Fleet Training Center, San Diego, California, $10,000,000.

Fleet Anti-Submarine Warfare Training Center, Pacific, San Diego, California, $14,200,000.

Naval Air Station, Whiting Field, Florida, $3,270,000.

BUREAU OF MEDICINE AND SURGERY

National Naval Medical Center, Bethesda, Maryland, $37,170,000.

Naval Regional Medical Center, Long Beach, California, $8,370,000.

Naval Regional Medical Clinic, Pearl Harbor, Hawaii, $8,490,000.

NAVAL MATERIEL COMMAND

Naval Air Rework Facility, Alameda, California, $21,560,000.

David W. Taylor Naval Ship Research and Development Center, Bethesda, Maryland, $5,030,000.

Naval Supply Center, Puget Sound, Bremerton, Washington, $200,000.

Naval Ordnance Test Unit, Cape Canaveral, Florida, $57,000,000.

Charleston Naval Shipyard, Charleston, South Carolina, $15,000,000.

Naval Weapons Station, Charleston, South Carolina, $1,570,000.

Naval Air Rework Facility, Cherry Point, North Carolina, $20,040,000.

Naval Weapons Center, China Lake, California, $31,100,000.

Naval Weapons Station, Concord, California, $2,720,000.

Naval Surface Weapons Center, Dahlgren, Virginia, $5,355,000.

Fleet Combat Direction Systems Support Activity, Dam Neck, Virginia, $4,000,000.

Naval Weapons Station, Earle, New Jersey, $465,000.

Naval Construction Battalion Center, Gulfport, Mississippi, $2,960,000.

Naval Ordnance Station, Indian Head, Maryland, $1,950,000.

Naval Air Rework Facility, Jacksonville, Florida, $2,875,000.

Naval Submarine Base, Kings Bay, Georgia, $118,129,000, of which $6,019,000 may be used to provide community impact and planning assistance to the communities near the submarine base.

Naval Air Engineering Center, Lakehurst, New Jersey, $4,195,000.

Naval Air Rework Facility, Norfolk, Virginia, $3,020,000.

Naval Supply Center, Norfolk, Virginia, $6,400,000.

Naval Coastal Systems Center, Panama City, Florida, $670,000.

Naval Air Test Center, Patuxent River, Maryland, $10,150,000.

Pearl Harbor Naval Shipyard, Pearl Harbor, Hawaii, $1,440,000.

Navy Public Works Center, Pearl Harbor, Hawaii, $13,100,000.

Pacific Missile Test Center, Point Mugu, California, $840,000.

Portsmouth Naval Shipyard, Kittery, Maine, $7,600,000.

Norfolk Naval Shipyard, Portsmouth, Virginia, $8,850,000.

Puget Sound Naval Shipyard, Bremerton, Washington, $7,300,000.

Naval Transmitter Facility, Republic, Michigan, $13,000,000.

Naval Ocean Systems Center, San Diego, California, $8,000,000.

Naval Supply Center, San Diego, California, $1,110,000.

Navy Public Works Center, San Francisco, California, $220,000.

NAVAL OCEANOGRAPHY COMMAND

Naval Oceanographic Office, Bay St. Louis, Mississippi, $6,320,000.

Fleet Numerical Oceanography Center, Monterey, California, $6,980,000.

NAVAL TELECOMMUNICATIONS COMMAND

Naval Communication Area Master Station, Atlantic, Norfolk, Virginia, $1,690,000.

NAVAL SECURITY GROUP COMMAND

Naval Security Group Detachment, Sugar Grove, West Virginia, $7,400,000.

OUTSIDE THE UNITED STATES

UNITED STATES MARINE CORPS

Marine Corps Air Station, Iwakuni, Japan, $750,000.

COMMANDER IN CHIEF, ATLANTIC FLEET

Naval Air Station, Bermuda, $810,000.

Naval Facility, Bermuda, $1,110,000.

Naval Station, Guantanamo Bay, Cuba, $730,000.

Naval Station, Keflavik, Iceland, $6,850,000.

Naval Station, Roosevelt Roads, Puerto Rico, $1,300,000.

Atlantic Fleet Weapons Training Facility, Roosevelt Roads, Puerto Rico, $1,945,000.

COMMANDER IN CHIEF, PACIFIC FLEET

Commander, U.S. Naval Forces Korea Detachment, Chinhae, Korea, $460,000.

Navy Support Facility, Diego Garcia, $32,500,000.

Naval Station, Subic Bay, Republic of the Philippines, $7,860,000.

COMMANDER IN CHIEF, NAVAL FORCES, EUROPE

Navy Personnel Support Activity, Naples, Italy, $640,000.

Naval Support Activity, Naples, Italy, $4,700,000.

Naval Station, Rota, Spain, $9,250,000.

Naval Air Station, Sigonella, Italy, $19,610,000.

NAVAL OCEANOGRAPHY COMMAND

Naval Oceanography Command Center, Rota, Spain, $980,000.

NAVAL TELECOMMUNICATIONS COMMAND

Naval Communication Station, Harold E. Holt, Exmouth, Australia, $3,020,000.

Naval Communication Area Master Station Western Pacific, Guam, Mariana Islands, $980,000.

Classified Location, $1,280,000.

NAVAL SECURITY GROUP COMMAND

Naval Security Group Detachment, Guantanamo Bay, Cuba, $1,700,000.

HOST NATION INFRASTRUCTURE SUPPORT

Various Locations, $2,970,000.

CONTRACTING FOR CERTAIN PROJECTS

SEC. 212. (a) The following project authorized in section 211 may be carried out only as provided in subsection (b):

TRIDENT Training Facility in the amount of $81,700,000 at the Naval Submarine Base, Kings Bay, Georgia.

(b) A contract for the project in subsection (a) may be entered into only if the funds to be obligated for the contract are derived from the total amount of funds (if any) available from (1) the net savings from the execution of the projects authorized by section 211, (2) total savings from cancellations of such projects, and (3) other sources, including savings from projects authorized for the Navy in previous military construction authorization Acts.

(c) Before the Secretary of the Navy may advertise for bids, or may negotiate, for a contract described in subsection (b), the Secretary shall submit a written report to the appropriate committees of Congress certifying that funds for the contract are available in accordance with subsection (b) and identifying the source of the funds. Such a report may not be submitted before January 1, 1984.

FAMILY HOUSING

SEC. 213. The Secretary of the Navy may construct or acquire family housing units (including land acquisition), and acquire manufactured home facilities at the following installations, in the number of units shown, and in the amount shown, for each installation:

Marine Corps Air Station, El Toro, California, one hundred and thirty units, $11,666,000.

Marine Corps Base, Camp Pendleton, California, three hundred units, $23,160,000.

Navy Public Works Center, Subic Bay, Republic of the Philippines, three hundred units, $29,300,000.

IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS

SEC. 214. Subject to section 2825 of title 10, United States Code, the Secretary of the Navy may make expenditures to improve existing military family housing units in an amount not to exceed $13,240,000, of which $3,953,000 is available only for energy conservation projects.

ARCHITECTURAL AND ENGINEERING SERVICES AND CONSTRUCTION DESIGN

SEC. 215. The Secretary of the Navy may carry out architectural and engineering services and construction design in connection with military family housing construction (including improvements), in the amount of $7,395,000.

MODIFICATION OF LEASING LIMITATION FOR NAVAL AIR STATION, LEMOORE, CALIFORNIA

SEC. 216. Section 2 of Public Law 92-378 (86 Stat. 530) relating to leases of lands for agricultural and grazing purposes at the Naval Air Station, Lemoore, California, is amended by striking out "160 irrigable acres" and inserting in lieu thereof "960 irrigable acres".

MODIFICATION OF AUTHORITY FOR PROCUREMENT OF STEAM SUPPLY FOR THE CHARLESTON NAVAL STATION

SEC. 217. Clause (1) of section 205(a) of the Military Construction Authorization Act, 1982 (Public Law 97-99; 95 Stat. 1366), is amended to read as follows:

"(1) construct steam lines and any other needed facilities, or pay a connection fee, to make use of energy generated by a waste heat recovery facility or a process related coal-fired cogeneration facility to be built by the Macalloy Corporation or a successor to its interest; and".

LAND ACQUISITION FOR FUTURE FAMILY HOUSING REQUIREMENTS, SAN DIEGO, CALIFORNIA

SEC. 218. The Secretary of the Navy may acquire up to 125 acres of real property in San Diego, California (or the surrounding area), that the Secretary determines to be suitable as a site or sites for future construction of military family housing for the Department of the Navy. Such property may be acquired by exchange or by purchase using funds derived from savings in carrying out previously authorized projects. The Secretary may acquire options on such property as provided in section 2677(a) of title 10, United States Code, and (notwithstanding section 2677(b) of such title) may pay, from funds available for projects under section 2805 of title 10, United States Code, not more than $1,000,000 for such options.

PART C—AIR FORCE

AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS

SEC. 221. The Secretary of the Air Force may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations:

INSIDE THE UNITED STATES

AIR FORCE LOGISTICS COMMAND

Hill Air Force Base, Utah, $16,155,000.

Kelly Air Force Base, Texas, $22,590,000.

McClellan Air Force Base, California, $10,200,000.

Newark Air Force Station, Ohio, $800,000.

Robins Air Force Base, Georgia, $18,780,000.

Tinker Air Force Base, Oklahoma, $12,560,000.

Wright-Patterson Air Force Base, Ohio, $5,923,000.

AIR FORCE SYSTEMS COMMAND

Arnold Engineering Development Center, Tennessee, $12,552,000.

Brooks Air Force Base, Texas, $10,110,000.

Cape Canaveral Air Force Station, Florida, $9,400,000.

Eastern Launch Site, Florida, $6,000,000.

Edwards Air Force Base, California, $12,400,000.

Eglin Air Force Base, Florida, $9,840,000.

Laurence G. Hanscom Air Force Base, Massachusetts, $3,670,000.

Johnson Space Center, Texas, $700,000.

Los Angeles Air Force Station, California, $2,670,000.

Patrick Air Force Base, Florida, $2,392,000.

AIR NATIONAL GUARD

Buckley Air National Guard Base, Colorado, $2,000,000.

AIR TRAINING COMMAND

Chanute Air Force Base, Illinois, $89,210,000.

Columbus Air Force Base, Mississippi, $2,180,000.

Goodfellow Air Force Base, Texas, $10,140,000.

Gunter Air Force Station, Alabama, $6,750,000.

Keesler Air Force Base, Mississippi, $24,620,000.

Lackland Air Force Base, Texas, $10,700,000.

Lowry Air Force Base, Colorado, $6,100,000.

Mather Air Force Base, California, $4,460,000.

Reese Air Force Base, Texas, $1,550,000.

San Antonio Area, Texas, $12,000,000.

Sheppard Air Force Base, Texas, $16,080,000.

Vance Air Force Base, Oklahoma, $1,250,000.

Williams Air Force Base, Arizona, $4,700,000.

ALASKAN AIR COMMAND

Eielson Air Force Base, Alaska, $58,390,000.

Elmendorf Air Force Base, Alaska, $12,070,000.

Galena Airport, Alaska, $13,350,000.

Shemya Air Force Base, Alaska, $45,600,000.

MILITARY AIRLIFT COMMAND

Altus Air Force Base, Oklahoma, $18,200,000.

Andrews Air Force Base, Maryland, $1,786,000.

Charleston Air Force Base, South Carolina, $3,200,000.
Dover Air Force Base, Delaware, $1,300,000.
Kirtland Air Force Base, New Mexico, $2,240,000.
Little Rock Air Force Base, Arkansas, $3,120,000.
McChord Air Force Base, Washington, $12,410,000.
McGuire Air Force Base, New Jersey, $620,000.
Pope Air Force Base, North Carolina, $6,500,000.
Scott Air Force Base, Illinois, $790,000.
Travis Air Force Base, California, $1,200,000.

PACIFIC AIR FORCES

Hickam Air Force Base, Hawaii, $3,150,000.

PEACEKEEPER CONSTRUCTION

Various Locations, $46,700,000.

SPACE COMMAND

NORAD Cheyenne Mountain Complex, Colorado, $5,660,000.
Peterson Air Force Base, Colorado, $78,700,000.

SPECIAL PROJECT

Various Locations, $24,000,000.

STRATEGIC AIR COMMAND

Barksdale Air Force Base, Louisiana, $34,970,000.
Beale Air Force Base, California, $5,550,000.
Blytheville Air Force Base, Arkansas, $6,950,000.
Carswell Air Force Base, Texas, $4,110,000.
Castle Air Force Base, California, $6,500,000.
Dyess Air Force Base, Texas, $14,300,000.
Ellsworth Air Force Base, South Dakota, $6,700,000.
Fairchild Air Force Base, Washington, $24,050,000.
Forsyth Air Force Station, Montana, $4,225,000.
Grand Forks Air Force Base, North Dakota, $8,525,000.
Griffiss Air Force Base, New York, $3,450,000.
Grissom Air Force Base, Indiana, $10,330,000.
Havre Air Force Station, Montana, $4,936,000.
K. I. Sawyer Air Force Base, Michigan, $40,460,000.
Loring Air Force Base, Maine, $36,400,000.
Malmstrom Air Force Base, Montana, $630,000.
March Air Force Base, California, $3,550,000.
McConnell Air Force Base, Kansas, $2,840,000.
Minot Air Force Base, North Dakota, $13,800,000.
Offutt Air Force Base, Nebraska, $39,020,000.
Pease Air Force Base, New Hampshire, $7,200,000.
Plattsburgh Air Force Base, New York, $1,765,000.
Vandenberg Air Force Base, California, $46,002,000.
Whiteman Air Force Base, Missouri, $16,600,000.
Wurtsmith Air Force Base, Michigan, $5,000,000.

TACTICAL AIR COMMAND

Bangor International Airport, Maine, $10,100,000.
Bergstrom Air Force Base, Texas, $20,310,000.
Cannon Air Force Base, New Mexico, $6,800,000.
Davis-Monthan Air Force Base, Arizona, $5,850,000.
England Air Force Base, Louisiana, $3,857,000.
George Air Force Base, California, $220,000.
Holloman Air Force Base, New Mexico, $20,500,000.
Homestead Air Force Base, Florida, $4,060,000.
Langley Air Force Base, Virginia, $8,300,000.
Luke Air Force Base, Arizona, $9,663,000.
MacDill Air Force Base, Florida, $6,360,000.
Moody Air Force Base, Georgia, $1,300,000.
Mountain Home Air Force Base, Idaho, $6,590,000.
Myrtle Beach Air Force Base, South Carolina, $1,550,000.
Nellis Air Force Base, Nevada, $4,490,000.
Seymour-Johnson Air Force Base, North Carolina, $5,240,000.
Shaw Air Force Base, South Carolina, $9,990,000.
Tyndall Air Force Base, Florida, $29,040,000.
Unspecified Location, $500,000.

UNITED STATES AIR FORCE ACADEMY

United States Air Force Academy, Colorado, $10,085,000.

OUTSIDE THE UNITED STATES

AIR FORCE SYSTEMS COMMAND

Ascension Island, South Atlantic Ocean, $4,010,000.

MILITARY AIRLIFT COMMAND

Lajes Field, Portugal, $1,400,000.
Rhein-Main Air Base, Germany, $1,870,000.

PACIFIC AIR FORCES

Clark Air Base, Republic of the Philippines, $8,850,000.
Diego Garcia Air Base, Indian Ocean, $58,200,000.
Kadena Air Base, Japan, $11,260,000.
Korea, Various Locations, $5,900,000.
Kunsan Air Base, Korea, $31,013,000.
Kwang-Ju Air Base, Korea, $210,000.
Misawa Air Base, Japan, $1,700,000.
Osan Air Base, Korea, $42,150,000.
Saechon Air Base, Korea, $210,000.
Suwon Air Base, Korea, $400,000.
Taegu Air Base, Korea, $2,750,000.
Yokota Air Base, Japan, $1,250,000.

STRATEGIC AIR COMMAND

Andersen Air Force Base, Guam, $24,710,000.

TACTICAL AIR COMMAND

Howard Air Force Base, Canal Zone, $613,000.

UNITED STATES AIR FORCES IN EUROPE

Camp New Amsterdam, The Netherlands, $2,050,000.
Germany, Various Locations, $52,954,000.
Italy, Various Locations, $30,430,000.
Morocco, Various Locations, $28,000,000.
Oman, Various Locations, $28,600,000.
Spain, Various Locations, $6,832,000.
Turkey, Various Locations, $73,220,000.
United Kingdom, Various Locations, $46,580,000.
Various Locations, $70,180,000.

CONTRACTING FOR CERTAIN PROJECTS

SEC. 222. (a) The following projects authorized in section 221 may be carried out only as provided in subsection (c):

Non-Destruct Inspection Facility in the amount of $5,900,000 and Depot Production Support Facility in the amount of $3,500,000 at McClellan Air Force Base, California.

Alter Unaccompanied Enlisted Personnel Housing in the amount of $1,450,000 at Robins Air Force Base, Georgia.

Alter F-107 Engine Facility in the amount of $420,000; Combat Communications Headquarters in the amount of $2,150,000; and Communications Electronic Installation Facility in the amount of $960,000 at Tinker Air Force Base, Oklahoma.

Fire Protection-Bulk Fuel Farm in the amount of $382,000 at Arnold Engineering Development Center, Tennessee.

RAPCON/CCF Facility in the amount of $490,000 at Edwards Air Force Base, California.

Central Heat Plant in the amount of $79,000,000 at Chanute Air Force Base, Illinois.

PMEL Laboratory in the amount of $530,000 at Columbus Air Force Base, Mississippi.

Alter Electrical Distribution System in the amount of $1,600,000 and Voice Processing Training Facility in the amount of $7,800,000 at Goodfellow Air Force Base, Texas.

Unaccompanied Enlisted Personnel Housing/Senior NCO Academy in the amount of $5,000,000 at Gunter Air Force Station, Alabama.

Computer Training Facility in the amount of $11,900,000 and Unaccompanied Enlisted Personnel Housing with Dining Hall in the amount of $6,400,000 at Keesler Air Force Base, Mississippi.

Chapel in the amount of $2,900,000 at Lackland Air Force Base, Texas.

Academic Classroom (Weapons) in the amount of $6,100,000 at Lowry Air Force Base, Colorado.

Gymnasium in the amount of $3,180,000 at Sheppard Air Force Base, Texas.

Addition to EMCS in the amount of $2,000,000 at Williams Air Force Base, Arizona.

Composite Operations in the amount of $3,700,000 and Composite Support Facility in the amount of $5,700,000 at Galena Airport, Alaska.

Composite Wing Facility in the amount of $3,200,000 at Charleston Air Force Base, South Carolina.

Base Transportation Complex in the amount of $3,700,000 at Pope Air Force Base, North Carolina.

Upgrade Power Plants ADWS in the amount of $710,000 at Carswell Air Force Base, Texas.

Unaccompanied Enlisted Personnel Housing in the amount of $8,500,000; Dining Hall in the amount of $3,730,000; Alter Consolidated Base Personnel Office in the amount of $1,100,000; and Alter Unaccompanied Enlisted Personnel Housing in the amount of $5,000,000 at Fairchild Air Force Base, Washington.

Add to and alter Vehicle Maintenance Shop in the amount of $1,030,000; Dining Hall in the amount of $3,200,000; and Military Personnel Support Center in the amount of $5,600,000 at Grissom Air Force Base, Indiana.

Heating Plant Addition in the amount of $35,000,000 at K. I. Sawyer Air Force Base, Michigan.

Unaccompanied Officer Personnel Housing in the amount of $4,000,000 at Offutt Air Force Base, Nebraska.

Base Civil Engineer Maintenance Complex in the amount of $7,200,000 at Pease Air Force Base, New Hampshire.

Alter Heat Plant in the amount of $1,800,000; Unaccompanied Enlisted Personnel Housing in the amount of $8,600,000; Dining Hall in the amount of $3,300,000; and Vehicle Maintenance Shop in the amount of $2,900,000 at Whiteman Air Force Base, Missouri.

Base Support Center in the amount of $6,500,000; Composite Wing Facility in the amount of $1,280,000; Education Center in the amount of $2,750,000; and Alter Base Entrance/Land Acquisition in the amount of $3,000,000 at Bergstrom Air Force Base, Texas.

Consolidated Support Center in the amount of $6,800,000 at Cannon Air Force Base, New Mexico.

Aircraft Maintenance Hangar in the amount of $7,700,000; Munitions Storage in the amount of $3,700,000; add to Aircraft Maintenance Unit in the amount of $600,000; add to Engine Inspection and Repair in the amount of $1,000,000; Aircraft Corrosion Control in the amount of $1,400,000; alter Unaccompanied Enlisted Personnel Housing in the amount of $3,100,000; and Airmen Dining Hall in the amount of $3,000,000 at Holloman Air Force Base, New Mexico.

Unaccompanied Officer Personnel Housing in the amount of $4,600,000; Unaccompanied Enlisted Personnel Housing in the amount of $4,500,000; Civil Engineer Science Lab in the amount of $4,650,000; Education Center in the amount of $2,000,000; and Base Support Center in the amount of $6,500,000 at Tyndall Air Force Base, Florida.

(b) The following advance payment to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, may be carried out only as provided in subsection (c).

Access Roads/Widen Tippacanoe Avenue Bridge in the amount of $6,400,000 at Norton Air Force Base, California.

(c) A contract for a project listed in subsection (a) may be entered into and the advance payment listed in subsection (b) may be made only if the funds to be obligated for the contract or advance payment are derived from the total amount of funds (if any) available from (1) the net savings from the execution of the projects authorized by section 221 other than those listed in subsection (a), (2) total savings from cancellations of such projects, and (3) other sources, including savings from projects authorized for the Air Force in previous military construction authorization Acts.

(d) Before the Secretary of the Air Force may advertise for bids, or may negotiate, for a contract described in subsection (a) or make the advance payment under subsection (b), the Secretary shall submit a written report to the appropriate committees of Congress certifying that funds for the contract or advance payment are available in accordance with subsection (c) and identifying the source of the funds. Such a report may not be submitted before January 1, 1984.

FAMILY HOUSING

SEC. 223. The Secretary of the Air Force may construct or acquire family housing units (including land acquisition), and acquire manufactured home facilities at the following installations, in the number of units shown, and in the amount shown, for each installation:

Lajes Field, Portugal, one hundred and fifty units, $12,262,000.

Havre Air Force Station, Montana, five units, $496,000.

Forsyth Air Force Station, Montana, fifty units, $4,000,000.

Camp New Amsterdam, The Netherlands, fifty units, $5,218,000.

RAF Upper Heyford, United Kingdom, three hundred units, $33,982,000.

RAF Greenham Common, United Kingdom, two hundred and fifty units, $24,246,000.

IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS

SEC. 224. (a) Subject to section 2825 of title 10, United States Code, the Secretary of the Air Force may make expenditures to improve existing military family housing units in an amount not to exceed $63,161,000, of which $10,877,000 is available only for energy conservation projects.

(b) Within the amount specified in subsection (a), the Secretary of the Air Force may, notwithstanding the maximum amount per unit prescribed in section 2825(b) of title 10, United States Code, carry out projects to improve existing military family housing units at the following installations, in the number of units shown, and in the amount shown, for each installation:

Carswell Air Force Base, Texas, two hundred and three units, $7,477,500.

Kadena Air Base, Japan, three hundred and forty-two units, $20,586,200.

ARCHITECTURAL AND ENGINEERING SERVICES AND CONSTRUCTION DESIGN

SEC. 225. The Secretary of the Air Force may carry out architectural and engineering services and construction design in conjection with military family housing construction (including improvements), in the amount of $5,000,000.

PART D—DEFENSE AGENCIES

AUTHORIZED CONSTRUCTION PROJECTS AND LAND ACQUISITION FOR THE DEFENSE AGENCIES

SEC. 231. The Secretary of Defense may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations:

INSIDE THE UNITED STATES

DEFENSE LOGISTICS AGENCY

Defense Fuel Support Point, Adak, Alaska, $14,200,000.

Defense Property Disposal Office, Anchorage, Alaska, $2,500,000.

Defense Fuel Support Point, Ozol, California, $1,100,000.

Defense Fuel Support Point, Long Beach, California, $42,100,000.

Defense Depot, Tracy, California, $480,000.

Defense Property Disposal Office, Vandenberg, California, $880,000.

Defense Property Disposal Office, Colorado Springs, Colorado, $810,000.

Defense Fuel Support Point, Escanaba, Michigan, $1,000,000.

Defense Depot, Memphis, Tennessee, $750,000.

Defense Property Disposal Office, San Antonio, Texas, $500,000.

Defense Property Disposal Office, Tooele, Utah, $420,000.

Defense Property Disposal Office, Norfolk, Virginia, $940,000.

Defense Property Disposal Office, Fort Lewis, Washington, $650,000.

DEFENSE MAPPING AGENCY

Hydrographic/Topographic Center, Brookmont, Maryland, $1,830,000.

NATIONAL SECURITY AGENCY

Fort Meade, Maryland, $31,000,000.

OFFICE OF THE SECRETARY OF DEFENSE

Classified Activity, Fort Belvoir, Virginia, $3,000,000.

Defense Systems Management College, Fort Belvoir, Virginia, $4,700,000.

Presidio of Monterey, California, $29,100,000.

DEFENSE INVESTIGATIVE SERVICE

Fort Holabird, Maryland, $210,000.

DEFENSE NUCLEAR AGENCY

Armed Forces Radiobiology Institute, Bethesda, Maryland, $10,900,000.

DEFENSE COMMUNICATIONS AGENCY

Pentagon Building, Virginia, $1,000,000.

OUTSIDE THE UNITED STATES

DEFENSE LOGISTICS AGENCY

Defense Property Disposal Office, Hanau, Germany, $1,300,000.

DEFENSE NUCLEAR AGENCY

Johnston Island, $600,000.

OFFICE OF THE SECRETARY OF DEFENSE

Classified Location, $10,000,000.

NATIONAL SECURITY AGENCY

Classified Location, $21,550,000.

Classified Location, $25,200,000.

DEPARTMENT OF DEFENSE DEPENDENTS SCHOOLS

Ansbach, Germany, $4,800,000.

Baumholder, Germany, $1,200,000.

Darmstadt, Germany, $6,000,000.

Giessen, Germany, $6,040,000.

Spangdahlem Air Base, Germany, $6,350,000.

Wildflecken, Germany, $5,200,000.

Comiso, Italy, $12,990,000.

Vicenza, Italy, $2,310,000.

Lajes Field, Portugal, $4,590,000.

Zaragoza Air Force Base, Spain, $680,000.

Incirlik Air Base, Turkey, $5,800,000.

RAF Greenham Common, United Kingdom, $12,770,000.

RAF Lakenheath, United Kingdom, $1,120,000.

RAF Wethersfield, United Kingdom, $2,832,000.

Classified Location, $9,690,000.

FAMILY HOUSING

SEC. 232. The Secretary of Defense may construct or acquire family housing units (including land acquisition), and acquire manufactured home facilities at the following installations, in the number of units shown, and in the amount shown, for each installation:

Classified Locations, eleven units, $1,210,000.

IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS

SEC. 233. Subject to section 2825 of title 10, United States Code, the Secretary of Defense may make expenditures to improve existing military family housing units in an amount not to exceed $35,000.

PART E—NORTH ATLANTIC TREATY ORGANIZATION INFRASTRUCTURE

AUTHORITY OF THE SECRETARY OF DEFENSE TO MAKE CONTRIBUTIONS

SEC. 241. The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Infrastructure program as provided in section 2806 of title 10, United States Code, in an amount not to exceed the amount authorized to be appropriated in section 255.

AUTHORITY TO USE UNOBLIGATED PRIOR YEAR AUTHORITY FOR CONTINGENCY CONSTRUCTION

SEC. 242. (a) The Secretary of Defense may carry out contingency construction projects

in fiscal year 1984 under section 2804 of title 10, United States Code, as provided in subsection (b) in an amount not to exceed $16,000,000.

(b) A contract for a project entered into under the authority of subsection (a) may be entered into using authorization amounts available from Defense Agency contingency construction funds authorized under any previous Military Construction Authorization Act.

PART F—AUTHORIZATION OF APPROPRIATIONS AND RECURRING ADMINISTRATIVE PROVISIONS

AUTHORIZATION OF APPROPRIATIONS, ARMY

SEC. 251. (a) Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1983, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $2,426,173,000 as follows:

(1) For projects authorized by section 201 that are to be carried out inside the United States, $564,980,000.

(2) For projects authorized by section 201 that are to be carried out outside the United States, $362,950,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $27,400,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $188,000,000.

(5) For military family housing functions—

(A) for construction and acquisition of military family housing and facilities, including minor construction, improvements to existing military family housing units and facilities, relocation of military family housing units under section 2827 of title 10, United States Code, and architectural and engineering services and construction design, as authorized by title I, $165,655,000;

(B) for support of military family housing (including operating expenses, leasing expenses, maintenance of real property expenses, payments of principal and interest on mortgage debts incurred, payments of mortgage insurance premiums authorized under section 222 of the National Housing Act (12 U.S.C. 1715m)), $1,117,188,000, not more than $86,258,000 of which may be obligated or expended for the leasing of military family housing units in foreign countries.

AUTHORIZATION OF APPROPRIATIONS, NAVY

SEC. 252. Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1983, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $1,741,483,000 as follows:

(1) For projects authorized by section 211 that are to be carried out inside the United States, $851,751,000.

(2) For projects authorized by section 211 that are to be carried out outside the United States, $96,705,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $22,000,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $115,600,000.

(5) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $900,000.

(6) For military family housing functions—

(A) for construction and acquisition of military family housing and facilities, including minor construction, improvements to existing military family housing units and facilities, relocation of military family housing units under section 2827 of title 10, United States Code, and architectural and engineering services and construction design, as authorized by title II, $74,961,000; and

(B) for support of military family housing (including operating expenses, leasing expenses, maintenance of real property expenses, payments of principal and interest on mortgage debts incurred, payments of mortgage insurance premiums authorized under section 222 of the National Housing Act (12 U.S.C. 1715m)), $579,566,000, of which not more than $149,000 may be obligated or expended for the leasing of military family housing units in the United States, the Commonwealth of Puerto Rico, and Guam, and not more than $18,063,000 may be obligated or expended for the leasing of military family housing units in foreign countries.

AUTHORIZATION OF APPROPRIATIONS, AIR FORCE

SEC. 253. Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1983, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $2,428,908,000 as follows:

(1) For projects authorized by section 221 that are to be carried out inside the United States, $841,234,000;

(2) For projects authorized by section 221 that are to be carried out outside the United States, $511,586,000;

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $19,000,000;

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $147,000,000;

(5) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $3,250,000;

(6) For military family housing functions—

(A) for construction and acquisition of military family housing and facilities, including minor construction, improvements to existing military family housing units and facilities, relocation of military family housing units under section 2827 of title 10, United States Code, and architectural and engineering services and construction design, as authorized by part C, $136,111,000; and

(B) for support of military family housing (including operating expenses, leasing expenses, maintenance of real property expenses, payments of principal and interest on mortgage debts incurred, payments of mortgage insurance premiums authorized under section 222 of the National Housing Act (12 U.S.C. 1715m)), $770,727,000, of which not more than $492,000 may be obligated or expended for the leasing of military family housing units in the United States, the Commonwealth of Puerto Rico, and Guam, and not more than $56,438,000 may be obligated or expended for the leasing of military family housing units in foreign countries.

AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES

SEC. 254. Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1983, for military construction, land acquisition, and military family housing functions of the Department of Defense (other than the military departments), in the total amount of $341,836,000 as follows:

(1) For projects authorized by section 231 that are to be carried out inside the United States, $143,070,000.

(2) For projects authorized by section 231 that are to be carried out outside the United States, $126,022,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $4,000,000.

(4) For construction projects under the contingency construction authority of the Secretary of Defense under section 2804 of title 10, United States Code, $16,000,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $33,000,000.

(6) For military family housing functions—

(A) for construction and acquisition of military family housing and facilities, including minor construction, improvements to existing military family housing units and facilities, relocation of military family housing units under section 2827 of title 10, United States Code, and architectural and engineering services and construction design, as authorized by part D, $1,245,000; and

(B) for support of military family housing (including operating expenses, leasing expenses, maintenance of real property expenses, payments of principal and interest on mortgage debts incurred, payments of mortgage insurance premiums authorized under section 222 of the National Housing Act (12 U.S.C. 1715m)), $18,499,000, of which not more than $15,231,000 may be obligated or expended for the leasing of military family housing units in foreign countries.

AUTHORIZATION OF APPROPRIATIONS, NATO

SEC. 255. Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1983, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of construction projects for the North Atlantic Treaty Organization Infrastructure program as authorized by part E, $150,000,000.

PART TOTAL LIMITATION ON COST VARIATIONS

SEC. 256. Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects, excluding projects contained in sections 203, 212, and 222, carried out under each of parts A, B, C, and D may not exceed the total amount authorized under sections 251, 252, 253, and 254, respectively, to be appropriated for the military department concerned or the Secretary of Defense, as the case may be.

EXPIRATION OF AUTHORIZATIONS: EXTENSION OF CERTAIN PREVIOUS AUTHORIZATIONS

SEC. 257. (a)(1) Except as provided in paragraph (2), all authorizations contained in parts A, B, C, D, and E for military construction projects, land acquisition, family housing projects, and contributions to NATO Infrastructure, and all authorizations of appropriations therefor contained in sections 251 through 255, expire on October 1, 1985, or the date of the enactment of the Military Construction Authorization Act for fiscal year 1986, whichever is later.

(2) The provisions of paragraph (1) do not apply to authorizations for military construction projects, land acquisition, family housing projects, and contributions to NATO Infrastructure, land acquisition, and authorizations of appropriations for such projects, for which appropriated funds have been obligated before October 1, 1985, or the date of the enactment of the Military Construction Authorization Act for fiscal year 1986, whichever is later, for construction contracts or land acquisition.

(b) Notwithstanding the provisions of section 606 of the Military Construction Authorization Act, 1983 (Public Law 97-321, 96 Stat. 1549), authorizations for the following item authorized in section 101 of the Military Construction Authorization Act, 1982 (Public Law 97-99, 95 Stat. 1359), shall remain in effect until October 1, 1984, or the date of enactment of the Military Construction Authorization Act for fiscal year 1985, whichever is later:

Solid Waste Incinerator construction in the amount of $4,100,000 at Fort Dix, New Jersey.

(c) Notwithstanding the provisions of section 606 of the Military Construction Authorization Act, 1983 (Public Law 97-321, 96 Stat. 1549), authorization for the following items authorized in section 201 of the Military Construction Authorization Act, 1982 (Public Law 97-99, 95 Stat. 1359), shall remain in effect until October 1, 1984, or the date of enactment of the Military Construction Authorization Act for fiscal year 1985, whichever is later:

(1) Crane and Equipment Maintenance Shop in the amount of $13,600,000 at the Charleston Naval Shipyard, Charleston, South Carolina.

(2) Steam Plant in the amount of $150,000,000 at the Puget Sound Naval Shipyard, Bremerton, Washington.

(3) Aircraft Parking Apron in the amount of $3,200,000 at the Naval Air Station, Oceana, Virginia.

(d) Notwithstanding the provisions of section 606 of the Military Construction Authorization Act, 1983 (Public Law 97-321, 96 Stat. 1549), authorization for the following item authorized in section 201 of the Military Construction Authorization Act, 1981 (Public Law 96-418, 94 Stat. 1749), and extended in section 606(d) of the Military Construction Authorization Act, 1983 (Public Law 97-321, 96 Stat. 1549), shall remain in effect until October 1, 1984, or the date of enactment of the Military Construction Authorization Act for fiscal year 1985, whichever is later:

Nautilus Memorial in the amount of $1,930,000 at the Naval Submarine Base, New London, Connecticut.

(e) Notwithstanding the provisions of section 606 of the Military Construction Authorization Act, 1983 (Public Law 97-321, 96 Stat. 1549), authorization for the following items authorized in section 201 of the Military Construction Authorization Act, 1980 (Public Law 96-125, 93 Stat. 928), and extended in section 705(d) of the Military Construction Authorization Act 1982 (Public Law 97-95, 95 Stat. 1359), shall remain in effect until October 1, 1984, or the date of enactment of the Military Construction Authorization Act for fiscal year 1985, whichever is later:

(1) Industrial Waste Collection and Treatment construction in the amount of $6,500,000 at the Long Beach Naval Shipyard, Long Beach, California.

(2) Aircraft Maintenance Hangar Addition in the amount of $1,500,000 at the Naval Air Facility, Sigonella, Italy.

ESTABLISHMENT OF CERTAIN AMOUNTS REQUIRED TO BE SPECIFIED BY LAW

SEC. 258. For projects or contracts initiated during the period beginning on October 1, 1983, and ending on the date of the enactment of the Military Construction Authorization Act for fiscal year 1985 or October 1, 1984, whichever is later, the following amounts apply:

(1) The maximum amount for an unspecified minor military construction project under section 2805 of title 10, United States Code, is $1,000,000.

(2) The amount of a contract for architectural and engineering services or construction design that makes such a contract subject to the reporting requirement under section 2807 of title 10, United States Code, is $300,000.

(3) The maximum amount per unit for an improvement project for family housing units under section 2825 of title 10, United States Code, is $30,000.

(4) The maximum annual rental for a family housing unit leased in the United States, Puerto Rico, or Guam under section 2828(b) of title 10, United States Code, is $6,000.

(5)(A) The maximum annual rental for a family housing unit leased in a foreign country under section 2828(c) of title 10, United States Code, is $16,800.

(B) The maximum number of family housing units that may be leased at any one time in foreign countries under section 2828(c) of title 10, United States Code, is 29,000.

(6) The maximum rental per year for family housing facilities, or for real property related to family housing facilities, leased in a foreign country under section 2828(f) of title 10, United States Code, is $250,000.

EFFECTIVE DATE FOR PROJECT AUTHORIZATIONS

SEC. 259. Parts A, B, C, D, and E of this title shall take effect on October 1, 1983.

PART G—GUARD AND RESERVE FORCES FACILITIES

AUTHORIZATION FOR FACILITIES

SEC. 261. There are authorized to be appropriated for fiscal years beginning after September 30, 1983, for the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 133 of title 10, United States Code (including the cost of acquisition of land for those facilities) the following amounts:

(1) For the Department of the Army—

(A) for the Army National Guard of the United States $59,300,000; and

(B) for the Army Reserve, $54,700,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserves, $26,810,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $78,900,000; and

(B) for the Air Force Reserve, $41,200,000.

PART H—GENERAL PROVISIONS

ARCHITECTURAL AND ENGINEERING SERVICES AND CONSTRUCTION DESIGN

SEC. 271. Subsection (a) of section 2807 of title 10, United States Code is amended—

(1) by deleting "such purposes" the first time it appears and inserting in lieu thereof "military construction and military family housing"; and

(2) by inserting ", family housing projects, and projects undertaken in connection with the authority provided under section 2854 of this title," in the first sentence after "projects".

SMALL BUSINESS SET-ASIDE FOR ARCHITECTURAL AND ENGINEERING SERVICES AND CONSTRUCTION DESIGN

SEC. 272. Section 2855 of title 10, United States Code, is amended—

(1) by inserting "(a)" before "Contracts" at the beginning of such section; and

(2) by adding at the end thereof the following new subsection:

"(b) Contracts for services and construction design referred to in subsection (a) that are for less than $85,000 shall be reserved for and awarded to small business concerns (as defined in section 3 of the Small Business Act) if the Secretary concerned determines that there are at least two small business concerns qualified to perform such services or design. Such contracts that are for $85,000 or more shall be open to all firms qualified to provide the services or design work required.".

REQUIREMENT WITH RESPECT TO FAMILY HOUSING CONSTRUCTED IN FOREIGN COUNTRIES

SEC. 273. (a) The Secretary of Defense shall require the use of manufactured or factory built housing for all military family housing constructed in any foreign country after the date of the enactment of this Act.

(b) Subsection (a) shall not apply to the two housing units authorized by this Act to be constructed by the Army at Vicenza, Italy.

FEDERAL CONTRIBUTION FOR MOVING LANDFILL NEAR LANGLEY AIR FORCE BASE

SEC. 274. The Secretary of the Air Force may contribute, as the fair share of the United States, a sum equal to not more than 50 percent of the cost of moving the existing landfill adjacent to Langley Air Force Base, Langley, Virginia, to a new location, but may not contribute more than $3,750,000. The Secretary may not make any contribution under this section unless the new location of the landfill meets the minimum standards for the location of landfills on or near airport facilities prescribed by the Federal Aviation Administration in Order Number 5200.5 (Guidance Concerning Sanitary Landfills on or Near Airports).

(b) The Secretary shall obtain such assurances as he determines necessary (including the execution of covenants and easements) to ensure that the present landfill location, adjacent to Langley Air Force Base, will be used in the future only in a manner compatible with the Air Installation Compatible Use Zone (AICUZ) for Langley Air Force Base.

IMPACT ASSISTANCE FOR AREAS AFFECTED BY THE DEPLOYMENT OF THE MX MISSILE

SEC. 275. Section 802 of the Military Construction Authorization Act, 1981 (10 U.S.C. 139 note), is amended—

(1) in subsection (a)—

(A) by inserting "MX Missile System sites, communities located near" before "the East Coast Trident Base" the first time it appears; and

(B) by striking out "East Coast Trident Base" the second time it appears and inserting in lieu thereof "MX Missile System or the East Coast Trident Base, as the case may be,";

(2) in subsection (b)—

(A) by strikng out "East Coast Trident Base" in paragraph (1)(C) and inserting in lieu thereof "MX Missile System site or the East Coast Trident Base, as the case may be"; and

(B) by striking out "East Coast Trident Base" in paragraph (3) and inserting in lieu thereof "MX Missile System sites or the East

Coast Trident Base, as the case may be"; and

(3) in subsection (d), by inserting "MX Missile System deployment program and the" before "East Coast Trident Base".

LAND CONVEYANCE, VENTURA COUNTY, CALIFORNIA

SEC. 276. (a) Subject to subsection (b), the Secretary of the Navy (hereinafter in this section referred to as the "Secretary") shall convey to the Oxnard Harbor District, a special district of the State of California, all right, title, and interest of the United States in and to a tract of land, together with the improvements on such land, located in the City of Port Hueneme in the County of Ventura, California, consisting of the United States Navy Wharf Number 2 and approximately 18.546 acres and more particularly described in the Official Records on file in the Office of the County Recorder of the County of Ventura, California, in Book 665, page 349.

(b) In consideration for the conveyance under subsection (a), the Oxnard Harbor District shall pay to the United States an amount equal to the appraised fair market value of the property to be conveyed (as determined by the Secretary).

(c) The exact acreage and legal description of the property to be conveyed under this section shall be determined by surveys that are satisfactory to the Secretary. The cost of any such survey shall be borne by the Oxnard Harbor District.

(d) The Secretary may require such additional terms and conditions with respect to the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

(e) In the event of a war or a national emergency declared by the Congress or a national emergency declared by the President after the date of the enactment of this Act, and upon a determination by the Secretary of Defense that the property conveyed under subsection (a) is necessary or would be useful for military or other national defense purposes, the United States shall have the right, upon payment to the Oxnard Harbor District of just compensation, to reenter upon the property and use the property or any part of it, including any and all improvements made thereon, for the duration of the war or emergency plus six months.

SALE AND REPLACEMENT OF REAL PROPERTY

SEC. 277. (a) Chapter 169 of title 10, United States Code, is amended by adding at the end of Subchapter I the following new section:

"§ 2809. Sale and replacement of real property

"(a) The purpose of this section is to permit the sale of real property under the control of the Department of Defense, and to provide for the effective and efficient replacement of Defense functions displaced thereby. To facilitate this purpose, there is hereby established on the books of the Department of the Treasury the Department of Defense Facilities Replacement Management Account (hereinafter in this section referred to as the 'management account'), which shall be administered by the Secretary of the Defense as a single account.

"(b)(1) The Secretary of Defense, subject to subsections (c) through (g), may propose to the Congress transactions consisting of (A) the sale of any real property under the control of the Department of Defense, excluding public domain lands, property which can be considered excess under the provisions of the Federal Property and Administrative Services Act of 1949, and property determined by the Secretary of the Interior, in accordance with section 203(k)(2) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(k)(2)) to be suitable for use as a public park or recreation area, and (B) such land acquisition, construction of replacement facilities, and relocations as may be required to insure efficient and effective continuity of defense functions.

"(2) All transactions proposed under this authority shall be authorized under a separate title of the annual military construction Act.

"(3) The authority to sell real property conferred by this section shall be in addition to any authority conferred by any other law, including the Federal Property and Administrative Services Act of 1949.

"(c) All transactions proposed pursuant to subsection (B)—

"(1) shall consist of a description of the property to be sold, its specific location, and estimate of its fair market value, an explanation of the need for any replacement property or facilities, an estimate of replacement or relocation costs, a schedule of expected payments, and a schedule of the anticipated proceeds to be realized from the sale;

"(2) shall be accomplished using competitive bid procedures or qualified contract realty brokers to the extent feasible;

"(3) shall not be entered into unless the property to be conveyed will be sold for at least the equivalent of its fair market value;

"(4) shall not be entered into unless the estimated proceeds from the sale of such property exceeds the amount of the costs set forth in subsection (e);

"(5) shall not be entered into unless the activities intended to be performed in the replacement facilities are substantially similar in character or nature to those performed in the property to be sold; and

"(6) shall not be proposed to the Congress until the Secretary of Defense has first notified the Secretary of the Interior in writing of the proposed sale and the Secretary of the Interior has determined whether the property proposed to be sold is suitable for use as a public park or recreation area. The Secretary of the Interior shall notify the Secretary of Defense in writing of his determination not later than 60 days after his receipt of the notification made by the Secretary of Defense.

"(d) The sale of any real property pursuant to this section shall be conducted by the Administrator of General Services. The Administrator may sell such property upon such credit terms and financial conditions as he and the Secretary of Defense may agree upon. The Administrator shall execute such documents for the transfer of title and take such other actions as he deems necessary and proper to dispose of such property under the provisions of this section. The Administrator shall receive reimbursement for expenses incurred in making such sales in accordance with subsection (e)(1).

"(e) The Secretary of Defense may, to the extent provided for in appropriations Acts, obligate a portion of the proceeds from any sale made under the authority of subsection (b) (including bonded proceeds contracted for in any sales agreement) to pay—

"(1) all expenses incident to such sale;

"(2) the reasonable and necessary costs of land acquisition and the construction of replacement facilities incident to such sale; and

"(3) the reasonable relocation expenses made necessary by the sale.

"(f)(1) Ninety-five percent of the proceeds remaining from any sale made under the authority of subsection (b), after subtracting the applicable costs described in subsection (e), shall be covered into the Treasury.

"(2) Five percent of the proceeds remaining from any sale made under the authority of subsection (b), after subtracting applicable costs described in subsection (e), shall be credited to the management account, which may be used for—

"(A) advances, where necessary to meet expenses of authorized transactions prior to the receipt of proceeds, and

"(B) advanced planning, design, and other expenses related to future proposed transactions.

"(3) Any unobligated moneys in the management account at the end of a fiscal year in excess of $50,000,000 or in excess of any lesser amount determined by the Secretary of Defense to be sufficient for the purpose of this section, shall be covered into the Treasury.

"(g) The Secretary of Defense and the Administrator of General Services are authorized to issue regulations as appropriate to implement this section.".

(b) There are authorized to be appropriated to the Defense Facilities Management Account, for purposes of initial capitalization, such amounts as may be necessary not to exceed $50 million.

(c) The table of sections at the beginning of subchapter I of chapter 169 of such title is amended by adding at the end thereof the following new item:

"2809. Sale and replacement of real property.".

AUTHORITY FOR THE SECRETARY OF THE NAVY TO ACQUIRE LAND FROM THE CITY OF LOS ANGELES, CALIFORNIA

SEC. 278. The Secretary of the Navy may acquire approximately 55 acres of land from the City of Los Angeles at a cost not to exceed $750,000.

PROHIBITION ON THE ACQUISITION OF ADDITIONAL LANDS AT BRUNSWICK NAVAL AIR STATION

SEC. 279. Notwithstanding any other provision of law, the Secretary of the Navy may not initiate any action after the date of the enactment of this Act, or complete any action commenced before such date, to acquire any land adjacent to or in the vicinity of Brunswick Naval Air Station, Brunswick, Maine, in connection with the Air Installation Compatible Use zone program for such air station without the consent of the owners of the property to be acquired.

TITLE III—DEPARTMENT OF ENERGY MATTERS

PART A—NATIONAL SECURITY PROGRAMS, FISCAL YEAR 1983

OPERATING EXPENSES

SEC. 301. Funds are authorized to be appropriated to the Department of Energy for fiscal year 1983 for operating expenses incurred in carrying out national security programs (including scientific research and development in support of the Armed Forces, strategic and critical materials necessary for the common defense, and military applications of nuclear energy and related management and support activities) as follows:

(1) For naval reactors development program, $331,760,000 including $9,660,000 for program management.

(2) For weapons activities, $2,765,491,000 to be allocated as follows:

(A) For research and development, $644,600,000.

(B) For weapons testing, $420,400,000.

(C) For the defense inertial confinement fusion program, $140,000,000, of which—

(i) $75,100,000 shall be used for glass laser experiments;

(ii) $41,800,000 shall be used for gas laser experiments;

(iii) $20,000,000 shall be used for pulsed power experiments; and

(iv) $3,100,000 shall be used for supporting research and experiments, except that none of such funds may be used for the research, development, or demonstration of the use of heavy ion devices as drivers for defense inertial confinement fusion experiments and defense inertial confinement fusion systems.

(D) For production and surveillance, $1,507,200,000.

(E) For weapons program management, $53,291,000.

(3) For verification and control technology, $52,400,000 including $1,800,000 for program management.

(4) For defense nuclear materials production, $969,100,000, to be allocated as follows:

(A) For uranium enriching, $109,000,000.

(B) For production reactor operations, $345,460,000.

(C) For processing of defense nuclear materials, $210,600,000.

(D) For special isotope separation research, $63,000,000.

(E) For supporting services, $227,040,000.

(F) For program management, $14,000,000.

(5) For defense nuclear waste, $288,929,000, to be allocated as follows:

(A) For interim waste management $190,313,000.

(B) For long term waste management technology, $53,861,000.

(C) For terminal waste storage, $14,000,000.

(D) For byproducts beneficial uses, $10,000,000.

(E) For decontamination and decommissioning, $12,655,000.

(F) For transportation research and development, $6,100,000.

(G) For program management, $2,000,000.

(6) For nuclear materials security and safeguards development program (defense programs), $43,160,000, including $5,850,000 for program management.

(7) For security investigations, $28,500,000.

PLANT AND CAPITAL EQUIPMENT

SEC. 302. Funds are authorized to be appropriated to the Department of Energy for fiscal year 1983 for plant and capital equipment (including planning, construction, acquisition, and modification of facilities, land acquisition related thereto, and acquisition and fabrication of capital equipment not related to construction) necessary for national security programs as follows—

(1) For naval reactors development:

Project 83-N-101, general plant projects, various locations, $1,500,000.

Project 83-N-102, additions to the radioactive materials laboratory, Knolls Atomic Power Laboratory, Schenectady, New York, $1,500,000.

Project 82-N-111, Materials Facility, Savannah River, South Carolina, $40,000,000, for a total project authorization of $55,000,000.

(2) For weapons activities:

Project 83-D-101, general plant projects, various locations, $15,800,000.

Project 83-D-122, Los Alamos Airport improvement, Los Alamos National Laboratory, New Mexico, $3,100,000.

Project 83-D-123, general plant projects, various locations, $16,300,000.

Project 83-D-124, standard missile-2 (SM-2) warhead production facilities, various locations, $2,000,000.

Project 83-D-200, plant capacity expansion, Pinellas Plant, St. Petersburg, Florida, $18,300,000.

Project 82-D-106, weapons assembly facilities, Pantex Plant, Amarillo, Texas, $16,500,000 for a total project authorization of $40,000,000.

Project 82-D-107, utilities and equipment restoration, replacement, and upgrade, Phase III, various locations, $132,900,000, for a total project authorization of $220,400,000.

Project 82-D-108, nuclear weapons stockpile improvement, various locations, $27,800,000, for a total project authorization of $42,800,000.

Project 82-D-109, 155-millimeter artillery-fired atomic projectile (AFAP) production facilities, various locations, $30,000,000, for a total project authorization of $65,000,000.

Project 82-D-110, exhaust plenum modifications, Rocky Flats Plant, Colorado, $500,000, for a total project authorization of $12,500,000.

Project 82-D-111, interactive graphics system, various locations, $6,000,000, for a total project authorization of $15,000,000.

Project 82-D-144, simulation technology laboratory, Sandia National Laboratories, New Mexico, $3,000,000, for a total project authorization of $4,200,000.

Project 82-D-146, weapons production and production support facilities, various locations, $40,000,000, for a total project authorization of $48,000,000.

Project 82-D-150, weapons material research and development facility, Lawrence Livermore National Laboratory, California, $5,000,000, for a total project authorization of $7,500,000.

Project 82-D-152, new detonator facility, Los Alamos National Laboratory, New Mexico, $9,100,000, for a total project authorization of $17,100,000.

Project 82-D-153, tritium facility, Los Alamos National Laboratory, New Mexico, $2,600,000, for a total project authorization of $7,600,000.

Project 81-D-115, MX warhead production facilities, various locations, $34,100,000, for a total project authorization of $74,100,000.

Project 81-D-133, earthquake damage restoration, Lawrence Livermore National Laboratory, Livermore, California, $1,500,000, for a total project authorization of $5,500,000.

Project 81-D-134, earthquake damage restoration, Sandia National Laboratories, Livermore, California, $1,700,000, for a total project authorization of $3,700,000.

Project 79-7-c, proton storage ring, Los Alamos National Laboratory, Los Alamos, New Mexico, $2,800,000, for a total project authorization of $21,800,000.

Project 78-17-d, steam plant improvements, Y-12 Plant, Oak Ridge, Tennessee, $1,500,000, for a total project authorization of $27,000,000.

(3) For materials production:

Project 83-D-135, general plant projects, various locations, $26,000,000.

Project 83-D-136, plant engineering and design, various locations, $2,000,000.

Project 83-D-138, PUREX canyon and dissolver filter systems improvements, Richland, Washington, $4,250,000.

Project 83-D-142, fuel dissolver off-gas transfer and treatment system, Idaho Fuels Processing Facility, Idaho National Engineering Laboratory, Idaho, $3,500,000.

Project 83-D-146, water pollution control, Feed Materials Production Facility, Fernald, Ohio, $1,400,000.

Project 83-D-147, pollution discharge elimination, Savannah River, South Carolina, $1,000,000.

Project 83-D-148, nonradioactive hazardous waste management, Savannah River, South Carolina, $1,000,000.

Project 83-D-180, facility storage modifications, various locations, $9,300,000.

Project 82-D-124, restoration of production capabilities, Phases II and III, various locations, $8,700,000, for a total project authorization of $134,700,000.

Project 82-D-126, reactor safety and reliability, various locations, $2,000,000, for a total project authorization of $44,900,000.

Project 82-D-136, fuel processing facilities upgrade, Idaho Fuels Processing Facility, Idaho National Engineering Laboratory, Idaho, $6,000,000, for a total project authorization of $46,000,000.

Project 82-D-201, special plutonium recovery facilities, F-chemical separations area, Savannah River, South Carolina, $9,000,000, for a total project authorization of $11,000,000.

Project 81-D-142, steam transfer header, Savannah River, South Carolina, $3,000,000, for a total project authorization of $11,000,000.

Project 81-D-143, L-reactor upgrade, Savannah River, South Carolina, $19,000,000, for a total project authorization of $134,000,000.

(4) For defense nuclear waste:

Project 83-D-156, general plant projects, interim waste operations, various locations, $19,145,000.

Project 83-D-157, additional radioactive waste storage facilities, Richland, Washington, $19,000,000.

Project 83-D-159, general plant projects, long-term waste management technology, Savannah River, South Carolina, $500,000.

Project 82-BU-1, byproducts beneficial uses demonstration plants, various locations, $10,000,000.

Project 81-T-104, radioactive waste facilities improvements, Oak Ridge National Laboratory, Tennessee, $1,000,000, for a total project authorization of $21,000,000.

Project 81-T-105, defense waste processing facility, Savannah River, South Carolina, $40,000,000, for a total project authorization of $70,000,000.

Project 77-13-f, waste isolation pilot plant, Delaware Basin, Southeast, New Mexico, $76,200,000, for a total project authorization of $233,800,000.

(5) For nuclear materials security and safeguards development:

Project 83-D-175, general plant project, New Brunswick Laboratory, $500,000.

(6) For capital equipment not related to construction—

(A) for naval reactors development, $11,000,000;

(B) for weapons activities, $196,000,000;

(C) for verification and control technology, $1,500,000;

(D) for materials production, $107,700,000;

(E) for defense nuclear waste, $31,646,000; and

(F) for nuclear materials security and safeguards development, $3,700,000.

PART B—NATIONAL SECURITY PROGRAMS, FISCAL YEAR 1984

OPERATING EXPENSES

SEC. 311. Funds are authorized to be appropriated to the Department of Energy for fiscal year 1984 for operating expenses incurred in carrying out national security programs (including scientific research and development in support of the Armed Forces,

strategic and critical materials necessary for the common defense, and military applications of nuclear energy and related management and support activities) as follows:

(1) For naval reactors development, $370,000,000.

(2) For weapons activities, $3,133,125,000.

(3) For verification and control technology, $65,300,000.

(4) For materials production, $1,182,200,000.

(5) For defense waste and byproducts management, $318,900,000.

(6) For nuclear safeguards and security, $48,000,000.

(7) For security investigations, $29,500,000.

PLANT AND CAPITAL EQUIPMENT

SEC. 312. Funds are authorized to be appropriated to the Department of Energy for fiscal year 1984 for plant and capital equipment (including planning, construction, acquisition, and modification of facilities, land acquisition related thereto, and acquisition and fabrication of capital equipment not related to construction) necessary for national security programs as follows:

(1) For naval reactors development:

Project 84-N-101, general plant projects, various locations, $2,500,000.

Project 83-N-102, addition to the radioactive materials laboratory, Knolls Atomic Power Laboratory, Schenectady, New York, $6,500,000, for a total project authorization of $8,000,000.

Project 82-N-111, materials facility, Savannah River, South Carolina, $70,000,000, for a total project authorization of $125,000,000.

Project 81-T-112, modifications and additions to prototype facilities, various locations, $1,000,000, for a total authorization of $104,000,000.

(2) For weapons activities:

Project 84-D-101, general plant projects, various locations, $27,100,000.

Project 84-D-111, general plant projects, various locations, $25,000,000.

Project 84-D-103, hardened central guard force facility, Los Alamos National Laboratory, Los Alamos, New Mexico, $600,000.

Project 84-D-104, nuclear materials storage facility, Los Alamos National Laboratory, Los Alamos, New Mexico, $700,000.

Project 84-D-107, nuclear testing facilities revitalization, various locations, $38,500,000.

Project 84-D-112, TRIDENT II warhead production facilities, various locations, $19,300,000.

Project 84-D-114, consolidated manufacturing facility, Rocky Flats Plant, Golden, Colorado, $24,100,000.

Project 84-D-115, electrical system expansion, Pantex Plant, Amarillo, Texas, $1,500,000.

Project 84-D-117, inert assembly and test facility, Pantex Plant, Amarillo, Texas, $1,500,000.

Project 84-D-118, high-explosive subassembly facility, Pantex Plant, Amarillo, Texas, $7,000,000.

Project 84-D-119, railroad track replacement and upgrade, Pantex Plant, Amarillo, Texas, $800,000.

Project 84-D-120, explosive component test facility, Mound Facility, Miamisburg, Ohio, $3,100,000.

Project 84-D-121, safeguards and site security upgrading, Rocky Flats Plant, Golden, Colorado, $10,000,000.

Project 82-D-107, utilities and equipment restoration, replacement, and upgrade, Phase III, various locations, $209,200,000, for a total project authorization of $429,600,000.

Project 82-D-108, nuclear weapons stockpile improvement, various locations, $4,000,000, for a total project authorization of $46,800,000.

Project 82-D-111, interactive graphics systems, various locations, $10,600,000, for a total project authorization of $19,600,000.

Project 82-D-144, simulation technology laboratory, Sandia National Laboratories, Albuquerque, New Mexico, $8,000,000, for a total project authorization of $12,200,000.

Project 82-D-146, weapons production and production support facilities, various locations, $14,200,000, for a total project authorization of $62,200,000.

Project 82-D-150, weapons materials research and development facility, Lawrence Livermore National Laboratory, Livermore, California, $2,900,000, for a total project authorization of $10,400,000.

Project 81-D-101, particle beam fusion accelerator-II, Sandia National Laboratories, Albuquerque, New Mexico, $5,400,000, for a total project authorization of $42,150,000.

Project 81-D-115, Missile X warhead production facilities, various locations, $30,000,000, for a total project authorization of $104,100,000.

(3) For materials production:

Project 84-D-125, general plant projects, various locations, $28,000,000.

Project 84-D-126, plant engineering and design, various locations, $2,000,000.

Project 84-D-130, modification processing facility substations, Savannah River, South Carolina, $5,600,000.

Project 83-D-138, PUREX filter systems improvements, Richland, Washington, $8,500,000, for a total project authorization of $12,750,000.

Project 83-D-142, fuel dissolver off-gas transfer and treatment system, Idaho Fuels Processing Facility, Idaho National Engineering Laboratory, Idaho, $4,100,000, for a total project authorization of $7,600,000.

Project 83-D-146, water pollution control, Feed Materials Production Center, Fernald, Ohio, $4,000,000, for a total project authorization of $5,400,000.

Project 83-D-147, pollution discharge elimination, Savannah River, South Carolina, $2,000,000, for a total project authorization of $3,000,000.

Project 83-D-148, nonradioactive hazardous waste management, Savannah River, South Carolina, $3,000,000, for a total project authorization of $4,000,000.

Project 82-D-118, N plant security and surveillance, Richland, Washington, $400,000, for a total project authorization of $4,400,000.

Project 82-D-124, restoration of production capabilities, Phases II, III, and IV, various locations, $103,600,000, for a total project authorization of $238,300,000.

Project 82-D-136, fuel processing facilities upgrade, Idaho Fuels Processing Facility, Idaho National Engineering Laboratory, Idaho, $6,000,000, for a total project authorization of $46,000,000.

Project 82-D-201, special plutonium recovery facilities, JB-Line, Savannah River, South Carolina, $26,000,000, for a total project authorization of $37,000,000.

Project 81-D-142, steam transfer header, Savannah River, South Carolina, $7,400,000, for a total project authorization of $18,400,000.

(4) For defense waste and byproducts management:

Project 84-D-150, general plant projects, interim waste operations and long-term waste management technology, various locations, $25,830,000.

Project 83-D-157, additional radioactive waste storage facilities, Richland, Washington, $31,000,000, for a total project authorization of $50,000,000.

Project 81-T-104, radioactive waste facilities improvements, Oak Ridge National Laboratory, Tennessee, $1,000,000 for a total project authorization of $21,000,000.

Project 81-T-105, defense waste processing facility, Savannah River, South Carolina, $142,000,000, for a total project authorization of $212,000,000.

Project 77-13-f, waste isolation pilot plant, Delaware Basin, Southeast, New Mexico, $109,700,000, for a total project authorization of $343,500,000.

(5) For capital equipment not related to construction—

(A) for naval reactors development, $19,000,000;

(B) for weapons activities, $222,600,000;

(C) for verification and control technology, $1,750,000;

(D) for materials production, $97,500,000;

(E) for defense waste and byproducts management, $31,900,000; and

(F) for nuclear safeguards and security, $4,000,000.

PART C—GENERAL PROVISIONS

REPROGRAMING

SEC. 321. (a) Except as otherwise provided in this title—

(1) no amount appropriated pursuant to this title may be used for any program in excess of 105 percent of the amount authorized for that program by this title or $10,000,000 more than the amount authorized for that program by this title, whichever is the lesser, and

(2) no amount appropriated pursuant to this title may be used for any program which has not been presented to, or requested of, the Congress,

unless a period of thirty calendar days (not including any day on which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) has passed after receipt by the appropriate committees of Congress of notice from the Secretary of Energy (hereinafter in this part referred to as the "Secretary") containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action, or unless each such committee before the expiration of such period has transmitted to the Secretary written notice to the effect that such committee has no objection to the proposed action.

(b) In no event may the total amount of funds obligated pursuant to this title exceed the total amount authorized to be appropriated by this title.

LIMITS ON GENERAL PLANT PROJECTS

SEC. 322. (a) The Secretary may carry out any construction project under the general plant projects provisions authorized by this title if the total estimated costs of the construction project does not exceed $1,000,000.

(b) If at any time during the construction of any general plant project authorized by this title, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $1,000,000, the Secretary shall immediately furnish a complete report to the appropriate committees of Congress explaining the reasons for the cost variation.

(c) In no event may the total amount of funds obligated to carry out all general plant projects authorized by this title exceed the total amount authorized to be appropriated for such projects by this title.

LIMITS ON CONSTRUCTION PROJECTS

SEC. 323. (a) Whenever the current estimated cost of a construction project which is authorized by section 302 or section 312 of this title, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of (1) the amount authorized for the project, or (2) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to the Congress, construction may not be started or additional obligations incurred in connection with the project above the total estimated cost, as the case may be, unless a period of thirty calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three days to a day certain) has passed after receipt by the appropriate committees of the Congress of written notice from the Secretary containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of the action, or unless each committee before the expiration of such period has notified the Secretary it has no objection to the proposed action.

(b) Subsection (a) shall not apply to any construction project which has a current estimated cost of less than $5,000,000.

FUND TRANSFER AUTHORITY

SEC. 324. To the extent specified in appropriation Acts, funds appropriated pursuant to this title may be transferred to other agencies of the Government for the performance of the work for which the funds were appropriated, and funds so transferred may be merged with the appropriations of the agency to which the funds are transferred.

AUTHORITY FOR CONSTRUCTION DESIGN

SEC. 325. (a)(1) Within the amounts authorized by this title for plant engineering and design, the Secretary may carry out advance planning and construction designs (including architectural and engineering services) in connection with any proposed construction project if the total estimated cost for such planning and design does not exceed $2,000,000.

(2) In any case in which the total estimated cost for such planning and design exceeds $300,000, the Secretary shall notify the appropriate committees of Congress in writing of the details of such project at least thirty days before any funds are obligated for design services for such project.

(b) In any case in which the total estimated cost for advance planning and construction design in connection with any construction project exceeds $2,000,000, funds for such design must be specifically authorized by law.

AUTHORITY FOR EMERGENCY CONSTRUCTION DESIGN

SEC. 326. In addition to the advance planning and construction design authorized by section 302 or 312, the Secretary may perform planning and design utilizing available funds for any Department of Energy defense activity construction project whenever the Secretary determines that the design must proceed expeditiously in order to meet the needs of national defense or to protect property or human life.

FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY

SEC. 327. Subject to the provisions of appropriation Acts, amounts appropriated pursuant to this title for management and support activities and for general plant projects are available for use, when necessary, in connection with all national security programs of the Department of Energy.

ADJUSTMENTS FOR PAY INCREASES

SEC. 328. Appropriations authorized by this title for salary, pay, retirement, or other benefits for Federal employees may be increased by such amounts as may be necessary for increases in such benefits authorized by law.

AVAILABILITY OF FUNDS

SEC. 329. When so specified in an appropriation Act, amounts appropriated for "Operating Expenses" or for "Plant and Capital Equipment" may remain available until expended.

NAVAL NUCLEAR PROPULSION PROGRAM

SEC. 330. The provisions of Executive Order No. 12344, dated February 1, 1982, pertaining to the Naval Nuclear Propulsion Program, as in effect on May 1, 1982, shall remain in effect until such time as the Congress provides otherwise by law.

TERMINATION OF USE OF CERTAIN SEEPAGE BASING; REQUIREMENT FOR PLAN

SEC. 331. The Secretary of Energy shall terminate the use of seepage basins associated with the fuel fabrication area within 24 months after the date of enactment of this Act.

(b) Not later than January 1, 1984, the Secretary of Energy shall submit a plan to the appropriate committees of Congress for the protection of groundwater at the Savannah River Plant. The Secretary shall include in such plan—

(1) various methods for discontinuing the use of seepage basins associated with the materials processing areas;

(2) provide for the implementation of other actions appropriate to mitigate any significant adverse effects of on-site or off-site groundwater and of chemical contaminates in seepage basins and adjacent areas, including the removal of such contaminates where necessary; and

(3) include provisions for continuing the expanded monitoring program of groundwater impacts involving the appropriate South Carolina agencies in accordance with the statutory responsibilities of such agencies.

CONTRACTOR LIABILITY FOR INJURY OR LOSS OF PROPERTY ARISING OUT OF ATOMIC WEAPONS TESTING PROGRAMS

SEC. 332. (a) The remedy against the United States provided by sections 1346(b) and 2672 of title 28, United States Code, for injury or loss of property or personal injury or death shall apply to any civil action for injury or loss of property or personal injury or death due to exposure to radiation based on acts or omissions by a contractor in carrying out a contract in the conduct of the United States atomic weapons testing program. This remedy shall be exclusive of any other civil action or proceeding for the purpose of determining civil liability arising from any act or omission of the contractor without regard to when the act or omission occurred. The employees of such a contractor shall be considered to be employees of the Federal Government, as provided in section 2671 of title 28, United States Code, for the purposes of any such civil action or proceeding and the civil action or proceeding shall proceed in the same manner as any action against the United States filed pursuant to section 1346(b) of such title and shall be subject to the limitations and exceptions applicable to those actions.

(b) A contractor against whom a civil action or proceeding described in subsection (a) is brought shall promptly deliver all processes served upon that contractor to the Attorney General of the United States. Upon certification by the Attorney General that the suit against the contractor is within the provisions of subsection (a), a civil action or proceeding commenced in a State court shall be removed without bond at any time before trial by the Attorney General to the district court of the United States for the district and division embracing the place wherein it is pending and the proceedings shall be deemed a tort action brought against the United States under the provisions of section 1346(b), 2401(b), or 2402, or sections 2671 through 2680 of title 28, United States Code. For purposes of removal, the certification by the Attorney General under this subsection establishes contractor status conclusively.

(c) The provisions of this section shall apply to any action now pending or hereafter commenced which is an action within the provisions of subsection (a) of this section. Notwithstanding section 2401(b) of title 28, United States Code, if a civil action or proceeding pending on the date of enactment of this section is dismissed because the plaintiff in such action or proceeding did not file an administrative claim as required by section 2672 of that title, the plaintiff in that action or proceeding shall have 30 days from the date of the dismissal or 2 years from the date upon which the claim accrued, whichever is later, to file an administrative claim and any claim or subsequent civil action or proceeding shall thereafter be subject to the provisions of section 2401(b) of title 28.

(d) For purposes of this section, "contractor" includes a contractor or cost reimbursement subcontractor of any tier participating in the conduct of the United States atomic weapons testing program for the Department of Energy (or its predecessor agencies, including the Manhattan Engineer District, the Atomic Energy Commission, and the Energy Research and Development Administration). "Contractor" also includes facilities which conduct or have conducted research concerning health effects of ionizing radiation in connection with the testing under contract with the Department of Energy (or its predecessor agencies).

MOTION TO WAIVE SECTION 402 OF CONGRESSIONAL BUDGET ACT OF 1974

The ACTING PRESIDENT pro tempore. The majority leader.

Mr. BAKER. Mr. President, I have been informed by the distinguished Senator from Ohio that he may have certain concerns that might ripen into a point of order against this measure. I regret to hear that, because I had thought that we had arranged a schedule that would permit us to proceed on this measure and to deal with it in an orderly way, which, at best, is going to be sort of disorderly, since it is so controversial, and to finish the measure this week. I still intend, to the extent that the Senate will permit me to do so, to finish this bill this week. It may take late evenings, it may

take all week, it may take the weekend; but, Mr. President, there are so many other matters backed up behind this bill that we simply have to do that. Appropriations bills must be attended to, urgent authorization bills must be dealt with in this month, before the statutory recess begins for the month of August.

Therefore, Mr. President, as the distinguished Senator from Ohio already knows, because I have already told him, what I intend to do, in an effort to avoid any pitfalls that might be occasioned by points of order on the measure, I now move, pursuant to section 904 of the Congressional Budget Act of 1974, to waive section 402 of that act as it pertains to S. 675, the Defense Authorization Act.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Tennessee.

Mr. METZENBAUM addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, we appear here this afternoon to discuss the defense authorization bill, and the motion of the distinguished majority leader under section 904 to waive section 402 of the Budget Act raises some very interesting questions. The one that particularly concerns the Senator from Ohio has to do with the fact that, in the closing hours of the deliberation of the measure in committee, it is my understanding that through some legerdemain——

Mr. TOWER. Will the Senator yield? The Senator is absolutely wrong on that point.

Mr. METZENBAUM. Mr. President, I have not yielded. I have the floor, Mr. President.

The ACTING PRESIDENT pro tempore. The Senator from Ohio has the floor.

Mr. TOWER. Mr. President, will the Senator give his source of information on that, since it is totally inaccurate?

Mr. METZENBAUM. In due time, Mr. President, I intend to engage in colloquy with my good friend from Texas. It is my hope that, at that time, we shall all be informed as to the facts.

I am aware of the fact that published reports indicate that Mr. Stockman found something in the area of $2.1 or $2.3 billion as this measure was being brought to a conclusion in the final markup. I also heard the distinguished senior Senator from Massachusetts address himself to that very same issue the other day on the floor of the Senate before the recess.

I would appreciate it if the Senator from Texas, the manager of the bill, would be good enough to advise of the facts as he knows them and understands them to be with respect to the figure and also to clarify for the Senator from Ohio whether it is $2.1 billion or $2.3 billion about which we speak. Will the Senator from Texas be good enough?

Mr. TOWER. Mr. President, let me respond to the Senator from Ohio. I simply read from the opening statement that I intended to make and will make subsequently when we move on to consideration of the bill, to lay this matter to rest.

It is not true that the issue of savings of purchase from reduced inflation in the area was brought out only at the last minute. The committee records show this issue was raised before the full committee in early May, May 5 to be precise, and that uncertainty about the proper numbers to be used forced postponement of any committee endorsement. Letters from Secretary Weinberger dated May 9 and June 16 alluded to the availability of those savings. It was not until those savings were validated that we acted to consider those savings in the final determination of what would be spent and what would be authorized in the bill. I insisted on such validation, the committee insisted on it and, by a vote of 11 to 7, the committee voted to accept the validations of these changed assumptions and to incorporate some of those savings in the authorization—not all, but some.

So that is the fact of the matter. In fact, inflationary adjustments had been made for every other spending function except defense back in April. So we were caught up in that delay. It finally came to the point where, late in our proceedings, we were finally treated as every other committee had been treated, or every other jurisdictional committee with the spending or with the authorization responsibility of the various accounts. We were able, then, to move on the basis of those changed assumptions.

However, that is an issue, in my view, that would be more properly discussed during the consideration of the bill itself.

Senators will have adequate opportunity to offer amendments and there will be adequate opportunity to debate that particular issue if Senators would like to do so. But what we are talking about is a pro forma move, pro forma budget waiver resolution that is done every time we take up an authorization bill after May 15. The fact is that the Armed Services Committee waited until after the budget process on the first concurrent had been completed before it did its work. Had we gone ahead and ignored the budget process, which we could have done, and reported our bill by May 15, which we could have done, the budget waiver would not have been required. I hope that other Senators will not join in an effort to punish the Armed Services Committee—indeed, punish all committees that have bills that are coming up subsequent to the disposition of this bill—because we, true to the budget process, desirous of determining what our ceiling was, according to the budget process, acted in that fashion to be responsible and come in under the budget ceiling and therefore were delayed.

Mr. JACKSON. Will the Senator yield without losing his right to the floor?

Mr. METZENBAUM. I yield to the Senator.

Mr. JACKSON. Mr. President, I merely want to supplement the remarks of the distinguished chairman of the committee. I want to say for the benefit of the Senate, Senator TOWER made a diligent effort to get the necessary figures pertaining to savings that the administration is now projecting in the petroleum area as well as the overall inflation indexes. I kept in touch with Senator TOWER. The person that I think should have acted is Mr. Stockman, the head of OMB. That information should have been up a long time ago.

But the chairman of the committee pursued this matter diligently; he made every effort to get the information, but for whatever reason the administration did not make the information available in a timely manner.

Mr. METZENBAUM. Will the Senator from Washington yield for a question?

Mr. JACKSON. Yes.

Mr. METZENBAUM. Would the Senator not agree then that, although some effort was made to get these numbers earlier, indeed, public statements have been made in the press and a statement made on the floor of the Senate by the senior Senator from Massachusetts to the effect that only at the last minute was it discovered or was it learned in the Armed Services Committee that Mr. Stockman had now found—I am not sure of the number—is it $2.1 billion or $2.3 billion?

Mr. JACKSON. What is the exact number?

Mr. TOWER. The figure actually is $3.4 billion including the fuel savings and the 2.1 on changes of inflationary assumptions which are still about $0.4 billion below what they actually expect those assumptions will be at the end of the second quarter. We stayed very much on the low side of these assumptions and did not utilize the full 2.1.

Mr. METZENBAUM. Will the Senator from Texas respond as to when it was that the committee actually learned there would be $3.4 billion in savings including the 2.1 in the inflation figure?

Mr. TOWER. The committee discussed that on May 5 first. We were aware of the numbers but they had

not been validated by Mr. Stockman at that time.

Now, I cannot give any explanation of what goes on in OMB; I am at a loss to know myself sometimes, but the fact is that those numbers were not validated for us until the evening of May 27. Then they were discussed in the committee, and by a bipartisan vote of 11 to 7 the committee agreed to incorporate some of the savings involved in funding the programs under the bill. The committee still comes out $1.7 billion below the budget ceiling if one considers that there will be a 6-month pay increase. If one considers that there will be a 9-month pay increase, we come out $1.1 billion below. So we would still be below even if we have to absorb an additional $600 million in pay increase.

Mr. METZENBAUM. Would the Senator, the manager of the bill, indicate whether or not after the figures had been disclosed to him, as the chairman of the Armed Services Committee, that there would be a $3.4 billion saving, although a figure that had not as yet been validated—and I assure that to mean that it had not been——

Mr. TOWER. Let me say in response that the fuel savings had already been validated. It was the inflationary assumptions that had not been validated. So it was a $2.1 billion change in inflationary assumptions that had not been validated.

Mr. METZENBAUM. Did the Senator from Texas advise the chairman of the Senate Budget Committee at any point along the way while the Budget Committee was going through its deliberations that it could anticipate a savings in the area of either 2.1 or 3.4 and, if so, when did that occur and under what circumstances?

Mr. TOWER. The Budget Committee does not look behind what the authorizing committee does if it stays within the ceiling established by the Budget Committee. Historically, not only this year but last year, we took savings that were achieved through changed fuel assumptions, changed inflationary assumptions, and changed international monetary exchange assumptions and utilized that in funding our programs, staying within the budget ceiling. That is what we have done this time. We have come in below the budget ceiling.

Mr. DOMENICI. Will the Senator yield?

Mr. METZENBAUM. I yield to the Senator from New Mexico, the distinguished chairman of the Budget Committee.

Mr. DOMENICI. Let me say to my good friend from Ohio that in an ordinary authorizing bill, the Budget Committee has very little to say about what a committee has done other than one very simple issue. That has to do with the timeliness of bringing the authorization to the floor. A clear reading of the Budget Act indicates that the time that spending targets are addressed, and whether or not a particular subcommittee or function is going to exceed the targets set out in budget resolution is when the appropriations bills are considered on the floor.

We have gone to a great deal of effort, working with the Armed Services Committee, to determine where this bill lies with reference to the budget but only in an informational sense—not in the sense of the Budget Committee having any jurisdiction whatsoever over the substance or the amount of line items.

Let me give my friend from Ohio an example. Had this particular authorization bill come up prior to the May 23 filing deadline, it could have been $5 billion over an assumed target for 1984 expenditures, with the same numbers and the same deflators, and no point of order would lie. The Senate Budget Committee would have nothing whatsoever to say about it. The Senate and the Congress would have to wait until the appropriations bills came through, add them up, and judge them on the cumulative total for appropriations versus the target for the cumulative total in the resolution.

Now, it seems to me—and I say this in all deference to the concern of the Senator—that in a sense we are going to punish a committee that has worked very hard because they did not want to report out a bill that was higher than the recommended Budget Committee targets.

So they waited because the targets being discussed for defense varied from 5-percent real growth to 10-percent real growth to 2.8-percent real growth.

So this committee said: "We will wait, and we will attempt to live with the numbers the budget process produces."

This particular bill, I say to the Senator from Ohio, is the closest to a budget target for an authorization committee that we have had in 3 years. The Senate approved an authorization bill in excess of the targets last year, on the simple basis that the appropriators would make the remaining reductions.

This committee, the last 3 years—the last year under the chairmanship of Senator STENNIS and then 2 years under the chairmanship of Senator TOWER—tried very hard to have an authorizing bill on time each year.

We have had many years with late authorization bills, have we not?

Mr. JACKSON. That is right.

Mr. DOMENICI. We have had years without a timely authorizing bill in defense, or one that fit within the budget targets.

So they tried hard to produce a bill in accordance with the budget resolution targets.

If I am going to come down here, as chairman of the Budget Committee, on each authorization bill that is a few days late, such as this one, and put the Senate through some rigorous exercise to waive 402 of the Budget Act—which if you read it, it is nothing more than timeliness provision, and has nothing to do with dollar amounts; it will impede the progress of the Senate. Our business at this time is not to discuss the bill, but to vote the section 402 waiver up or down.

The 402 provision was put in the law with the expectation that it would push the authorizing committees to expedite delivery to the desk of authorizing legislation and lead to a more orderly appropriations process.

I have the greatest respect for the participation of the Senator from Ohio in the budget process, especially in the recent conference, but I think he should let the Senate work its will on this bill. If we have to call a meeting of the Budget Committee to discuss the waiver of the timeliness bill, it will cause delay. We as a committee want to let this bill come to the floor whether it was reported after May 23 or not. That is the budget issue. We could call that meeting, and in due course, we would get it done. But it seems to me that that would be an inordinate delay for no good, substantive reason.

My final statement to the distinguished Senator is that even if we wanted to scrutinize the authorized spending in this particular bill, as if it were an appropriation bill, and to say it does fit within the budget—that is not our prerogative—I assure the Senator it is not the Budget Committee's prerogative—but even if we did make that companion, I am informed that, if fully appropriated, this bill is $800 million under the budget authority target set for defense in the first budget resolution. That target is not binding. It becomes binding only in its cumulative nature, along with all other appropriations, and only after October 1, 1983. In the event there is not a second resolution. At that time, you add all the appropriations bills and the one that "breaks the bank" on cumulative budget authority and realistic outlay expectation flowing from it, would be the subject of a substantive complaint from the Budget Committee.

So, while I may not like some things in this bill and the Senator from Ohio may not, I assure him that we are going to have ample chance on the floor of the Senate in the ensuing week to vote up and down on amendments. I assume that the managers are aware of many amendments to be offered by members of the committee and by other Members of the Senate to give us an opportunity to address the policy issues that are authorized in this bill.

Obviously, the leader is well within his rights to move a section 904 waiver of the process and procedures I have just described. When he asked me about it this morning, around 11:30, when I conferred with him, I did not even consider it to be a very significant waiver, because it is a matter of timeliness only.

We will argue the substance of issues later. In due course, we will grant this waiver one way or another. We can vote up or down on the leader's motion; or, the Budget Committee can meet and grant the waiver. I assure the Senator that it is going to be done. Then, when S. 675 comes up, he can have all the time in the world to argue.

I assume that the managers expect to be here 4 or 5 days. I ask the Senator from Texas if that is correct.

Mr. TOWER. As long as it takes.

Mr. DOMENICI. Even in addition to the days it might take to debate this motion, which our distinguished leader stated.

So those are my feelings on the matter, as chairman of the Budget Committee. I have not been reluctant to speak out on defense, so I do not come here as a Johnny-come-lately. I have had an ongoing dialog, to say the least, with the White House over it. But I commend the committee for reporting an authorization bill and for getting it well within the budget authority that the congressional budget resolution contemplates. The Armed Services Committee action on this bill is nothing other than an exercise in prudence. It has no direct interplay with Budget Act activities.

The Budget Committee has no prerogatives in this matter, and the Senate is not waiving anything significant if it grants the leader's motion that relates only to the time this bill will come to the floor; nothing more.

I have a summary of the spending in this bill, in case we are going to be arguing whether they met the resolution targets or not. I ask unanimous consent to have the summary printed in the RECORD.

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

BUDGETARY IMPACT AND RELATION TO FIRST BUDGET RESOLUTION

Because the First Budget Resolution does not contain defense program detail, it is necessary to measure the costs of this bill against the President's defense request (as reestimated by CBO). To measure the savings in the bill against the budget resolution total, it is then necessary to adjust the President's budget request to include the cost of the pay raise as assumed in the Budget Resolution (since the President assumed no pay raise for FY 1984). These calculations yield the following result.

[In billions of dollars]

	Fiscal year 1984	
	Budget authority	Outlays (estimated)
President's budget request for function 050 (as reestimated by CBO)	280.2	244.7
Add pay raise assumption of first budget resolution	1.8	1.8
President's adjusted request	282.1	246.5
Savings from President's request contained in this bill [1]	−14.2	−5.6
OMB inflation adjustment	(−3.4)	(−2.3)
Total implied by this bill	267.8	240.9
First budget resolution total	268.6	240.0
Total implied by this bill over (+) or under (−) resolution	−.8	+.9

[1] This amount excludes the provisions of this bill dealing with the pay raise because the pay raise issue will be decided by other legislation.

Thus it can be determined that if the pay raise that is granted in FY 1984 is the same as assumed in the first budget resolution, the effect of this bill is to put budget authority for function 050 $0.8 billion below the first budget resolution and to put outlays $0.9 billion above the level of the resolution. If the President is able to sustain his proposal for a pay freeze in FY 1984, however, the resolution would be upheld without additional reductions in the defense and military construction Appropriation bills.

(Mr. HUMPHREY assumed the chair.)

Mr. METZENBAUM. Mr. President, I am pleased that the distinguished chairman of the Budget Committee, my good friend, is on the floor.

I point out to him that I well understand the question of timeliness and the issue that is before the Senate. It seemed to me that this was an appropriate time to raise some of the budgetary considerations, not particularly as a member of the Budget Committee but as a Member of this body.

One that I raise has to do with a fact that has been discussed, and I will come to that in a moment. But there is another matter that, in my opinion, is far more important than even the question of Mr. Stockman's finding $2.1 billion at the very last moment.

Although my friend from Texas indicates that it had been considered, it is the fact that it was reported in the press that "The Reagan administration abruptly announced yesterday that its defense program will cost $2.1 billion less next year than estimated before. The surprise reestimate enabled the Senate Armed Services Committee to stick close to congressional spending targets without cutting out some B-1 bomber funds, as it had planned."

The article goes on.

I point out that there is a part of this bill that, in my opinion, does have real budgetary implications, and I hope that the distinguished chairman of the Budget Committee will appreciate what I am about to say.

Some weeks ago, we discussed on the floor of the Senate the matter of the leasing of 13 TAKX ships and the fact that the leasing of those ships was done without the matter going through the Appropriations Committee; that the funds in connection with those ships were not a part of the budgetary consideration; that the funds for those ships come out of operation and maintenance accounts, and thereby deprive the gound forces and the regular forces of the necessary funds for either personnel or materiel.

And there was a considerable amount of discussion concerning the 13 TAKX ships, and then we learned that there were five tankers that were also involved.

I wish to point out to my good friend, the chairman of the Budget Committee, and I would appreciate it if I might have the attention of my friend, the chairman of the Budget Committee, to point out to him that we find in this bill now a total sievelike movement. Not only do we have those ships involved but we have a half-dozen other items, airplanes, other ships, I think 18 of them—I do not have the list in front of me—certain planes that are used especially for ferrying top military brass and ambassadorial-level diplomats, and a number of others that now will be provided for in this legislation.

What we are talking about is are we going to be using a backdoor route to go around the budget process? Are we going to be using as a regularity the whole question of the tax provisions of the U.S. Government and take from the Federal Treasury dollars that come from these tax-leasing arrangements, or are we going to use the normal processes of going to the proper appropriations committee and saying, "This is what we want as far as military equipment is concerned"?

This bill goes much farther than anyone contemplated or even talked about in the past with respect to this entire matter of leasing, and it is a question of congressional prerogatives.

We normally send to the Appropriations Committee matters having to do with the Armed Services appropriations bill. Here we have in the authorization bill a circuitous route, a different way to operate, without any appropriations authority, and what we are doing is first, we are breaking the budget process, second, we are providing for increased defense spending, and, third, we are getting involved in the whole question of the leasing programs and what they do as far as the tax dollars of this country are concerned.

So when I raise the question here this afternoon about the budget waiver and the timeliness it has to do with the implications of all of these other matters. I am even told that they are coming forward with a technical amendment. And I would appreciate it if the distinguished chairman of the committee would advise me. Am I correct that there is to be offered a

so-called technical amendment, the language of which will provide that the 13 TAKX planes-leasing program is being validated, and that is to be offered as a technical amendment?

That is what I am informed by my staff who tell me they were so informed by the Senator's staff. And if that is the case, I do not think any Member of this Senate would consider that to be a technical amendment.

Would the Senator from Texas be good enough to respond because if I am in error as to the facts I wish to be corrected.

Mr. TOWER. I quite frankly do not understand the question of the Senator from Ohio. The fact is that is a substantive issue that has nothing to do with the timelines of the bill and the budget waiver.

If the Senator would permit us to get on with our business we could plunge right into that if he likes. Once we get the bill up, there is adequate opportunity for anyone in the Chamber, including the Senator from Ohio, to offer any amendment that would change or delete or add to any provision of this bill. He is not barred from doing that. Because of our relatively loose rules of germaneness in this body, a Senator can offer about anything he wishes to offer.

The fact is the Senator's suggestion that there is some surreptitious backdoor method being resorted to in this bill is simply not true, and I think that will come out in subsequent debate once we get started on the bill.

Mr. METZENBAUM. Would the Senator from Texas be good enough to respond as to whether it is intended to offer a technical amendment that would by its terms validate the leasing of the 13 TAKX planes?

Mr. TOWER. The amendment I believe the Senator refers to is a stylistic change.

Mr. METZENBAUM. What?

Mr. TOWER. A stylistic change. We do not even have to offer it if we do not wish to. It was recommended to us by legislative counsel. But we do not even have to offer it. It is a stylistic change.

Mr. METZENBAUM. I understand. Is it intended to offer that amendment as a technical amendment? I think I agree with the Senator's first statement that is a substantive change.

Mr. TOWER. It is intended to be offered. As I say, it is a stylistic rather than substantive change, but if it is offered, of course, the Senator is fully within his rights in insisting on debate on it and getting a yea-and-nay vote on it.

Mr. METZENBAUM. Would the Senator from Texas be good enough to explain to the Senator from Ohio what a stylistic change is? I understand what a technical amendment is. I am not sure I know what a stylistic change is.

Mr. TOWER. I think that it is conforming language that is simply a matter of style and that has nothing to do with substance. But I think that this is a matter we should really get into once we get on the bill.

If the Senator wants to talk about the merits of delaying the waiver, the timeliness, I would think that is the appropriate thing to talk about now. I would prefer to wait and not get into substantive matters until we get on the bill itself because I think we are getting into a lot of repetition otherwise. I am sure the Senator will want to offer amendments on these various subjects. It seems to me to be time wasted to be getting substantive arguments that are going to be repeated during the course of the consideration of the bill itself.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. TOWER and Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. TOWER. Mr. President, I yield to the Senator from Ohio for a record insertion with the understanding that I not lose my right to the floor.

Mr. METZENBAUM. Mr. President, I want to say that in the discussion we were having, I will withhold further on it in order that the managers of the bill may make their opening statements, with the thought in mind of returning to the subject at a later point in the afternoon. I yield to the Senator from Texas.

Mr. TOWER. Mr. President, the fiscal year 1984 omnibus defense authorization bill, S. 675, is one of the largest authorization bills that will be considered during the 98th Congress. During the past 6 months the Senate Armed Services Committee and its six subcommittees have met 46 times in consideration of this bill. S. 675 contains authorizations totaling $199.9 billion—it sounds like a bargain price, Mr. President, you will notice it is under $200 billion—includes what had previously been three separate pieces of legislation. The committee concluded that we would have a broader perspective of the entire national defense function by addressing this legislation at the same time rather than as individual bills. This is a departure from usual practice.

Title I of the bill includes the regular defense authorizations for procurement, research and development, operation and maintenance, manpower, and civil defense. Under title I the committee recommended $186 billion, a reduction of $11.9 billion for the request.

Title II contains the authorizations for military construction and family housing. Under title II, the committee recommended $7.3 billion, a reduction of $1.2 billion from the request.

Title III contains the authorizations for the national security programs of the Department of Energy. Here the committee recommended $6.6 billion, a reduction of $200 million from the request.

In addition to the reductions listed above, manpower changes and other legislative restrictions will reduce the administration's request by $215 million.

The net impact of the bill, therefore, is a reduction of $13.6 billion in budget authority from the President's request for national defense.

The first concurrent budget resolution for fiscal year 1984 called for a reduction of $11.9 billion in budget authority, so we are $1.7 billion beyond that target.

The budget resolution also called for reductions totaling $5.3 billion in outlays from the President's request. However, both the chairman and ranking member of the Budget Committee have acknowledged that, within a package of balanced defense reductions, $11.9 billion in budget authority will not yield $5.3 billion in outlays. In presenting the conference report on the budget before the Senate, Senators DOMENICI and CHILES noted that a reduction of $11.9 billion in budget authority would more likely equate to a reduction of $4 billion in outlays. CBO estimates that the recommended $13.6 billion budget authority reduction in this bill will reduce outlays by $3.6 billion below the President's request in fiscal year 1984.

While considering the President's request for defense, the committee took into account the most recent estimates of ongoing economic trends and their effect on the defense budget. In this regard, Mr. President, there have been several erroneous reports concerning the sources of savings assumed in this bill for fuel and purchase inflation.

First, it is not true that the issue of savings from purchase inflation in this area was brought up only at the last minute in our markup. The committee records show that this issue was raised before the full committee in early May, but that uncertainty about the proper numbers to be used forced postponement of any committee endorsement. Indeed, letters from Secretary Weinberger, dated May 9 and June 16, alluded to the availability of such savings.

Second, it has been implied that these numbers were drawn up to save the multiyear funding for the B-1,

which had been deleted at the subcommittee level. This assertion is also incorrect. The amount at issue with regard to the B-1 was less than $900 million, while changed economic forecasts involved $3.4 billion. In addition, having polled most of the committee membership personally, I can assure my colleagues that the votes were there to add back multiyear funding for the B-1, regardless of what action the committee might have taken concerning economic assumptions.

I might note that two or three Senators were at work identifying other programs where savings could be achieved so that multiyear funding of the B-1 can be authorized by the committee.

There has also been concern that these economic adjustments appeared out of thin air, and that other Federal agencies or congressional committees should now await some similar budget adjustment. The real situation is precisely the reverse. In April, the administration published an economic update for the Federal Government which outlined the impact of changing economic trends on the fiscal year 1984 budget request. However, the April economic update contained no adjusted numbers for national defense. It was not until late June that the Office of Management and Budget and the Department of Defense resolved their differences and arrived at an administration position approved by the President. So, in fact, the economic changes in this bill are only a reflection of the April update which has already been applied to other Federal agencies.

Finally, Mr. President, I would like to summarize the scope of the reductions in this bill. In my view, it is essential that Senators understand three things when they vote on this bill:

First, reductions are widespread. When you cut the defense budget by nearly $14 billion, virtually all areas are going to experience reductions. There are few, if any, areas which are considered sacrosanct in this bill;

Second, we are losing—or at least postponing—real military capabilities when we cut defense. In this bill, we have suspended the production of three programs—the A-6E and T-34C aircraft, and the Copperhead guided projectile—and eliminated funding for more than two dozen aircraft and 120 tanks; and

Third, and I want to make this point crystal clear—these funding reductions will cause us to take a giant step backward from our goal of finally injecting stability in defense procurement. These reductions are certain to result in increased unit costs. Because of budget constraints we have denied multiyear funding for eight programs, programs for which we are certain to have long-term requirements. While accusing the Department of Defense of a multitude of inefficiencies, the Congress—with what in my view is a shortsighted and unjustified call for defense budget reductions—must bear the blame for funding instability which causes so much of the cost growth in defense programs. In denying multiyear procurements, we are declaring that we cannot afford to invest money up-front to save money in the long term.

Mr. President, I voted against the conference report on the budget in part because I believed the reductions targeted for defense are too high. In reducing the President's request for defense by this magnitude, I believe we are reneging on the defense program Congress approved in 1981, and we are surely sanctioning many of the inefficiencies in procurement so many critics have cited.

Because it is the apparent will of the majority of the Congress, the committee has agreed to abide by the ceilings proposed in the budget resolution. I, for one, will do everything in my power to see that other committees exercise the same degree of self-discipline on funding nondefense programs.

Mr. President, because of these congressionally mandated defense budget reductions the committee, in its effort to comply with the apparent will of Congress, is compelled to recommend funding reductions in validated military programs which are bound to result in layoffs—thus compounding an already unacceptable unemployment situation in this country.

Now, Mr. President, I am prepared to yield to the ranking minority member, Senator JACKSON, for any statement he may wish to make. I would also encourage Members to introduce their amendments as soon as possible as it is my intention to complete action on this bill by Wednesday evening.

However, Mr. President, before I yield the floor I would be remiss if I did not express my heartfelt thanks, and I think the thanks of all of us on the majority side of the committee, to Senator JACKSON for his great statesmanship, his cooperation, in moving the bill expeditiously, for his good and wise counsel.

He is, I think, an extremely valued member of our committee. He is a very senior member. I have learned much at his feet in the years that I have had the privilege of serving on the committee. I have worked with him on many defense issues and always am glad to be his coworker. He has done a champion job, and I want to thank him too for his lucid remarks on the committee's action in response to some questions by Senator METZENBAUM.

With that, Mr. President, I will yield the floor for the opening remarks of the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington.

Mr. JACKSON. Mr. President, I thank my good friend, the senior Senator from Texas, for his kind remarks.

Mr. President, as we begin deliberations on the fiscal year 1984 Defense Authorization Act, I would like to take a moment to commend Senator TOWER for the outstanding leadership he has displayed as chairman of the Committee on Armed Services. His dedication in shepherding the bill that is before us through the committee has been truly admirable. The distinguished Senator from Texas is a fair-minded individual whose devotion to the national interest and abilities as a leader have helped make our very difficult deliberations a truly bipartisan endeavor. I have immensely enjoyed working with him and with my other colleagues on the committee, all of whom have spent long hours laboring over this bill. I would also like to commend the entire staff of the committee for the high professionalism of their work.

Mr. President, a strong, capable, and vigorous national defense is absolutely essential at this juncture in our history. We have enjoyed independence and prosperity as a nation for the past 207 years, but these favorable conditions will not automatically continue without persistent effort on our part. On the other hand, if we make that effort, our Nation will remain a positive force in the world for peace, stability, and individual freedoms.

A troubled world looks to the United States for leadership and direction, perhaps more now than ever in our history. A strong and resolute United States acts as a powerful beacon and example to all nations, providing encouragement to forces of liberty and democracy in every corner of the Earth. The will and confidence of our allies, in particular, rests heavily on their perceptions of our own resolve and strength. This is one reason it is so essential that we maintain a vigorous national defense.

Another reason is the simple fact that the world we live in can be a dangerous place. It is a world that poses real threats to our survival and prosperity as a nation. The greatest threat that the United States now faces is that posed by the Soviet Union. The Soviets have massively expanded their military forces in the past two decades, posing an increasingly serious and direct threat to the United States and its allies. Over the same period, Moscow has stepped up its worldwide support of radical, anti-American regimes and groups throughout the world; the resulting conflict and upheaval threaten our well-being and require our attention. Nevertheless, if we do what is necessary to maintain

our strength, we need not fear our adversary.

Mr. President, the Department of Defense authorization bill before the Senate today, S. 675, is intended to provide the necessary means for safeguarding our Nation's security. The bill authorizes roughly $200 billion for procurement, research, operations, and other essential activities of our Armed Forces.

The Committee on Armed Services has worked on this legislation with full awareness of the severe budgetary constraints that the Nation now faces. Budgetary constraints have not allowed us to fund every program that might be desirable. They have not prevented us, however, from authorizing that which is essential. By keeping its priorities clear, the committee has managed to make necessary cuts in the President's budget request so as to meet the target set by the first concurrent budget resolution. In so doing, the committee has demonstrated its fiscal responsibility, while yet assuring that the security of our Nation can be maintained.

Three basic principles have guided my work and that of many of my colleagues on the committee in reviewing the administration's proposed defense budget for fiscal year 1984 and in recommending reductions in or additions to that budget.

DETERRENCE

First, we recognize the imperative of maintaining a credible deterrent. The United States and its allies must retain military forces in various categories sufficient to deter aggression from any quarter. The credibility of our strength and the steadiness of our hand are essential facts both in preventing war and in enabling the United States to undertake positive foreign policy initiatives. I would also remind my colleagues that our principal adversary, the Soviet Union, has a history stretching back into czarist time of avoiding risk and backing down in the face of military strength and political will.

Numerous U.S. defense efforts and programs contribute to the maintenance of allied military forces able to deter aggression. It is important that a proper balance be struck among them. High on our list of priorities in this regard has been the readiness of our present Armed Forces. It is important that current readiness not be sacrificed in the process of procuring new and more modern weapons.

Maintaining deterrence requires, furthermore, that research and development be pursued vigorously, both at a basic and at an applied level. Financing current procurement programs at the expense of essential R&D would be robbing from our future deterrent. This we simply must not do.

Yet another essential element in maintaining deterrence is the ongoing modernization of our force structure. Once current readiness and crucial research and development programs have been funded, it is important that modernization through new procurement be attended to. Deterrence a few years hence will rely heavily on new weapons systems going into production today.

ARMS CONTROL

Mr. President, the second fundamental principle that has guided my own work and that of many of my colleagues has been the crucial importance of providing our national leadership with the means and leverage to pursue sensible arms control negotiations. This requires among other things that the triad of our strategic forces be maintained and that its three legs be modernized.

It requires, moreover, that we do not allow our adversary to build highly destructive new weapons systems to which we have no counter. In instances where the Soviet Union has unilaterally deployed massive numbers of new weapons—such as the SS-20's that now threaten Western Europe—we may be forced to fund and deploy countervailing systems, even as we pursue arms control negotiations intended to make such counterdeployments unnecessary.

In other words, even while funding certain weapons programs in this bill, we hope that successful arms control negotiations will allow us to forgo or limit some programs in the future. By means of this legislation we are providing the administration with a solid basis for pursuing arms control negotiations with seriousness and resolve.

KEEPING FAITH WITH OUR ARMED SERVICES

A third and final principle that has been fundamental to the legislation before us is the obligation we feel to assure the welfare and maintain the confidence of the men and women of our armed services. We must keep faith with them. They, after all, are our most valuable national asset when it comes to the defense of the country.

It is therefore imperative that we never send a signal to our servicemen or servicewomen, through discriminatory pay cuts or caps, that they are in any way less important to the Nation than are its civil servants or civilian work force.

Keeping these principles and priorities in mind, Mr. President, I would like to discuss a number of items from the legislation before us.

STRATEGIC AND THEATRE NUCLEAR FORCES

In the area of strategic forces we have acted to provide for modernization of all three legs of our strategic triad. This bill provides the funding necessary to carry out the recommendations of the Scowcroft Commission. The bill provides $2.6 billion in research and development funding for the MX missile, of which $279 million is provided for initiating development of a small single warhead missile; $2.5 billion is authorized for procurement of 27 MX missiles and their associated spare parts.

The committee also took significant actions to strengthen the sea-based leg of our strategic deterrent. In addition to the authorization of funding for another Trident submarine, the bill provides authorization of $1.5 billion for research and development on the new Trident II missile.

The committee has recommended approval of 56 nuclear Tomahawk missiles for deployment aboard Navy attack submarines. The committee however, has not recommended procurement of 56 nuclear Tomahawks planned for deployment on surface ships because the Navy has not structured an integrated doctrine for employment of these surfaced-based weapons. In addition, as a result of technical and manufacturing problems and the cost overruns being experienced on this program the committee has recommended a reduction from 124 to 88 in the number of Tomahawk missiles authorized for fiscal year 1984. This action should provide the Navy and the contractor with sufficient breathing room to get this program back on track by fiscal year 1985.

The committee has recommended authorization of the full administration request for the advanced technology bomber (ATB). This provides the same funding level that was planned last year. The bill also provides for full funding of the B-1B Bomber as requested. This particular recommendation of the committee is questionable. It may be ill-advised to rapidly gear up and acquire tooling sufficient to support a maximum production rate of 48 aircraft per year for just 1 year, fiscal year 1986, only to terminate the program the following year as currently planned. Because of foreseeable budget constraints and a clear need to dovetail the B-1B and ATB programs, limiting the B-1B production capacity to 36 aircraft per year appears to be a more prudent course. I might add that the vote in the committee on this issue was 11 to 7, reflecting the difficulties several of my colleagues had in supporting the B-1B funding, as requested.

The bill also provides funding for continuation of the procurement of 240 air-launched cruise missiles in fiscal year 1984 and preserves the option to continue this program into fiscal year 1985 should problems arise with the advanced cruise missile—a program which is also funded at the level requested by the administration.

The committee has also adequately addressed the crucial matter of theater nuclear forces. It provided full funding for the ground launched cruise missile (GLCM) (120 missiles)

and the Pershing II (95 missiles). This should insure that the United States can pursue the INF arms control negotiations at Geneva in a credible posture vis-a-vis the U.S.S.R.

SEAPOWER AND FORCE PROJECTION

Mr. President, the committee has acted to continue the ongoing modernization and expansion of our naval forces and power projection capabilities. The bill authorizes the procurement of 20 new ships and $9.4 billion for the Navy shipbuilding and conversion account. The bill provides for three of the four mine countermeasures ships and two of the three oilers requested by the administration.

The committee has taken two significant actions toward enhancing our amphibious capability and upgrading the potential of our Rapid Deployment Force. It has recommended $1,380 million funding for the first LDH-1, a more capable follow on to the LHA. The committee has also continued the LSD-41 program, authorizing one ship in fiscal year 1984 and long-lead funding for two ships in fiscal year 1985.

The committee has recommended continuation of the SH-2F Lamps I ASW helicopter program, although at a rate of only 6 aircraft versus the 12 requested by the administration.

The committee has also proposed legislation to deal with the issue of long-term lease or charter of aircraft or naval vessels. This legislation requires specific authorization for any long-term lease, charter, or renewal of such lease or charter. This legislation also requires the Office of Management and Budget and the Department of the Treasury to publish guidelines for lease or charter versus buy decisions.

TACTICAL WARFARE

In addressing tactical warfare the committee has continued funding the urgently needed modernization of our conventional forces. However, in applying reductions necessary to stay within the guidelines provided by the budget resolution, we chose to slow the pace of modernization rather than reduce the readiness of our current forces. An example of this emphasis can be seen in the committee commitment to fund a fleet electronic warfare and support group aircraft essential for effective training of our surface fleet while imposing budget-dictated cuts in the F-14 and F-18 programs.

The bill provides $792 million for 21 F-14 aircraft in fiscal year 1984, a reduction of 3 aircraft and $94 million from the administration's request. Although the committee recommends procuring the F/A-18 in fiscal year 1984 at the levels requested by the administration (84 aircraft) the committee, in recognition of the out-year budget constraints, has provided advanced procurement funding for the same number of aircraft in fiscal year 1984. This is eight aircraft less than projected by the administration. The most significant action with respect to Navy Tactical Air Forces may be the committee's recommendation to suspend production of the A-6E while increasing production of the EA-6B by 33 percent. The objective of this action is to provide for more efficient buys of tactical aircraft while recognizing the constrained budget environment in which we must operate. It has become abundantly clear that it is very inefficient to maintain all of the production lines currently in existence to produce a few naval aircraft per year.

The bill reduces the F-15 program by 12 aircraft in fiscal year 1984 and reduces advanced funding for 33 aircraft in fiscal year 1985, saving just over $490 million. At the same time it increases the fiscal year 1984 F-16 buy by 24 aircraft and advanced procurement for 30 aircraft in fiscal year 1985 at a total increase in cost of $430 million.

The committee has also recommended termination of the MRASM, a program for which both Navy and Air Force support have waned. The committee has also provided for legislation which is designed to insure coordination on a comprehensive joint plan to develop and procure an airborne surveillance and acquisition system to detect and track moving formations of enemy surface units.

The committee has recommended disproportionately larger reductions in Army tactical programs than those of the other services, although it has still maintained the impetus for the Army's most extensive modernization program since World War II.

The committee has recommended procurement of 96 AH-64 aircraft for $1.1 billion, a reduction of $105 million from the administration request.

The committee has recommended procurement of 600 Bradley fighting vehicles as requested by the administration, but has recommended that fiscal year 1985 year procurement be maintained at the 600 level rather than ramping up to 830 vehicles as proposed by the administration.

One program particularly hard hit by budget reductions was the M-1 tank. The committee has recommended a buy of 600 tanks in 1984, in contrast to the 720 requested by the administration and the 855 tanks funded in the fiscal year 1983 budget. However, the committee did recommend advanced procurement of 720 tanks in fiscal year 1985.

The committee continued to place emphasis on the National Guard and Reserve Forces in support of the tactical mission. In addition to increased funding in several specific programs, it has recommended $100 million for unspecified procurement for the Army National Guard and $25 million for the Air Guard.

PREPAREDNESS

The jurisidiction of the Preparedness Subcommittee covers all of the operation and maintenance accounts as well as portions of the ammunition programs in the Army and the Air Force. Adequate funding of these programs is essential to maintaining the readiness and sustainability of our forces.

The committee's recommendations in the preparedness area result in reductions of approximately $2.6 billion from the President's request. Although this reduction is large, I think it can be accommodated with a minimum of disruption to essential readiness activities. Some of the largest reductions in this area, including revised fuel prices (−$1.3 billion) and lower purchase inflation (−$521 million), are no more than pricing adjustments and will not affect program execution. The committee fully funded, for example, the President's request for depot maintenance, operating tempos, training exercises, and real property maintenance. We were even able to provide increase of $46 million to the Army's request for training ammunition. However, I should point out to my colleagues that the committee found several important readiness programs in all of the services that we felt were underfunded in the President's fiscal year 1984 request. Unfortunately due to the constraints under which the committee operated, we just were not able to find the money to increase these programs. I make this point only to urge my colleagues not to support reductions in the readiness and sustainability programs beyond those recommended by the committee.

MANPOWER AND PERSONNEL

The committee carefully reviewed the President's request for all categories of defense manpower. For the Active Forces, the committee authorized an active-duty strength of 2,142,674 for fiscal year 1984. This is an increase of 12,674 over the fiscal year 1983 strength, but still represents a reduction of 22,026 from the President's request. This reduction was based partly on fiscal constraints. However, it was also meant to be an admonition and incentive to the military services to seriously consider transferring missions and units currently in the Active Force, or programed to be added to the Active Force, to the Reserve components.

For the Reserves, the committee recommended average strength of 1,036,000 in fiscal year 1984. This represents an increase of 9,000 over the level requested by the President, 3,000 of the increase going to the Army Reserves and 6,000 to the Army National Guard.

Civilian manpower levels in the Defense Department will be held at 1,056,185 in fiscal year 1984, approximately the current estimate for fiscal year 1983. This level is roughly 18,000 below the President's request. The committee felt that, with the substantial growth in Defense Department civilian strength over the last 3 years, the military services and defense agencies should be able to reallocate existing civilian manpower to meet essential requirements for which increases were requested in fiscal year 1984.

In addition to setting defense manpower strength levels for fiscal year 1984, S. 675 includes a number of important legislative provisions to improve Active and Reserve personnel management practices, to strengthen the military health care system, and to enhance the Nation's manpower mobilization capability. Finally, out of concern over the growing numbers of military and civilian personnel assigned to management headquarters and headquarters support functions in the Defense Department, the committee has mandated reductions in headquarters staffing across all of the military services and defense agencies in fiscal year 1984.

The President's fiscal year 1984 assumed no cost-of-living for Federal civilian or military employees next year. The committee, at the urging of Members on both sides of the aisle, has voted to give our servicemen and women a cost-of-living increase in fiscal year 1984 equivalent to that now contemplated for civilian employees in the Government. It has acted to assure that this will be an across-the-board increase, applicable to allowances as well as basic pay—as has been the past practice—and to insure that it will take place no later than the cost-of-living increase for Federal civilian employees. I personally believe that this is among the more important decisions taken by the committee.

MILITARY CONSTRUCTION

As a result of the committee's actions, a $1.2 billion reduction in the military construction areas was made from the Department of Defense request. In addition to those projects for which the services either canceled or revised a requirement, the committee did not authorize projects for which there was insufficient justification or where funds could not be obligated in the coming fiscal year. The committee's thorough assessment of each of the military construction projects requested for fiscal year 1984 has resulted in prudent cutbacks, consistent with the need to accommodate the Senate's budget ceiling for defense, or reductions which do not compromise our essential defense interests.

Two areas in which reductions were made deserve special emphasis. First, as a result of the new basing scheme for the MX missile, the military construction requirements for the MX were reduced by approximately $400 million. Second, several initiatives in the areas of military construction were taken to address concern by the committee over the contribution of our allies to the common defense. Funding for several NATO projects for which U.S. military construction funds were requested was denied by the committee. The committee believes NATO funding should be sought for these projects and continues to urge measures to increase the level of burden-sharing in the collective defense effort on the part of our allies. The committee is also very concerned over the family housing situation in NATO and hopes the level of effort by our allies in this area will be increased. The committee has recommended that this housing be built with U.S. manufactured housing. Such housing according to committee testimony can be built at about the same total cost per unit as those built for the United States by a foreign government.

DEPARTMENT OF ENERGY

The committee recommendation for the fiscal year 1984 DOE budget represents a net $200 million reduction from the administration's request. The reductions included delays in facilities for producing the SM-2 warhead, the ASW warhead, and the Sentry warhead.

The committee included $5 million, as requested, for conceptual design work on a new production reactor which the Department of Energy stated in hearing testimony will be necessary by about 1995. The committee increased the verification and control technology program by $5.4 million to continue an aggressive program in research on new nuclear detection techniques.

The committee fully funded the operating expenses and construction activities related to the disposal of defense nuclear wastes which have been accumulating for about 40 years. The committees' action supports getting started on the disposal plan for all the transuranic and high-level defense wastes as set forth in the Presidential report recently submitted to the Congress.

GENERAL PROVISIONS

Among the general provisions included by the committee, two were of the greatest interest to me. The first dealt with use of polygraph examinations in the Department of Defense. At my urging the committee adopted, without objection, an amendment which prohibits the Pentagon from taking adverse actions against military or civilian employees based solely on polygraph test results or the refusal to submit to a polygraph exam. It also requires reports from the President and Secretary of Defense on the need for and implications of plans for expanded use of the polygraph in DOD. Of course, the committee is not interested in protecting individuals who would cavalierly deal with national security information or deliberately reveal it in violation of law or regulation. Thus, the provision does not ban polygraph use, but recognizes that the polygraph is an inherently unreliable instrument. Individual's careers cannot be made to turn solely on the results of, or on their justifiable fears about, such an exam.

Second, the bill includes a provision permitting DOD to propose to the Congress the disposal of certain real property owned by the Department. Congress must approve each proposed disposal, and the bulk of any profits are covered into the Treasury. I am not comfortable about giving DOD this authority to exclude any Government property out of the longstanding procedures established under the Federal Property and Administrative Services Act. But my primary concern was to protect existing statutory mechanisms for channeling surplus Government land—including DOD land—to park and recreation use. This mechanism, which I helped put into place in the Federal Property and Administrative Services Act in 1970, has been of great benefit to State and municipal governments in many of our States. As reported, DOD would be able to dispose of land under its new authority only after the Secretary of the Interior has had an opportunity to determine whether the land is suitable for use as a park or recreation area. This modification to the original proposal should help maintain a priority that has been given in the past to allocation of excess Government lands for such uses.

Mr. President, I believe we have a balanced bill, a good bill. It will be open for amendments. I would trust that the Members of this body will review carefully the work of the committee. As I said at the outset, it has been a bipartisan effort with one interest in mind—the national security of the United States of America.

I yield the floor.

Mr. GOLDWATER addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. GOLDWATER. Mr. President, is there a limitation on time?

The PRESIDING OFFICER. There is no limitation on time.

Mr. GOLDWATER. Mr. President, as chairman of the Tactical Warfare Subcommittee I report on the tactical portions of the fiscal year 1984 Department of Defense authorization bill with mixed feelings. I am pleased that this bill will continue the modernization of most of our conventional forces. However, I am disappointed that in order to comply with congressionally mandated budget reductions

we have been forced to reduce the production rates of several vital programs. These reduced production rates will inevitably result in higher unit costs and slower deliveries of new equipment to our inventory.

In the long run, these decisions will result in our paying more for defense than we would have under the administration's original proposal. In my opinion, this is a very shortsighted way to go about meeting our responsibilities to provide for our national security. By cutting the defense budget, as we have been compelled to do, we will end up paying more to get less. I hope that all those who participated so enthusiastically in reducing this defense budget will remember their participation when, next year, they read the familiar rush of press reports about continued cost growth in defense programs. Let us not kid ourselves. By repeatedly stretching out programs and denying production rate buildups, we are as much to blame for cost growth as anyone in the Pentagon or industry.

Mr. President, I would also like to express my profound disappointment at the way this body has allowed itself to become so encumbered by the budget process. We have reached the point where the entire legislative year is now virtually consumed by the task of passing our annual appropriation bills. The Budget Act of 1974, which was intended to streamline the process, has in fact produced just the opposite effect. Like a bureaucracy that has gone too long without a house cleaning, we have become mired in layer upon layer of duplicated effort and overlapping responsibilities.

I have yet to hear a persuasive explanation of why we must have one committee to set overall spending levels, a second to authorize expenditures and a third to appropriate funds for those expenditures, if they have a mind to do it. There has got to be a more efficient way of doing business. I remind you that last year we were here late into December in our efforts to pass the 1983 appropriations bills. And the fact of the matter is we failed. We ended up passing a continuing resolution which would provide for appropriations for an entire fiscal year. We took the easy way out—a short cut—and in so doing we neglected one of our primary responsibilities to the country, its defense.

Mr. President, we are in this mess not because of a lack of diligence or good intentions on the part of any Member of this body, but because the procedure that we have set up is simply not working. As a legislative body, we are like a drowning man, struggling vigorously but accomplishing little. Major issues deserving the attention of this body must be deferred or given only superficial consideration, because so much of our time is consumed by an inefficient budget process.

Mr. President, as the distinguished majority leader, Senator BAKER, recently remarked, we have allowed this body to evolve into an institution that bears little resemblance to what was conceived by the Founding Fathers. Having first come to this body 30 years ago I have witnessed much of that evolution. And I can tell you that some intelligent reform is long overdue.

Referring just briefly to the subject of committees, Mr. President, and I intend to speak at great length on this sometime in the near future, the Armed Services Committee has as one responsibility, its first, the authorization of equipment. This committee spends, Mr. President, months. We have staffs of experts, men who have spent, for example, I imagine a total of over 20,000 hours flying military aircraft. We have men extremely well acquainted with the difficult subject of ships at sea. We have men acquainted with the problems facing the man on the ground, the soldier. These staff members and members of the committee spend many, many weekends, Mr. President, out in the field studying the weapons systems, talking with the troops, talking with the airmen, talking with the sailors, so that we might have a better idea of what we are doing.

After months and months of consideration, this process goes through a final one of our subcommittee and the full committee deciding on what we will authorize.

Mind you, Mr. President, I am not saying this committee or my subcommittee are the sole possessors of knowledge in this field, but I will put the knowledge in the field of our subcommittee and our Armed Services Committee against the Appropriations Committee and the Budget Committee any time. It is not that they do not have efficient staff members; they do. But, Mr. President, I hope the body will keep in mind when this authorization is voted on, it travels over to the House, we have to have a joint meeting on what both Houses have agreed on, then it comes back here for another vote, then to the Budget Committee and then to the Appropriations Committee who will be the final people who will decide on just how this country will be defended in the coming years.

I do not want to sound egotistical or self-centered in this, but I would much rather depend on a committee made up of a staff and members of experts than on a committee whose determination on the armed services money is only a small part—or even say a big part; it is just a part of what they have to do. I am very hopeful that, in the few years I have left around here, I shall be able to see a reconstruction of the whole idea of the budget concept. It is a good idea; it just is not working. We are neglecting, week after week, day after day, important things that must be done for this country by this body.

Mr. President, returning to the defense authorization bill, I will highlight some of the committee's recommendations in the area of tactical warfare.

For the Army, we have reduced the administration's request for the Apache helicopter—which, by the way, is made in my State—by 16 helicopters. We have also recommended a reduction in the production rate of the M-1 tank from the administration's request of 720 vehicles per year to a level of 600 per year. This recommendation is based on the conclusion that the Army will not be able to sustain the higher production rate so long as Congress insists on continually reducing the defense budget. While these two recommendations will save us money in the short run—about $330 million in fiscal year 1983—they will add considerably to the overall cost of the programs. As I said earlier, we will spend more to get less.

In the Navy, we have once again expressed concern over the growing number of aircraft procurement lines. Last year, there were 13, this year there are 16, and next year, the Navy projects there will be 20. To remedy this situation, we have proposed that the production line of the A-6E Intruder and the T-34 Mentor be suspended. In the case of the A-6E, we have endorsed a program that will increase the maintainability, survivability and the capabilities of future production A-6E's. It is expected that after a suspension of 5 years, the A-6E line will be reopened and we will then be able to produce the aircraft at a rate more effective than the current six aircraft per year.

In order to comply with budget restrictions, we have also recommended the following reductions: 5 AV-8B Harriers, 3 F-14 Tomcats, and 2 C-2 Greyhound COD aircraft. We have recommended approval of the administration's request for Navy Sidewinder and Sparrow missiles, but have recommended a reduction of $81 million from the administration's request for the procurement of Phoenix missiles. This would deny the administration's request for surge production funding for the Phoenix and will sacrifice economies associated with higher rate production.

For the Air Force, we have recommended a reduction of 12 F-15's from the administration's request for 48 aircraft. Offsetting this reduction is an addition of 24 aircraft to the administration's request for 120 F-16's. The procurement of these additional F-16's will help to achieve a more economical

production rate and will also enable the Air Force to continue the modernization of Air National Guard units.

The committee recommends approval of the funding requested to conduct the alternate fighter engine competition, which has generated so much controversy over the past 2 years. The committee strongly supports the administration's efforts to increase the reliability of our fighter engines while, at the same time, reducing the cost of these engines through competition.

We have also recommended reductions in the funds requested for aircraft spares and aircraft modifications. And I tell you quite frankly, Mr. President, that I am not happy about having to make these recommendations. We have come a long way over the past 3 years toward increasing our availability rates and I am not eager to begin backsliding now. But, as the chairman stated in his opening statement, if we are to absorb these budget reductions in a balanced fashion, virtually all areas of the budget will be affected.

Mr. President, that briefly summarizes the recommendations of the Tactical Warfare Subcommittee.

I am pleased with the quality of the review each of the subcommittee members performed to insure that the expenditures authorized in this bill are both necessary and reasonable. I would particularly like to thank the three new members of our subcommittee, Senators KENNEDY, WILSON, and BINGAMAN, for their valuable contributions and genuine dedication to the task of preparing this authorization bill. I would also like to thank Senators WARNER, JEPSEN, and LEVIN, who have become the old hands on our subcommittee, for their consistently outstanding participation. I am grateful to each of them for their interest and hard work.

I would be extremely neglectful, Mr. President, if I did not mention the members of my staff on the subcommittee and the members of the full staff who performed so beautifully in this matter. I am grateful to every one of them for their work in this area.

THE CARTER BRIEFING BOOK AFFAIR

Mr. GOLDWATER. Mr. President, may I make a brief comment on something not related to this subject?

The PRESIDING OFFICER. The Senator may proceed.

Mr. GOLDWATER. Mr. President, as all of us have, I have just returned from our July 4 recess at home. It was a relief to be away from Washington. I did not read a thing in my local newspaper about the so-called Carter episode or how come the President got part of Mr. Carter's secret papers pertaining to the debate. That was a relief, believe me, because if you live in Washington and you read the morning papers—and there is no evening paper, unfortunately—you would have to come to the conclusion that there is nothing around here but a bunch of crooks. The same newspaper did not say a doggone word about a man named Lyndon Johnson, when he knew more about my speeches before I read them than I knew myself.

I do not know what you have to be around this place to be holy. I guess if I had been born in Texas, I would be considered above bowing to those things.

Then I read in the Wall Street Journal the other day that the eminent journalist, George Will, is going to be chastised by losing a paper here and there for having helped a man of his choice. Oh, you say anything that violates the first amendment and, my God, the newspaper people in this country go ape. But let one of their members support a President and say so; you would think that someone had just torn down the temple.

Mr. President, it is amusing to watch the evening television shows, particularly the Agronsky show.

Mr. KENNEDY. Will the Senator from Arizona yield on this issue?

Mr. GOLDWATER. Yes, Mr. President.

Mr. KENNEDY. Is the Senator suggesting that there was someone involved in his campaign who was leaking material to Lyndon Johnson, who was running at that time?

Mr. GOLDWATER. I am not making that now. That was common knowledge at the time. It was published in the press, made known over the TV and radio. In fact, it was my unfortunate duty one morning to ask a young lady to leave my train, a very attractive young lady too, I might say, because she was busy stealing material out of my mimeograph room.

We knew about it. Johnson's office knew about it. It was going on. It has been going on around here, I guess, ever since the days of George Washington, although he might turn over in his grave if I said so and, if he does, I apologize.

What I am trying to get at is I think the Senator from Massachusetts is as aware of these things as I am, not that we have performed it, but we have watched it. I watched the evening television show I mentioned, Mr. Agronsky's show. You would think these columnists never took political sides. I do not know a man in the writing profession who has not approached a typewriter sometime and banged out a piece that says, let us destroy this President, let us elect that man; let us get rid of this Senator, let us elect that man.

It is a laughable joke, Mr. President, what is going on in this town in the name of news. There are a lot more important things around here. I cannot think of any right now that are important here, but get me out to Arizona and I can think of a lot of important things that people are interested in: Getting their taxes cut, getting this body to act in a more responsible way, getting down to the business of this country and stop worrying about the fact that some of Mr. Carter's papers wound up in the hands of Mr. Reagan, given to Mr. Reagan undoubtedly by some member of Mr. Carter's staff who did not like Mr. Carter. That goes on all the time.

Mr. President, I just wanted to stand up and vent my little feelings on this. It is sort of funny to come back and watch this town literally falling apart at the seams for a happening that has been going on ever since there have been newspapers in this town.

I do not defend any member of the press, nor do I castigate any member of the press. They are all guilty, just as we are, of taking sides in politics.

That is all I have to say. I yield the floor.

OMNIBUS DEFENSE AUTHORIZATIONS, 1984

The Senate resumed consideration of the bill (S. 675).

Mr. TOWER addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. TOWER. Mr. President, what is the pending business?

The PRESIDING OFFICER. The motion of the Senator from Texas to waive section 402.

Mr. METZENBAUM and Mr. TOWER addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. TOWER. I am sorry, there was some shouting going on in the Chamber, and I could not quite understand. It is my understanding that the motion of the majority leader is the pending business. Am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. TOWER. At this point the Senate might be interested in knowing how long the debate on this issue will go on. I am prepared to stay all night if necessary, through the day tomorrow, whatever is required. It is a little unusual to filibuster a pro forma motion like this, particularly when a committee has been as cooperative as ours with the Budget Committee in honoring the budget process. But I am prepared to vote on this issue now. I hope that other Senators will feel inclined to permit us to get on with our business.

Mr. METZENBAUM. Will the Senator from Texas yield for a question?

Mr. TOWER. I yield to the Senator from Ohio.

Mr. METZENBAUM. Will the Senator from Texas be good enough to

advise the Senator from Ohio with reference to the exchange he had with Mr. Stockman back in May as to whether or not—I think the Senator indicated in connection with that $2.1 billion——

Mr. TOWER. I did not have an exchange with Mr. Stockman on that issue.

Mr. METZENBAUM. Was there a letter from him at that time?

Mr. TOWER. There was no letter from him at that time. They were estimating DOD savings due to revised inflationary assumptions, but we could not get validation of those numbers. We discussed it in committee. The committee elected not to consider that in our mark, and we proceeded on a different course until such time as those numbers were validated.

Mr. METZENBAUM. I want to repeat a question I asked before, but I am not sure I received the correct answer.

Did the Armed Services Committee ever notify the Budget Committee that the $2.1 billion in savings was to be effected?

Mr. TOWER. I do not recall that there was any formal notification by the Armed Services Committee to the Budget Committee. The Budget Committee has a much better flow of information from virtually all sources on budgetary matters than does the Armed Services Committee. I am sure that that information was available to the Budget Committee. I do not know that it was incumbent on the Armed Services Committee to discuss that with the Budget Committee, and I do not think it is relevant.

Mr. METZENBAUM. I should like to just point out to the manager of the bill that I do serve on the Budget Committee; that I never heard of the $2.1 billion. I think, had we heard of it, it is very likely that the Budget Committee would have arrived at a different figure as far as the Defense Department.

Mr. TOWER. And I respond back——

Mr. METZENBAUM. May I finish, please? That it came as a surprise to all of us when we read about it in the paper. I gather it came as a surprise to the members of the Armed Services Committee—I think that $2.1 billion is very significant—that it could just suddenly be found.

Mr. TOWER. I yielded to the Senator for a question. What is the question?

Mr. METZENBAUM. The Senator answered the question.

Mr. TOWER. It was not just suddenly found, as I have stated. The matter was discussed back in May. The figures simply were not validated at that time. The committee had it within its power to reject the additional savings and elected not to take all of it. But the committee voted to calculate those at the budget mark, and that was done by a bipartisan vote of 11 to 4.

Members of that committee or any Senator can, once we get into this bill, question this matter or offer amendments to reduce the bill by whatever amount they choose and by whatever programs they choose.

So I would hope we could get on with the business and get into substantive debate, because this is not relevant to the budget waiver. The budget waiver simply has to do with timeliness.

The fact is that right now, the Armed Services Committee is being punished by a member of the Budget Committee, maybe by several members of the Budget Committee; I do not know—I see some others around—for having cooperated with the budget process in waiting until the budget process had been completed on the first concurrent before reporting its bill. It could have reported its bill prior to May 15. It would not have required a budget waiver. It could have sent any figure, in fact, that it wanted and taken advantage of any savings that it felt it wanted to take advantage of, whether validated or not.

Now, if the Senator wants to delay the consideration of the bill, he has a right—the budget waiver motion is subject to debate—but I do not intend to get into the substance of the bill when what is the pending business is simply a pro forma resolution. So I do not intend to debate the substance of the bill but let the Senator from Ohio, if he can think up enough substantive comments to make on a simple pro forma resolution, go ahead and do so. I suggest that the proper time to discuss the substance of the bill would be when we get on the bill itself.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I would like to express my appreciation to the Senator from Arizona for his kind comments about me and my colleagues for our work on the Tactical Warfare Subcommittee. I had the opportunity to attend most of the hearings and to work with the Senator from Arizona both in the subcommittee and the full committee. I think all of us are very much in his debt for his experience in and knowledge of national security issues. He was always extremely accommodating to the members of the subcommittee.

Mr. President, I would like to comment on the issue that has been raised by the Senator from Ohio (Mr. METZENBAUM) on budgetary procedure. The point he raises should be a matter of major concern to this body. It is one of the main reasons that I reserved support for the bill that is now before the Senate.

It is true that the Armed Services Committee conformed with the budget resolution, but the amount that we set out to authorize in the Armed Services Committee was based on 5 percent real growth.

Basically, the Armed Services Committee now wants to have it both ways—take the mark, which was $268 billion, and have Mr. Stockman come in with a recalculated estimate of the rate of inflation and thereby actually increase the total percentage of real growth. So now, in effect, we have not fulfilled the understanding of this body that we were going to have 5 percent real growth in the defense budget.

The Senator from Texas is quite correct that we have not violated the budgetary requirements of the first budget resolution. But the point of the Senator from Ohio about the discipline which the various committees should exercise is very important. The Armed Services Committee and its subcommittees worked very long and hard, as the Senator from Arizona knows, in trying to reach its particular mark. The Tactical Warfare Subcommittee spent many hours deciding which weapons systems it was going to approve and at what cost. Then, suddenly, this recalculation was made a few hours before final consideration and new savings were available. And they were new, Mr. President.

I had the opportunity to talk informally with the chairman of the Budget Committee (Mr. DOMENICI) right after our committee had concluded its work.

He had absolutely no idea—was completely unaware—of the $2.1 billion. If the $2.1 billion was there in May, as some have claimed, then the chairman of the Budget Committee would certainly have been aware of it.

The Senator from Texas is quite right: We have the power to reverse decisions which have been made. But the point the Senator from Ohio, as a member of the Budget Committee, is making, is that the administration has engaged in budgetary trickery and the Senate should know this before we begin this debate.

This type of budgetary trickery demeans the hard work that has been done by members of the Armed Services Committee and demeans the entire budgetary process. I think the American people are probably confused enough trying to understand the budgetary process, and this kind of recalculation in the final hours only adds to the public's skepticism and cynicism.

I must say that I do not mean to be partisan. Many members on the other side of the aisle expressed disillusionment during the final day of markup.

I believe all of us are mindful of what the parliamentary situation is

and that we need authorization legislation on defense.

I also think it is important for us to understand, at the outset, what kind of budgetary power play the Armed Services Committee had to deal with in its final markup.

Mr. President, I reluctantly voted against this bill in the Armed Services Committee because I opposed the flagrant budgetary manipulation that accompanied the committee's action.

The executive branch "discovered" $2.1 billion of additional funds on the last day of our committee deliberations—enough to fund the multiyear procurement of B-1 bombers which our Strategic and Theater Nuclear Forces Subcommittee had recommended against. Such statistical trickery undermines the hard work of the Armed Services Committee and the credibility of the entire budgetary process.

Until the final day of our committee deliberations, I intended to vote in favor of this legislation. I disagreed with some provisions of the bill, but I was very favorably impressed by the conscientious process which we followed in the committee in marking up the defense budget.

The budget mark received by the Armed Services Committee from the Budget Committee permitted 5 percent real growth in defense spending, compared to the 10-percent growth requested in the President's budget. To meet the 5-percent target, the Armed Services Committee allocated reductions from the President's request to each subcommittee. The subcommittees then marked up their portions of the defense budget to meet the assigned target, and reported their conclusions to the full committee.

But then we got the $2.1 billion; there was no attempt to reallocate those savings according to subcommittee, even though we had initially reduced according to subcommittee.

Mr. President, the procedure worked very well until the final moments of our full committee markup. The Strategic and Theater Nuclear Forces Subcommittee had recommended deleting funds for multiyear procurement of the B-1 bomber and limiting production to a rate of three aircraft per month. This recommendation produced a saving of $887.7 million in fiscal year 1984 spending.

The full committee accepted this recommendation, and would have deleted this B-1 funding if the administration had not suddenly and conveniently revised its estimate of inflation. I am deeply concerned by this budget flimflam. I regard this result as bad budget policy and an insult to the hard work of this committee.

As a matter of defense policy, there is no justification for proceeding with the B-1 bomber. The Air Force's confidence in the new "stealth" technology has led it to accelerate development of advanced cruise missiles in order to insure that the bomber leg of the triad is viable well into the 1990's. This situation raises an obvious question that must be resolved before we proceed with the B-1 bomber. If the threat now posed by Soviet air defense justifies trading in the air-launched cruise missile for a new cruise missile with stealth technology, then it should also justify trading in the B-1 bomber, which has only limited stealth capabilities, and concentrating our resources on building a bomber that fully incorporates this new technology.

I think the Senate should face this dilemma squarely and impose some discipline on the Pentagon by choosing between the B-1 bomber and the stealth bomber. If we were to do so we could delete the $6 billion for the B-1 program and invite the Air Force to come back to the committee with a supplemental request for accelerating the stealth program. I believe that makes good defense sense as well as good financial sense.

Given the uncertainties about the future military requirements of our strategic bomber force, there is even less justification for the committee's decision to provide multiyear procurement of the B-1 bomber. The B-1 meets few, if any, of the congressionally mandated criteria for multiyear funding. In particular, the instability of the design of the system may very well reduce multiyear savings in the future. According to the recent GAO report on multiyear programs, the B-1 fails to meet four of the five criteria used to evaluate multiyear contracts, including cost confidence, funding stability, design stability, and most important, projected savings. Indeed, the GAO report casts considerable doubt on whether the Air Force can achieve any of the savings it originally estimated from multiyear contracting.

Mr. President, I hope that the Members of the Senate will have an opportunity to examine that GAO report as it relates to the multiyear funding of the B-1 bomber. I will have more to say about that when an amendment which I will cosponsor with two other of my colleagues is before the body, but I do believe that in preparation for that particular debate it would be most valuable for the Members of the Senate to examine the GAO report on this issue. I ask unanimous consent to have printed in the RECORD those relevant sections at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. KENNEDY. Mr. President, I also voted against this bill in the committee because it provides funds for production of the MX missile, chemical munitions, and nuclear aircraft carriers, as well as other weapons systems that are wasteful or destabilizing.

The idea that more spending means greater security has led the Reagan administration to try to produce the MX missile, even though it cannot be protected, and even though it means building more nuclear weapons at the expense of the readiness of our conventional forces and our pressing economic needs.

I believe in maintaining a triad of strategic nuclear forces that includes a survivable land-based leg—not one that is crippled before it is built. Paradoxically, the deployment of the MX will make us weaker, not stronger. At the present time, the Soviets have little or no incentive to attack our Minuteman missiles in their silos. The MX, by posing a first-strike threat to their land-based systems, will increase the incentive for the Soviet to attack us in a crisis. Recent data from the Air Force reveal that just as we begin to deploy the MX in the later 1980's, Soviet improvements in missile accuracy will give them the capability to destroy all but 1 percent of our fixed-silo land-based missile force, 1 percent of 100 is 1 surviving MX missile. The result may well be to tip both sides toward a launch on warning or launch under attack strategy that takes us even closer to the fateful precipice of all-out nuclear war.

I support vigorous research and development of the small ICBM as a sane alternative to the MX. If the $279 million in this budget does not push small missile research and development as rapidly as possibly, I would favor increasing this amount.

I support a national defense second to none. I support steady, sustained, and responsible real growth in the defense budget. But excessive growth in defense is unacceptable. It comes at the expense of other important programs, and it adds to the already intolerable burden of massive Federal deficits.

Finally, in one of its most important actions, the Armed Services Committee recommended a 4-percent cost-of-living adjustment for our military forces. This adjustment will be a real 4-percent increase in total military compensation, not just in basic pay.

The men and women of our Armed Forces are serving our country with outstanding skill and dedication. They deserve not only our gratitude and respect, but a fair wage that is at least comparable to the compensation of their civilian counterparts in Federal service.

I strongly opposed President Reagan's scheme to freeze civilian and military pay in order to finance his wasteful increases in military procurement; in fact, the President's proposal would actually have slashed the pay of Federal civilian and military workers

once inflation is taken into account. I am pleased that the Armed Services Committee saw through the Reagan freeze on military pay, and saw fit to accept the amendment that I offered with Senator EXON to grant the same reasonable cost-of-living adjustment already agreed upon for civilian employees of the Government.

In terms of sound defense strategy, it is fundamentally shortsighted to cut readiness, manpower, and tactical warfare programs in order to preserve wasteful and unnecessary strategic and naval forces. It is especially difficult to justify making such cuts in order to preserve two new ICBM programs, five strategic bomber programs, and three new aircraft carriers and their battle groups.

We can fashion an effective defense at a manageable cost. There is no more important responsibility before us. But this task requires us to reorder our defense priorities and reexamine what is militarily necessary and effective. It also requires us to deal openly and candidly with the complex economic and military issues in this important bill, and to demonstrate a decent respect for the budget process. I believe the committee failed to meet its responsibility on these issues, and I hope that the full Senate will act wisely to remedy the serious defects in this particular legislation.

Mr. President, I yield the floor.

EXHIBIT 1

ANALYSIS OF THE DEPARTMENT OF DEFENSE'S REQUEST FOR MULTI-YEAR CONTRACT AUTHORITY FOR THE B-1B WEAPONS SYSTEM—GAO REPORT, JUNE 16, 1983 (EXCERPT)

ASSESSMENT OF THE B-1B MULTIYEAR JUSTIFICATION

You asked that we also testify concerning our analysis of the B-1B multiyear justification. Overall, we do not believe the Air Force has demonstrated that the B-1B program fully meets the criteria in Public Law 97-86. As you know, the B-1B program cost estimate, was based on achieving an $800 million (fiscal year 1981 dollars) savings from multiyear procurement. Therefore, achieving those savings is important to maintaining total program cost within the baseline of $30.5 billion (fiscal year 1981 dollars). The baseline program assumed that multiyear authority would begin in fiscal year 1984. The Air Force, however, requested fiscal year 1983 multiyear authority to initiate economic order quantity (EOQ) buying of selected B-1B components after it learned that a fiscal year 1984 multiyear start would not provide the desired savings.

Cost avoidance and confidence in cost estimates

In terms of the criteria we presented earlier, we believe the cost avoidance figures included in the multiyear justification package (based on budgetary estimates) were marginal for the engine (4.6 percent), offensive avionics (3.5 percent), and defensive avionics (0.5 percent). The program director stated that the proposals received confirmed the estimated savings, but assumed that EOQ would start by April 1, 1983. Since authority to initiate EOQ by April 1, 1983 was not granted, the savings estimate of $800 million (fiscal year 1981 dollars) has, according to the Air Force decreased to about $600 million (fiscal year 1981 dollars) assuming authority to start EOQ takes place in early June 1983.

We understand the proposals, in total, exceed the amounts budgeted by the Air Force for those efforts by about 31 percent. Therefore, it may be difficult for the Air Force to achieve the savings originally estimated and to acquire the system within the baseline cost of $20.5 billion (fiscal year 1981 dollars).

Although the Air Force has received proposals from the contractors, the Air Force denied us access to the proposals because they believed the proposals should remain confidential to the negotiation process. The Air Force does not intend to complete their analysis on the proposed multiyear prices with the contractors until they receive multiyear authority.

The award of the single largest contract and the one with the greatest potential savings, the airframe contract, is not planned until fiscal year 1985. Therefore, negotiations on the major part of the system will not begin until late 1984 consequently, there will be little basis for confidence in the total cost or the estimated cost avoidance until that time.

Design stability

The Air Force has testified that the design of the B-1B airframe, engine and avionics are stable. However, the operational testing that remains to be done on the B-1B could ultimately require some design change. In our April 13, 1983 report to the Secretary of Defense (GAO/MASAD-83-21) we stated:

"The research, development, test and evaluation phase for the B-1B, full-scale development effort is scheduled to continue into fiscal year 1987. For fiscal year 1984 through 1987, 51 percent of the research, development, test and evaluation funds are to be requested for the B-1B program. Further, the development flight testing for the program is to continue through June 1986. Avionics flight testing will not start until July 1984."

Since the operational testing of the B-1B program is only beginning, there is no basis to more specifically identify potential design problems or their impact on the program, either based on annual or multiyear contracting.

Matters for consideration

When the committee is satisfied that the Air Force has provided sufficient information to demonstrate confidence in the design stability of all B-1B systems, and determines that the B-1B program is an acceptable candidate for multiyear contracting, it may want to consider quickly approving EOQ for fiscal year 1983 because the Air Force states that delay is jeopardizing claimed savings. We believe, however, that approval of fiscal year 1983 EOQ authority and the fiscal year 1984 budget request for multiyear contracting authority should carry certain conditions. We suggest the committee require the Air Force to:

Make a detailed analysis of both multiyear and annual proposals for all associate contractors based on a fiscal year 1984 start before any multiyear contracts can be awarded;

Provide a detailed assessment that demonstrates the extent to which the negotiated multiyear target prices plus work already on contract and work not yet on contract compares with the $20.5 billion program baseline.

In addition, if the Committee wants our assessment of savings and total program cost based on negotiated multiyear contract prices prior to final congressional approval it should consider requiring the Air Force to provide all proposals and analyses for GAO review when the initial negotiation objectives under either multiyear and/or contract basis are established. Timely access to this data would be essential for us to be responsive to the Committee needs.

This concludes my statement Mr. Chairman, and I would be happy to answer any questions you or the other members may have.

CHART 2.—PRELIMINARY EVALUATION OF CANDIDATES

[× indicates a question whether criteria has been met]

System/subsystem	Savings[1]	Degree of cost confidence	Requirement stability	Funding stability	Design stability
Army					
Bradley fighting vehicle:					
Transmission.	×	×			×
Turret drive.	×	×			
Power control unit.		×			
Tow subsystem.		×			
CH-4/D modification[2].					
M-60 Thermal sight.		×			
AH-64 engine.	×	×			
Tow II missile[2].		×			
Armored combat earthmover.	×				×
Navy					
F/A-18 engine[2].		×	×	×	
TB-16 sonar.		×			
MK-45 gun mount/MK-6 ammo hoist.		×			
AN/TSQ-111[2] CNCE.		×			×
AN/SSQ-62B sonobuoy[2].		×			
LSD-41 ship.		×			
MK-30 target.		×			×
Air Force					
B-1B bomber:					
Airframe		×		×	×
Engine	×	×		×	×
Offensive avionics.	×	×		×	×
Defensive avionics.	×	×		×	×
Spares					
F-15 aircraft[2].	×	×		×	
KC-135 Reengining[2].	×	×		×	×

[1] We have considered all systems with a projected savings of less than 5 percent based upon budgetary data to be questionable.
[2] Multiyear authority denied by House Armed Services Committee.

Mr. QUAYLE and Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER (Mr. WILSON). The Senator from Indiana is recognized.

Mr. QUAYLE. The Senator may go ahead if he wishes to speak.

What is the pending business?

The PRESIDING OFFICER. The question before the Senate is the motion by the majority leader to waive the requirements of section 402 of the Budget Act.

Mr. QUAYLE. Are we ready to vote on that?

Mr. METZENBAUM. Mr. President, if the Senator from Indiana wishes to be recognized for the purposes of making a speech, I have no objections of him doing so. Otherwise, I do intend to address myself to the motion.

Mr. QUAYLE. I wonder if the Senator from Ohio might just be able to enlighten the Senator from Indiana as to how long we are going to be on this procedural motion?

Mr. METZENBAUM. One never knows.

Mr. QUAYLE. Does the Senator have any idea?

Mr. METZENBAUM. The Senator from Texas indicated that he would like to work tonight. I am free, and I am available throughout the night and morning.

Mr. QUAYLE. What are we going to work on?

Mr. METZENBAUM. We are going to talk a little bit about——

Mr. QUAYLE. Leasing?

Mr. METZENBAUM. No. About the budget.

Mr. QUAYLE. The budget also?

Mr. METZENBAUM. The Defense Department authorization bill, and I suggest that if the Senator wishes to know what we are going to talk about, he just sit down and listen to me speak, and he will learn what I am going to talk about.

Mr. QUAYLE. The Senator cannot talk a whole lot about the defense authorization bill as we are not there yet.

Mr. METZENBAUM. If the Senator cares to make a point of order that the Senator from Ohio is out of order in anything that I am saying in the Chamber, he certainly is at liberty to do so. Absent that, I intend to address myself to the issue as I see it before the Senate.

Mr. QUAYLE. Will the Senator be 1 hour or 2 hours?

Mr. METZENBAUM. I really am not in a position to respond to the Senator from Indiana. If he has a commitment this evening, he can share it with me.

Mr. QUAYLE. I thank the Senator for shedding a little light on the situation.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. METZENBAUM. Mr. President, the distinguished manager of the bill has indicated that discussing the $2.1 billion adjustment is not relevant, that it is not relevant in connection with this waiver and that the only time to bring that up is when the bill is being considered.

Mr. President, I have no difficulty with that issue. When this matter or any other matter pertaining to this legislation is on the floor, all aspects of the matter are relevant, and we are talking about $2.1 billion that suddenly out of nowhere the Director of the Office of Management and Budget is able to find.

A lot of people have said they have difficulty with his credibility in dealing with Congress and in dealing with the people of this country, and I am one of those. I heard him appear before our committee time and time and time again about the need to cut spending and take food out of children's mouths, cut back on medicare and medicaid, cut back on funds for education, cut back on all of the human service programs and not once, not once since he has been in office has he found $2.1 billion for those programs.

Not once has he found half of that amount or a tenth of that amount. But suddenly out of nowhere he finds $2.1 billion. The audacity of the situation is that the Armed Services Committee uses the money in connection with the program that is at issue at that very moment. That is bad enough, but then they do something else. I was not at the committee hearing, so I can, therefore, only quote from the Washington Post of June 29:

> After voting the $888.7 million for the B-1 the committee proceeded to make additions to the authorization bill to use up most of the rest of the $2.1 billion.

Hurray, we have got $2 billion. Let us be sure we spend it all. Never mind all this talk of the conservatives about cutting back on spending. We are dealing with the Defense Department authorization bill. Let us spend every single dime we can find. Let us go right up to the level.

The distinguished manager of the bill has said "We did not get up to the level of the Budget Committee figure." But the fact is—and I served on that Budget Committee—there was tremendous pushing and pulling and fighting and negotiating and compromissing until we got to the figure that the Budget Committee agreed upon. Not all of us agreed upon that figure. I went along with it at 5 percent, the so-called 5-percent compromise. But the facts are that many of us thought it ought to be considerably less.

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

Mr. METZENBAUM. I yield to the Senator from Massachusetts for a question.

Mr. KENNEDY. Was it the understanding of the Budget Committee when they finally gave us the $268 billion that it represented a 5-percent real growth?

Mr. METZENBAUM. Indeed it did.

Mr. KENNEDY. So even though the Armed Services Committee was conforming to the letter of the budgetary process by coming in under $268 billion, if we had followed the spirit of the budget process we would have authorized only 5-percent real growth and this would have been several billion dollars below the $268 billion as a result of the inflation reestimates; am I not correct?

Mr. METZENBAUM. The Senator from Massachusetts is 100 percent accurate.

If we were to have followed the usual procedures with respect to the 5 percent it would have been 5 percent and including taking into account the various inflation factors, economic projections on the cost of money, we would, therefore, have set a lower figure for the 5-percent figure.

We did not know that. Mr. Stockman had a secret. He ought to be on that TV program, "I Have A Secret," but the fact is he is supposed to make his information available to all of us in Congress and the people of the country, but he did not share it with us.

Mr. KENNEDY. Am I also correct that the Budget Committee was in conference with the House only 2 days prior to the final day of the Armed Services markup?

Mr. METZENBAUM. The time when the Budget Committee was in conference with the House relative to the figures agreed upon was very proximate to the time when Mr. Stockman advised the Armed Services Committee of the newly found money. I am not certain, and I am frank to say to the Senator from Massachusetts I am not certain, whether it was 2 days, but it was very close in time.

Mr. KENNEDY. It is shocking to me that neither the members of the Budget Committee, including the chairman, nor the Democratic or Republican members of the Armed Services Committee with whom I have spoken had knowledge of these inflation savings until the final day of markup.

I am just wondering whether the Senator from Ohio finds the manner in which the administration came up with savings at the end that would have changed the whole budget process had we known about them at the beginning flimflam economics?

Mr. METZENBAUM. I do indeed find it flimlam economics. I would point out——

Mr. TOWER. Mr. President, point of order.

The PRESIDING OFFICER. The Senator from Texas will state his point of order.

Mr. TOWER. Mr. President, under rule XIX, section 1(b) I raise the point

of order that the remarks of the Senator from Ohio are not germane.

The PRESIDING OFFICER. The Senator from Ohio may only debate the specific question before the House, that is upon the motion by the majority leader to waive section 402 of the Budget Act.

Mr. METZENBAUM. The Senator from Ohio is debating the matter before the House, and it is my opinion that neither the Presiding Officer nor any other Member of this body is in position to determine otherwise.

Mr. KENNEDY. Mr. President, I would certainly hope that——

Mr. TOWER. Mr. President, is the point of order sustained by the Chair?

The PRESIDING OFFICER. The point of order is well taken, and the Chairman will advise the Senator from Ohio that is the function of the Presiding Officer.

Mr. METZENBAUM. Mr. President, I appeal the decision of the Chair.

The PRESIDING OFFICER. The question is on agreeing to the appeal.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. Without objection, the ruling of the Chair is sustained.

CALL OF THE ROLL

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum if that is the way we are going to play.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. METZENBAUM. Objection.

The PRESIDING OFFICER. There is objection. The clerk will continue the call of the roll.

The legislative clerk resumed the call of the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. METZENBAUM. Objection.

The PRESIDING OFFICER. Objection is heard from the Senator from Ohio.

The legislative clerk resumed the call of the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. METZENBAUM. Objection.

The PRESIDING OFFICER. Objection is heard.

The legislative clerk resumed the call of the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. METZENBAUM. Objection.

The PRESIDING OFFICER. Objection is heard.

The legislative clerk resumed the call of the roll and the following Senators entered the Chamber and answered to their names:

[Quorum No. 8 Leg.]

Bingaman	Jackson	Stennis
Cohen	Kennedy	Tower
Domenici	Levin	Trible
Goldwater	Metzenbaum	Wilson
Hart	Quayle	
Helms	Riegle	

The PRESIDING OFFICER (Mr. WILSON). A quorum is not present. The clerk will call the names of the absent Senators.

The legislative clerk resumed the call of the roll and the following Senators entered the Chamber and answered to their names:

[Quorum No. 8 Leg.]

Boschwitz	Gorton	Stafford
Chafee	Kassebaum	Symms
Cochran	Leahy	Wallop
Danforth	Mattingly	
Ford	Rudman	

(During the call of the roll Mr. GOLDWATER occupied the chair.)

The PRESIDING OFFICER (Mr. COHEN). A quorum is not present. The clerk will call the names of absent Senators.

After some delay, the following Senators entered the Chamber and answered to their names:

[Quorum No. 8 Leg.]

Andrews	Durenberger	Lugar
Baker	Eagleton	Packwood
Bentsen	Grassley	Percy
Bradley	Heflin	Proxmire
Bumpers	Humphrey	Randolph
Byrd	Inouye	Weicker
Denton	Johnston	Zorinsky
Dole	Laxalt	

Mr. BAKER. I announce that the Senator from South Dakota (Mr. ABDNOR), the Senator from Colorado (Mr. ARMSTRONG), the Senator from New York (Mr. D'AMATO), the Senator from North Carolina (Mr. EAST), the Senator from Utah (Mr. GARN), the Senator from Utah (Mr. HATCH), the Senator from Oregon (Mr. HATFIELD), the Senator from Florida (Mrs. HAWKINS), the Senator from Nevada (Mr. HECHT), the Senator from Pennsylvania (Mr. HEINZ), the Senator from Iowa (Mr. JEPSEN), the Senator from Wisconsin (Mr. KASTEN), the Senator from Maryland (Mr. MATHIAS), the Senator from Idaho (Mr. McCLURE), the Senator from Alaska (Mr. MURKOWSKI), the Senator from Oklahoma (Mr. NICKLES), the Senator from South Dakota (Mr. PRESSLER), the Senator from Wyoming (Mr. SIMPSON), the Senator from Pennsylvania (Mr. SPECTER), the Senator from Alaska (Mr. STEVENS), the Senator from South Carolina (Mr. THURMOND), the Senator from Virginia (Mr. WARNER), and the Senator from Delaware (Mr. ROTH), are necessarily absent.

Mr. BYRD. I announce that the Senator from Montana (Mr. BAUCUS), the Senator from Oklahoma (Mr. BOREN), the Senator from Florida (Mr. CHILES), the Senator from North Dakota (Mr. BURDICK), the Senator from California (Mr. CRANSTON), the Senator from Arizona (Mr. DECONCINI), the Senator from Illinois (Mr. DIXON), the Senator from Connecticut (Mr. DODD), the Senator from Nebraska (Mr. EXON), the Senator from Ohio (Mr. GLENN), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from New Jersey (Mr. LAUTENBERG), the Senator from Louisiana (Mr. LONG), the Senator from Hawaii (Mr. MATSUNAGA), the Senator from Montana (Mr. MELCHER), the Senator from Maine (Mr. MITCHELL), the Senator from New York (Mr. MOYNIHAN), the Senator from Georgia (Mr. NUNN), the Senator from Rhode Island (Mr. PELL), the Senator from Arkansas (Mr. PRYOR), the Senator from Maryland (Mr. SARBANES), the Senator from Tennessee (Mr. SASSER), and the Senator from Massachusetts (Mr. TSONGAS) are necessarily absent.

I also announce that the Senator from Delaware (Mr. BIDEN), is absent on official business.

(During the call of the roll Mr. SYMMS occupied the Chair.)

The PRESIDING OFFICER (Mr. GORTON). A quorum is present.

Mr. BAKER. Mr. President, once again, the distinguished Senator from West Virginia, the minority leader, has saved the day. [Laughter.]

Mr. President, we have been on this quorum call—one or the other of two quorums—since 2:25 this afternoon. I anticipated a slow day, but I had not anticipated it being this slow.

Mr. President, there is nothing more we can do today on the defense authorization bill. I have a few odds and ends I should like to take care of before I put the Senate into morning business.

ORDER FOR ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that there be a brief period for the transaction of routine morning business to extend not past 6:50 p.m., in which Senators may speak.

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

ORDERS FOR TUESDAY

ORDER FOR RECESS UNTIL 10:30 A.M.

Mr. BAKER. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 10:30 a.m. tomorrow.

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

ORDER FOR RECOGNITION OF CERTAIN SENATORS

Mr. BAKER. Mr. President, after the recognition of the two leaders on tomorrow under the standing order, I ask unanimous consent that three

Senators be recognized on special orders of not to exceed 15 minutes, in this order: Senators SPECTER, PROXMIRE, and SYMMS.

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

ORDER FOR RECESS FROM 12 NOON TO 2 P.M.

Mr. BAKER. Mr. President, tomorrow is Tuesday, and the caucuses of Senators of both parties will occur, as is the usual practice on Tuesday. Those caucuses are of a quasi-official nature. They occur out of the Senate Chamber and separately. In order to accommodate that, I ask unanimous consent that on tomorrow at 12 noon, the Senate stand in recess until 2 p.m.

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

ORDER FOR TRANSACTION OR ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that any time remaining after the execution of the special orders on tomorrow and prior to 12 noon be devoted to the transaction of routine morning business, in which Senators may speak for not more than 3 minutes each.

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

ORDER OF PROCEDURE

Mr. METZENBAUM. Mr. President, will the majority leader be good enough to respond to an inquiry?

I heard the statement about the special orders, and I know that a special arrangement for the caucuses of the respective parties will occur. Is it the understanding of the majority leader that we will return to the consideration of this bill sometime during the morning hour?

Mr. BAKER. Yes.

Mr. President, let me put it this way, because there should be a time tomorrow, before the caucuses, to get back to the defense authorization bill, at which time I believe the appeal of the ruling of the Chair will be the pending question.

Mr. President, I modify the request so that the time for the transaction of routine morning business will extend not later than 11:50 a.m., under the same terms and conditions, and that at 11:50 a.m. the Senate resume consideration of the pending measure. The remainder of the request is as I stated.

We will come in at 10:30 a.m., and the two leaders will be recognized for not more than 10 minutes each. There will be three special orders of not to exceed 15 minutes each.

There will be a period for the transaction of routine morning business, which will be of indeterminate length, depending on how long the leaders' time may be and how long the special orders may take—routine morning business until 11:50.

Then, for 10 minutes only, we will return to the consideration of this measure; and at 12 o'clock noon we will recess until 2 p.m.

Mr. METZENBAUM. So that if the Senator from Ohio is not on the floor at 11:50 a.m., that will be adequate to protect him.

Mr. BAKER. Mr. President, the Senate will resume consideration of this matter at 11:50 a.m.

Mr. METZENBAUM. I thank the majority leader for his courtesy.

The PRESIDING OFFICER. The Chair hears none, and it is so ordered.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, there is at least one other Senator who is on his way to the floor to make the quorum. The last best hopes we had were Senator DENTON, who I see has now arrived in the Chamber, and I express my gratitude to him for arriving under difficult circumstances, and the Senator from West Virginia.

There are two matters that appear to be cleared for action by unanimous consent, and I will state them now for the benefit of the minority leader and other Senators.

EXTENSION OF TIME FOR CONSIDERATION OF S. 869

Mr. BAKER. Mr. President, I ask unanimous consent that under the provisions of the unanimous consent agreement of June 10 (legislative day of June 6), the Committee on Foreign Relations have until July 18 for the consideration of section 205 of S. 869.

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

Mr. PERCY. Mr. President, this extension is necessary because 2 days prior to the committee's scheduled June 30 markup the Senate adjourned for the July 4 recess making it impossible to get a quorum of the committee to complete markup by the July 10 end of the referral period. I have discussed this request with the chairman and ranking member of the Banking Subcommittee. They do not object to extending the referral period from July 10 to July 18.

REMOVAL OF INJUNCTION OF SECRECY—TWO PROTOCOLS FOR THE EXTENSION OF THE INTERNATIONAL WHEAT AGREEMENT, 1971

Mr. BAKER. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from two protocols for the extension of the International Wheat Agreement, 1971 (treaty document 98-5), transmitted to the Senate today by the President of the United States; and ask that the protocols be considered as having been read the first time; that they be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and the President's message be printed in the RECORD.

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

The message of the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Protocols for the Extension of the Wheat Trade Convention, 1971, and the Food Aid Convention, 1980, which Conventions constitute the International Wheat Agreement, 1971. The Protocols were adopted by the International Wheat Council which met in London in December 1982 and were open for signature in Washington from April 4 through May 10, 1983. They were signed by the Secretary of Agriculture for the United States on April 25, 1983.

I transmit also, for the information of the Senate, the report of the Secretary of State with respect to the Protocols.

The Protocols extend both Conventions through June 30, 1986. They maintain the framework for international cooperation in wheat trade matters, continue the existence of the International Wheat Council, and extend the parties' commitments to provide minimum annual quantities of cereals food aid to developing countries.

I ask that the Senate give early and favorable consideration to the two Protocols so that ratification by the United States can be effected at an early date. Doing so will demonstrate our continued commitment to cooperation on international wheat trade matters and to providing food aid to needy developing nations.

RONALD REAGAN.

THE WHITE HOUSE, *July 11, 1983.*

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, I have nothing further to address the Senate this evening.

I look about the Chamber and I see the Senator from Alabama, Senator DENTON, two Senators from the State of West Virginia, and numerous diligent and dedicated staff.

Mr. President, I will now ask that the Senate stand in recess, since none of them, including staff, appear to be seeking recognition.

RECESS UNTIL 10:30 A.M. TOMORROW

Mr. BAKER. Mr. President, I move, in accordance with the order previously entered, that the Senate stand in recess until 10:30 a.m. tomorrow.

The motion was agreed to; and at 6:50 p.m., the Senate recessed until to-

morrow, Tuesday, July 12, 1983, at 10:30 a.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate July 8, 1983, under the authority of the order of the Senate of June 29, 1983:

FEDERAL RESERVE SYSTEM

Paul A. Volcker, of New Jersey, to be chairman of the Board of Governors of the Federal Reserve System for a term of 4 years (reappointment).

IN THE AIR FORCE

The following Air National Guard of the United States officers for promotion in the Reserve of the Air Force under the provisions of section 593(a), title 10 of the United States Code, as amended:

LINE OF THE AIR FORCE

To be lieutenant colonel

Maj. David A. Beasley, [redacted]
Maj. Teddy E. Brock, [redacted]
Maj. Gregory J. Maciolek, [redacted]
Maj. Donald E. Nieser, [redacted]
Maj. Robert F. Query, [redacted]
Maj. Charles D. Ralls, [redacted]
Maj. Kenneth A. Schroer, [redacted]
Maj. Gary L. Williard, [redacted]
Maj. George E. Wilson III, [redacted]

LEGAL

Maj. Steven W. Smoger, [redacted]

CHAPLAIN

Maj. Frank A. Mitolo, [redacted]
Maj. Xel Sant'Anna, [redacted]

Executive nominations received by the Senate July 11, 1983:

SECURITIES AND EXCHANGE COMMISSION

Charles C. Cox, of Texas, to be a member of the Securities and Exchange Commission for the term expiring June 5, 1988, vice John R. Evans, term expired.

IN THE AIR FORCE

The following persons for appointment as Reserve of the Air Force, the grade indicated, under the provisions of section 593, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code to perform the duties indicated.

MEDICAL CORPS

To be lieutenant colonel

Absolon, Karel B., [redacted]
Airhart, Richard A., [redacted]
Brennan, James R., [redacted]
Brewer, Robert L., [redacted]
Camacho, Luis G., [redacted]
Campbell, Robert L., [redacted]
Cates, Donald H., [redacted]
Cayce, John H., [redacted]
Criares, Nicholas J., [redacted]
Ellis, Leland., [redacted]
Fischer, Craig L., [redacted]
Gehling, Gerald F., [redacted]
Grant, George N., [redacted]
Lawson, Herschel W., [redacted]
Lim, Roland A., [redacted]
McMenamin, Joseph D., [redacted]
Morrow, Robert L., Jr., [redacted]
Nellis, Noel, [redacted]
Picache, Reginaldo S., [redacted]
Rogers, James H., Jr., [redacted]
Sutliff, Lourell E., [redacted]
Sweeney, Donal F., [redacted]
Tramont, Charles V., [redacted]
Vaclavek, Caridad L., [redacted]
Walter, Charles T., Jr., [redacted]

The following person for appointment as a Reserve of the Air Force, in the grade indicated, under the provisions of section 593, title 10, United States Code.

LINE OF THE AIR FORCE

To be lieutenant colonel

Harper, Steven V., [redacted]

The following persons for appointment as Reserve of the Air Force (ANGUS) in the grade indicated, under the provisions of sections 593 and 8351, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated.

MEDICAL CORPS

To be colonel

McLean, Thomas N., [redacted]

To be lieutenant colonel

Hagen, William M., [redacted]
King, John P., [redacted]
Lefton, Theodore E., [redacted]
Rosenthal, Paul G., [redacted]

The following officers for promotion in the Air Force Reserve, under the provisions of section 8376, title 10, United States Code (non-EAD).

MEDICAL CORPS

To be lieutenant colonel

Kidd, Ralph V., III, [redacted]
Hilsman, Thomas A., [redacted]

The following Air Force officer for appointment as permanent professor, U.S. Air Force Academy, under the provisions of section 9333(b), title 10, United States Code.

Royer, Erlind G., [redacted]

IN THE AIR FORCE

The following midshipmen, U.S. Naval Academy, for appointment as second lieutenants in the Regular Air Force, under the provisions of sections 541 and 531, title 10, United States Code, with date of rank to be determined by the Secretary of the Air Force.

Brummett, Scott L., [redacted]
Bubier, Scott L., [redacted]
Greenway, John P., [redacted]
Kornchuk, Carl W., [redacted]
Smith, Leonard, Jr., [redacted]

IN THE ARMY

The following-named officers for appointment in the Regular Army of the United States, in their active duty grades, under the provisions of title 10, United States Code, sections 531, 532, 533:

JUDGE ADVOCATE GENERAL'S CORPS

To be major

Stearns, James N., Jr., [redacted]

To be captains

Barton, Philip W., [redacted]
Beaudoin, David D., [redacted]
Bodager, Bradley E., [redacted]
Brunjes, David H., [redacted]
Caldwell, John W., Jr., [redacted]
Charters, Alexander W., [redacted]
Chiaparas, Emmanuel M., [redacted]
Coyne, James M., [redacted]
Egan, Becky A., [redacted]
Garza, Joe A., Jr., [redacted]
Grimstad, Paul T., [redacted]
Hoadley, Michael W., [redacted]
King, Blaine J., [redacted]
Laverdure, Richard P., [redacted]
Littlefield, Ralph L., [redacted]
Lodge, Joseph J., Jr., [redacted]
Lucey, Leonard L., [redacted]
McCallum, Daniel F., [redacted]
Mellies, Charles B., [redacted]
Puffer, Roger C., [redacted]
Saye, John J., [redacted]
Short, John J., [redacted]
Underwood, Anthony P., [redacted]
Vitaris, Richard W., [redacted]
Wagner, James C., [redacted]
Walsh, Gary L., [redacted]
Wolanin, Stanley J., [redacted]

IN THE ARMY

The following-named officers for permanent promotion in the U.S. Army, and appointment into the Regular Army as appropriate, in accordance with the appropriate provisions of title 10, United States Code:

To be lieutenant colonel

Caylor, Larry E., [redacted]
Kotouch, James H., [redacted]
Thomas, Cleveland Jr., [redacted]

MEDICAL SERVICE CORPS

To be lieutenant colonel

Hinkel, Robert E., [redacted]

To be major

Davidson, James D., [redacted]
Varin Francis W., [redacted]

MEDICAL CORPS

To be major

Beson, James L., [redacted]
Bryant, Clarence J., [redacted]
Busack, James A., [redacted]
Jumelle, Antoine J. M., [redacted]
Parke, Charles D., [redacted]
Vanasche, Christopher, [redacted]

IN THE ARMY

The following-named officers for permanent promotion in the U.S. Army, and appointment into the Regular Army as appropriate, in accordance with the appropriate provisions of title 10, United States Code:

To be colonel

Hickman, Stanford W., [redacted]

To be lieutenant colonel

Kennedy, Catherine L., [redacted]
Slakie, Ronald J., [redacted]

MEDICAL SERVICE CORPS

To be lieutenant colonel

Harrell, John C., [redacted]

DENTAL CORPS

To be lieutenant colonel

Woehrle, Richard R., [redacted]

JUDGE ADVOCATE GENERAL'S CORPS

To be major

Nockleby, Brian E., [redacted]

IN THE MARINE CORPS

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

Caldwell, Robert H., [redacted]
Clark, Arthur L., [redacted]
Locke, Randall W., [redacted]

The following-named U.S. Naval Academy graduate for permanent appointment to the grade of second lieutenant in the U.S. Marine Corps, pursuant to title 10, United States Code, section 531, subject to the qualifications therefor as provided by law:

Mitchell, Troy M., [redacted]

EXTENSIONS OF REMARKS

HOW UNCLE SAM HELPED THE SANDINISTAS

HON. WM. S. BROOMFIELD
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. BROOMFIELD. Mr. Speaker, I would like to share a most revealing article with all of my colleagues here in Congress about Nicaragua. The article was written by the former director of the U.S. Agency for International Development's program in Nicaragua. The author of the article clearly points out that the United States did much to build a new relationship with Nicaragua as the Sandinistas took control.

In spite of what many of my colleagues on the Hill and some Latin America experts in academia may say about America's real intentions in Central America, the facts speak for themselves. In 1979, our Government made a major effort to help the new government and the Nicaraguan people. We provided financial assistance totaling $124 million, including 100,000 tons of food that was airlifted from the United States. In addition, the United States was instrumental in getting Western nations to contribute. The total amount of economic assistance from the West was $1.6 billion. In that short period, America gave far more aid to the Sandinistas than it gave to Somoza during his entire time in office.

Our involvement was encouraged and continued on because of the promises of the Sandinista regime. False promises were made that Peace Corps volunteers would be welcomed and that political pluralism and nonalinement would be supported by the new government.

As time went on, it became obvious that America's efforts to accept the Nicaraguan revolution had been scorned. We were courted and duped by the Sandinistas. We bought their lies hook, line, and sinker.

The truth about the situation is that the Sandinistas have radicalized and betrayed the original Nicaraguan revolution which was designed to benefit the people. The Sandinistas have lied to America and to the Nicaraguan masses. What about the unfulfilled promises of that revolution? Where are the free elections, and the multiparty state? What happened to the personal and religious freedom? Why has the small Jewish community in Managua been driven out? Where are the real and effective social and economic reforms that the poor masses were guaranteed? Where are the moderates in the present government? Why have so many former members of the Sandinista junta left that group to take up arms against it? Former Sandinistas as Eden Pastora and Alfonso Robelo know, from much experience with that government, the failings of the so-called revolution. They know better than any of us that the Sandinistas have betrayed the revolution and the Nicaraguan peasants.

In the process, they have created a state which embodies the tyranny of the radical left. The American Government began to disassociate itself from the Somoza regime in 1974 for a multitude of human rights violations and related problems. The Sandinistas have set themselves up as an elite group which employs the same techniques of control which Somoza used, namely rapes, murders, threats, and prison terms. To draw attention away from their own failings and broken promises, the Sandinistas are attacking their so-called enemies. The United States is the colossus of the north that makes the biggest target while the "contras" are a good internal target.

When are the Sandinistas going to realize the truth? It is obvious that communism and tyranny are not the ultimate panaceas which will cure that Nation's ills. Perhaps the Sandinista minister's comment about truth reveals the sham of their revolution. He said, "What is true is what serves the ends of the revolution." The basic fact is that the revolution has failed and no amount of crying wolf about external and internal enemies will save that shabby effort.

With these introductory comments in mind, I strongly recommend this fine piece of journalism to my friends in the House.

The article follows:

[From the Washington Post, June 30, 1983]

WE TRIED TO ACCEPT NICARAGUA'S REVOLUTION—THE SANDINISTAS COULDN'T LIVE WITH A POSITIVE IMAGE OF THE UNITED STATES

(By Lawrence E. Harrison)[1]

The Sandinista Government of National Reconstruction was installed four years ago, on July 19, 1979. Three days later, I arrived in Nicaragua in a Flying Tigers DC-8 stretch jet loaded with food—the first of many such flights—to take charge of U.S. assistance programs, the most tangible evidence of our commitment to build a new relationship with Nicaragua.

I left Nicaragua two years later, on July 1, 1981. During those two years, the U.S. government was the most important source of food aid and one of the most important sources of financial aid to revolutionary Nicaragua. We provided assistance valued at $120 million, including 100,000 tons of food. We had tried very hard to build that new relationship. But the effort failed, principally, I believe, because the Sandinistas could not live with a positive image of the U.S. government. They did not try at all. And many in the United States cheered them on.

Within a few months of the installation of the Government of National Reconstruction, an article appeared in the Sandinista newspaper Barricada announcing the imminent arrival of 600 Cuban teachers. I called on the minister of education, with whom I had been working to reactivate an old school construction loan, to express concern that so large a number of Cuban teachers would be interpreted in the United States as a Cuban takeover of the Nicaraguan education system. The minister replied that the government would welcome qualified teachers from any country.

I told him that the United States would certainly be interested in sending teachers, possibly through the Peace Corps. He responded, somewhat apologetically, "You know, we Latin Americans have a view of the Peace Corps which would make it an inappropriate vehicle." (He meant, "We Latin Americans of the Left." What he had in mind was symbolized by the movie "Blood of the Condor," which depicts Aryan-looking Peace Corps volunteers engaging in genocidal sterilization programs in Bolivia.)

At the end of 1979, as a result of the intervention of then junta member Alfonso Robelo (who is now allied with ex-Sandinista Eden Pastora's guerrilla movement), we received Sandinista approval in principle to start a Peace Corps program. After a lengthy study, the Peace Corps sent in a husband-wife team as co-directors. Both were experienced in Latin America, altruistic and totally committed to building a new relationship with Nicaragua. After six months of being fobbed off by the Sandinistas, the left. Not one Peace Corps volunteer was accepted.

We often expressed our concern to Sandinista officials about the line in the Sandinista anthem, "We shall fight against the Yankee, enemy of humanity." In November 1979, Jaime Wheelock, one of the most influential comandantes and a person with whom I sustained a very frank dialogue throughout my two years in Managua, told me that the word "poverty" was going to be substituted for "the Yankee." Soon thereafter, I was told the same thing by then economic czar (and Stanford MBA) Alfredo Cesar, who has since defected. The change was never made.

At about the same time, a U.S. congressional delegation, led by Rep. Dante Fascell (D-Fla.), visited Managua at Ambassador Larry Pezzullo's initiative. Fascell was extremely effective, as were his colleagues, Lee Hamilton (D-Ind.), Matthew McHugh

[1] The writer, director of USAID in Nicaragua from 1979 to 1981, is now at Harvard's Center for International Affairs.

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

(D-N.Y.) and David Obey (D-Wis.). They pressed hard on the issues of political pluralism and nonalignment in very intense meetings with both the junta, which was increasingly becoming a figurehead, and Sandinista National Directorate, which is where the real power resides. The congressional group was particularly forceful on the question of elections. In each session they were told that national reconstruction had to be the first priority but that the Sandinistas were committed to elections.

When Alfonso Robelo resigned from the junta in April 1980 and went into opposition, he was promptly labeled a traitor by the Sandinistas. In a conversation with Jamie Wheelock, I tried to explain our concept of dissent. I got nowhere—there is no Spanish word that accurately captures the nuances of "dissent." A day or two later I experienced similar frustration in a conversation about dissent with a young U.S.-trained cabinet minister who had on his desk a bottle of Cuban rum and a copy of "Das Kapital." At one point, he suddenly beamed and said, in English, "Now I know what you're talking about——civil disobedience!"

He has since defected.

A few months later, Larry Pezzullo and I were in Washington to lobby in Congress for the much-delayed $75 million special appropriation for Nicaragua. The Sandinista minister of health, with whom I was working on several programs, was also in Washington, and we had dinner together. During the conversation I complained about inaccuracies and distortions in Barricada, the official Sandinista newspaper, and El Nuevo Diario, which closely followed the Sandinista line. Both sounded very much like Cuba's official newspaper, Granma, particularly in their treatment of the United States. The minister's response: "You don't understand revolutionary truth. What is true is what serves the ends of the revolution."

The August 1980 ceremony to celebrate completion of the literacy campaign was a chilling experience. I had been invited to sit with the comandantes and the cabinet because AID had contributed food and some vehicles to the campaign. The ambassador sat in nearby stands with the diplomatic corps.

The Plaza of the Revolution was mobbed with kids in uniform shouting slogans in response to the urgings of leaders on the platform. I was reminded of films I had seen of Nuremberg in the 1930s.

Comandante Humberto Ortega gave the principal address. In the midst of a series of attacks on the United States, he announced that elections would not be held until 1985, thereby reneging on a commitment to opposition groups for early elections. Moreover, he assured his audience, the elections of 1985 would be nothing like the corrupted elections held in the United States. Larry Pezzullo and I both walked out.

My youngest daughter, Amy, then 16 years old, worked during the summer of 1980 as a volunteer with a Nicaraguan organization, Genesis II, which promoted breastfeeding and provided help to orphanages. The head of the organization was Geraldine Macias, a former American Maryknoll nun married to Edgard Macias, vice minister of labor. At the end of the summer (shortly after the completion of the literacy campaign), we had a get-together at our house for Amy and her co-workers. The evening was a little strained because some of the Genesis II people were totally committed to the Sandinista cause and doubtless felt uncomfortable being in the USAID director's house. The Maciases may have felt that way.

Two years later, after the Sandinista security police threatened his life, Edgard sought asylum in the Venezuelan embassy. The Maciases and their children arrived in Washington soon thereafter. They were treated as lepers by many left-leaning church people in the Washington area who had formerly been their friends. The Maciases have found it very difficult to get work and have been living on a shoestring ever since.

In a recent letter to friends, they said:

"Since leaving Nicaragua we have had access to documentation of [the Sandinistas] and some of [their] former members that proves beyond a doubt that their plans from 1979 on were to deny political and religious freedom. Documents that also show how their methods resemble Somoza to the point they appear as a mirror image: rapes, torture, disappearances, murders, threats, and control of unions and community groups through the formation of their 'elite' political party."

During the last part of 1980, the Partners of the Americas program between the state of Wisconsin and Nicaragua, which had endured for some 15 years, ran into trouble. Most of the activities were focused on the Atlantic Coast. Among other problems, the Sandinistas attempted to take over the Partners' educational radio station (they subsequently did take it over); two Wisconsin plastic surgeons were harassed during a visit to Puerto Cabezas, where they did some highly complicated surgery free; and the Sandinistas circulated the word that Partners personnel were CIA agents.

The ambassador sent a letter to the junta expressing his concern, and I called on the comandante responsible for the Atlantic Coast. After I ran down the litany of problems, the comandante said, "You have to understand, Mr. Harrison, that Americans are not very popular in this country." I replied that I had lived in Nicaragua for 18 months, traveled extensively, and had the impression that, notwithstanding Sandinista efforts to paint us as devils, most Nicaraguans liked Americans. I added that this seemed to be particularly true on the Atlantic Coast.

He paused for a few moments, then broke into a broad grin and said, "You're right."

Norma Pineda, an accountant, was the senior Nicaraguan employee of the USAID mission, an admirable professional and human being. Her husband, Byron, had been a lieutenant colonel in a noncombatant unit of the National Guard. Just prior to their triumphal entry into Managua, the Sandinistas announced that National Guard members who had committed no crimes had nothing to fear. Despite the pleadings of family and friends to seek asylum in a nearby embassy, Byron Pineda chose to stay in his house because, as he told his wife, "I have done nothing wrong."

About two weeks after the installation of the Sandinista government, Pineda was arrested and much of his property was confiscated. He was tried some six months later and sentenced to 11 years in jail. As in thousands of others cases, all that was proven by the prosecution was that he had been a member of the National Guard.

A few months later, the Sandinistas told Pineda that he would be freed if his wife would provide information on USAID activities to the government. She refused. He was, however, released to house arrest toward the end of 1980, perhaps because of representations the ambassador and I made at high levels of government. Shortly after, he was told that he would be returned to prison if he failed to persuade his wife to become a spy and if he refused to engage in spying activities himself.

A few weeks after that Norma Pineda left Nicaragua. Byron Pineda sought asylum in the Peruvian embassy in Managua, where he has lived for more than two years.

Late in 1980, the Latin American Studies Association, an organization of U.S. intellectuals interested in Latin America, held its annual meeting in Bloomington, Ind. Junta member Sergio Ramirez and Foreign Minister Miguel d'Escoto attended and were given a hero's ovation. James Cheek, then deputy assistant secretary of state for Latin America, was jeered and heckled. (Cheek, one of the Foreign Service's most distinguished and enlightened specialists on Latin America, had played a crucial role in U.S. disengagement from Somoza as far back as 1974).

In a subsequent Latin American Studies Association newsletter, Harvard Professor and Association President Jorge Dominguez described the Bloomington meeting as "one of the darkest moments of my professional life . . . appalling . . . scandalous . . . damnable."

I returned to the United States on July 1, 1981, and retired from AID early in 1982. I have been at Harvard working on a book on the relationship between culture and development. In December 1982, I was asked to appear on a panel at the John F. Kennedy School of Government at Harvard. The principal speaker was Francisco Fiallos, then Nicaraguan ambassador to the United States. Despite a subdued speech on Nicaragua's economic problems, Fiallos was given a hero's ovation by the 300 people in attendance. My comments focused on Sandinista human rights abuses and, in particular, Sandinist reneging on commitments to pluralism and nonalignment. I was booed and jeered repeatedly.

One week later, Fiallos defected.●

THE MISLEADING LOGIC OF UNILATERAL DISARMAMENT

HON. GERALD B. H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. SOLOMON. Mr. Speaker, many members of the movement for a nuclear freeze maintain that they have cornered the market on peace. They claim that "if you ain't with 'em, you're ag'in 'em," and against peace, security, and a future for our children.

This kind of faulty, simplistic logic hides a desire by many to unilaterally disarm America. What many in this movement resent is not the threat of nuclear war, but the struggle for peace through strength.

A July 7 editorial in the Albany Times-Union, entitled "Camping for Peace" makes this point about the misleading simplicity of the nuclear freeze movement quite cogently.

The article follows:

[From the Albany Times-Union, July 7, 1983]

CAMPING FOR PEACE

Thousands of women are camping out against the bomb.

They call in an encampment, and they've been doing it at the Greenham Common U.S. Air Force Base in England since 1981 and they will be doing it all summer long near the Seneca Army Depot in Romulus.

No one, certainly, would deny that they have every right to peaceably assemble and protest nuclear weaponry. Few would deny that they have legitimate fears.

Some of the rumblings from this female contingent of the peace movement, however, are more than curious. One American woman, for example, demonstrating at military base in England where Pershing and cruise missiles will soon be deployed, said this week that she's "against the way the United States is tyrannizing England and the rest of the world" with its bombs. Some of the women in Romulus, meanwhile refused to fly the flag on the 4th of July because they said it symbolized "militarism and conflict and did not jibe with the nature of our activities."

These self-styled proponents of peace (as if everyone were not desirous of peace) are playing as fast and loose with their epithets as they are with their history. The truth of matter is that America's defense expenditures—including its nuclear missiles—far from promoting tyranny, have prevented it; instead of threatening our freedom, have preserved it; instead of endangering our lives, assures us that life will remain worth living. And not only ours, but our allies too, including England's.

It was, after all America's military force that stopped the Russian advance on Western Europe after World War II, that prevented the enslavement of West Berlin during the air lift and that is today the only bulwark against Europe's becoming Finlandized. For the most part, the older generation in Europe knows that. The younger generation, however, in the words of the French political philosopher Raymond Aron, knows that it's free, but for some reason doesn't know why.

So also seems to be the case with those in the peace movement here who rave against America's arms, oblivious that it's those arms that insure their right to rave.

Their argument for disarmament is elegant in its simplicity: Death is bad. More death is worse. Bombs cause deaths. Nuclear bombs cause even more deaths. Ergo, bombs are bad and nuclear bombs are worst of all.

Its logic can't be faulted. But its logic is had at the expense of an accurate picture of the actual world. The real world is less black-and-white, more laden with contingency and uncertainty, and much too complex to lend itself to syllogistic treatment without a good deal of work by Procrustes.

Some of the protesters protest that they want American as well as Soviet disarmament. That's fine. The problem, of course, is that not only do the Soviets refuse the peace movement there a public forum—unless, of course, it's the officially sanctioned and Soviet-sponsored peace movement—but they wouldn't let it affect their arms policy even if it had such a forum.

That's hardly the case here. A peace movement here can affect our policy; it can result in unilateral arms reductions. Precisely therein lies the danger.●

PRESIDENT'S RECORD ON VOCATIONAL EDUCATION IS NEGATIVE

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. KILDEE. Mr. Speaker, the President is continuing his series of appearances around the country attempting to create the impression that he is and has been an advocate of quality education. However, those of us who have served in the House during his administration are aware of his true record in this area and know better.

Vocational education is just one example of where President Reagan's past record contradicts his current statements. It would seem obvious to anyone that vocational education is an integral part of any effort to revitalize our economy to ward off future economic downturns. Vocational education is an effective means to provide employers, both present and future, with the trained work force necessary to economic stability. There has been a significant and justifiable Federal commitment in vocational education since the passage of the Smith-Hughes Act in 1917. Despite this and despite his recent attempts to portray himself otherwise, President Reagan has been no friend to vocational education. Consistently since coming to office he has tried to undermine and compromise the Federal vocational effort with proposals to slash vocational education funding and combine it in block grants with other programs.

In his budget request to Congress for fiscal year 1982, President Reagan proposed to cut vocational education funding by 19 percent. For fiscal year 1983 and also for the coming fiscal year 1984 the President proposed to combine vocational education with adult education in a block grant to States totaling no more than $500 million. If his proposal for 1984 were to be enacted, the combined funding of vocational and adult education programs would be cut by 39 percent.

Any increase in vocational education funding during the Reagan administration has clearly been due to the concerns and actions of Congress, not as a result of any leadership shown by the President.●

POLLY MADENWALD IS NEW NATIONAL BPW PRESIDENT

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. AuCOIN. Mr. Speaker, I rise to commend to the attention of my colleagues the achievement of a fellow Oregonian from my home county, Polly Madenwald of Hillsboro, Oreg. In ceremonies this month, she will be invested as president of the National Federation of Business & Professional Women's Clubs.

Since its founding in 1918, the BPW has committed itself to the advancement of working women. For more than 60 years, it has championed increased opportunities and recognition for women in all walks of life, both through national activities and community programs sponsored by 3,700 clubs throughout the country. With 155,000 members, it is the Nation's largest and oldest organization of working women.

In Polly Madenwald, the BPW has entrusted its leadership to a uniquely capable, committed and hard-working person. Over the past years, as vice chairman of the organization's National Commission on Women in the Workplace, she has worked to expand the BPW's outreach to working women across the spectrum of occupations in American's labor force.

In her hometown of Hillsboro, Polly Madenwald has operated an accounting and tax consulting service since 1963, and is a highly regarded business women and civic leader. She is a member of the chamber of commerce and the Oregon Society of Tax Consultants. She is past president of the Portland Zonta Club, past State president of the Oregon Lions Club Auxiliary and has served many years with the auxiliary of Tuality Hospital in Hillsboro. She is active in the Portland First Baptist Church, which she has served as treasurer and deaconess. In 1963, she received the Emma McKinney Woman of Achievement Award from the Hillsboro Jaycees.

A 24-years BPW member, Polly has held numerous national offices and chairmanships, and has represented BPW at international meetings in Mexico, Guatemala, London, Finland, and Switzerland. As new national president of BPW, she will lead the U.S. delegation at this year's international convention.

In addition, Polly will serve as president of the board of trustees of the Business & Professional Women's Foundation, a nonprofit research and educational organization whose activities include operating a library and information center on issues of importance to women, and providing education loans and scholarships.

Under her leadership, I look forward to working with the National Federation of Business & Professional Women's Clubs in Congress to advance economic equity and career opportunities for women. As she assumes the presidency of BPW, I am sure my colleagues join me in congratulating my

friend, Polly Madenwald, for her advocacy and service on behalf of women.●

UNITED COAL CO.: A PIONEER IN NEW COAL TECHNOLOGIES

HON. RICK BOUCHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. BOUCHER. Mr. Speaker, the United Coal Co. in Bristol, Va., is an industry leader in research and development of new coal technologies, including the production of various forms of liquid coal which can be burned in the place of oil in industrial powerplants and electricity generating facilities. As one of America's most innovative and creative coal concerns, United Coal Co. is pioneering the development of new technologies which will greatly expand the commercial market for coal.

Our Nation's struggle for energy independence remains the great challenge of the 1980's, and it is clear that coal holds the key to energy self-sufficiency. Through new coal cleaning techniques, the use of liquid coal and other new technologies, American-mined coal promises to be the energy source of the future.

A recent article in the Journal of Commerce highlighted United Coal Co.'s research and development program, and I commend this article to the attention of my colleagues.

[From the Journal of Commerce, June 21, 1983]

LIQUID COAL CONSIDERED SIGNIFICANT NEW FUEL

BRISTOL, VA.—Researchers say coal could and should be the fuel of America's future.

The industry is plagued by the lowest demand, highest production, lowest profits and highest unemployment in about 50 years. Rail prices are going up, oil prices are going down and economists don't see a turnaround for coal before next spring.

Meanwhile, miners and mine owners are keeping a prayerful eye on a group of scientists trying to turn coal into the Cinderella of the synthetic fuels world.

"We're learning to diversify the coal industry—how to develop new products," said Dr. Richard Wolfe, who heads United Coal Co.'s research department. "We don't want to buy a chain of Montgomery Wards. We're talking about how to take the coal industry and develop increased markets."

Mr. Wolfe proudly displays three jars of black goo that could be Appalachia's answer to Arab oil wells—liquid coal, a concoction of coal dust, water and chemicals that burn like oil.

Experts say new customers are the only salvation for an up-and-down industry that swoons when oil prices slide.

Limited markets—mainly steel and electric power—caused every downturn in coal's boom-and-bust cycle this century. When steel and utilities stop buying—as they did last fall—coal prices drop from $40 to about $20 per ton, dipping below $20 in some cases.

Scientists say they can turn coal into efficient, clean-burning oil and natural gas substitutes if coal producers will only gamble on new markets and the federal government will finance more research.

Yet few southern coal companies are willing or able to finance the research. Instead, they rely on the U.S. Department of Energy and companies like United, the only Southern coal producer with a full research department.

"We have two priorities," said Mr. Wolfe, the son of a coal miner from Beckley, W. Va.

"We want to develop some new equipment to improve coal recovery and efficiency of operation. That's short-term. Second is the liquid coal market."

Liquid coal can take several forms—coal-water, coal-oil, and coal-methanol—all of which can be moved, stored and used like oil. "It's a very significant new fuel," said DOE spokesman Bob Porter.

Florida Power Co. is testing a coal-water mix in place of No 6 fuel oil, according to Dr. Water Hibbard of Virginia Polytechnical Institute. Tennessee Eastman Co. in Kingsport will become the first private corporation to make chemicals from coal-methanol this summer.

Researchers also are seeking ways to end coal's air pollution bug-a-boo.

They have found, for example, that sending electric beams through smokestacks zaps sulfur and nitrogen before they escape into the air. And burning coal on a bed of air and limestone, a process called fluidized bed combustion, also substantially removes sulfur from coal smoke.

Industry scientists are also experimenting with microwaves to remove sulfur atoms from coal.

"It won't start helping the coal industry next week, next month, or next year," the DOE's Mr. Porter said, "but by the latter part of this decade, maybe."

"Reducing imported oil is the biggest objective our country should have," Mr. Wolfe said. "Exceedingly strict government regulations on coal allowed more oil to replace coal being burned."●

SOLOMON HAILS FORTITUDE OF HANDICAPPED POSTAL EMPLOYEE

HON. GERALD B. H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. SOLOMON. Mr. Speaker, Melody Groat was recently appointed Postmaster of Stuyvesant Falls, N.Y. She is one of countless postal employees who perform an essential service, and do it well. But Melody Groat has managed to achieve something special, and we have every right to be proud of this outstanding American.

Mr. Speaker, Melody Groat was born with cerebral palsy, the result of a difficult delivery. But she never let that stop her. She was determined to have a career. Now, at age 35, she has come into her own.

She has been selected as the Outstanding Handicapped Postal Employee for 1983. She has been cited by Gov. Mario Cuomo and the New York State Legislature. The Stuyvesant Falls VFW and the Fire Company Auxiliaries recently observed Melody Groat Day. Indeed, Melody's life story exhibits the kind of pluck, the resourcefulness, and the fortitude that is so American.

For 12 years, Melody's mother, Natalie, went to school with her every day. At that time there were no aides available. Both Melody and Natalie were determined that she would finish her high school education. Even though Melody had difficulty maneuvering and walking on her own, she was undaunted. She graduated in 1965 and received an award for her outstanding achievement and effort.

Even though Melody was educated and had a good mind, her physical handicap was apparent and she had much difficulty with her speech. But she refused to be discouraged. She took the postal examination and passed.

Melody often went to the Stuyvesant Falls Post Office and came to know Postmaster Lydia Frick quite well. Lydia Frick decided to take a chance and she was never sorry. Her biggest concern was how Melody would handle tying out the mail. But with the help of a specially designed box with pegs for rubber bands which snapped around the mail, Melody became adept at this task.

Lydia Frick says she saw Melody improve constantly, especially her speech and mobility. She feels this can be attributed to Melody's new-found responsibility and renewed confidence. All she needed was a chance.●

TRIBUTE TO MR. RUSSELL R. JONES OF PHOENIX, MD.

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. LONG of Maryland. Mr. Speaker, it is my pleasure to pay tribute to Mr. Russell R. Jones of Phoenix, Md., who will retire as general manager of the Bethlehem Steel Co.'s Sparrows Point plant on July 31, 1983, after 35 years of outstanding service.

A native of Lehighton, Pa., Mr. Jones graduated from Lehigh University in 1948 with a B.S. in chemical engineering. Mr. Jones was an all-American football player, and a member of the national Phi Gamma Delta fraternity.

Turning down a career in professional football, Mr. Jones joined Bethlehem Steel following his service as a U.S. Air Corps pilot from 1943 to 1946. A conscientious and dedicated worker, he progressed steadily through the ranks of the corporation, traveling from Pennsylvania to Maryland and Indiana, and eventually returning and

settling in Maryland. In 1975, he assumed the position of general manager of Bethlehem's plant at Sparrows Point. As general manager, Mr. Jones oversaw $685,000,000 of major projects related to pollution control which greatly improved the quality of the air and water at Sparrows Point. One such project was the construction of the "L" furnace, which took approximately 85 months to construct and cost over $2½ million. Completed in 1979, it is one of the largest furnaces constructed by a major international steel industry.

Humble and unpretentious, he was always known for his warm personality. Mr. Jones was equally at ease whether he was casually chatting with a group of workers in the steel plant, or dining formally with his executive staff. An honest and fair manager, he was always open to suggestions, and admired and respected by all for his judgment and ability. Mr. Jones made Bethlehem Steel his life.

Throughout his career, Mr. Jones has remained very active in his community. In 1964, the Baltimore Chapter of the Boy Scouts of America showed their appreciation by presenting him with the National Silver Beaver Award for Outstanding Service. In 1965, the State of Maryland honored him with the Distinguished Citizen Award for Scouting; and in 1983, the Baltimore Area Council presented Mr. Jones with the Distinguished Scouter Citizen of the Year Award for his humanitarian service, including a term as president of the Baltimore Council in 1977.

Mr. Jones also served as chairman of the board of managers of the Porter County YMCA in Indiana, and the Dundalk YMCA in Maryland. He presently serves as the chairman of the 1983 Campaign for United Way of Central Maryland. In addition, Mr. Jones is a member of numerous professional and civic boards, councils, chambers, and clubs in and around the Baltimore area, including the Governor's Employment and Training Council, and the Maryland Business Round Table.

I ask my colleagues to join me in extending warm thanks to Mr. Jones for his truly outstanding contributions to the Maryland community.●

THE GREAT UNISEX DEBATE

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Ms. KAPTUR. Mr. Speaker, on July 6, the Supreme Court ruled in Arizona against Norris that the use of sex-segregated actuarial tables to calculate benefits in determining annuity payments is discrimination in employment. The elimination of sex-based distinctions for all types of insurance coverage—life, auto, disability, health—is now up to the Congress. To that end, the Nondiscrimination in Insurance Act, H.R. 100, would remove sex discrimination in insurance. Unfortunately, the insurance lobby has launched a massive national advertising campaign and a grassroots lobbying effort—much of it inaccurate and sensationalized—to defeat the legislation.

The following Newsweek business column by Jane Bryant Quinn sets the issue in its proper perspective:

THE GREAT UNISEX DEBATE

(By Jane Bryant Quinn)

Congress is considering legislation to end the practice of charging men and women different prices for insurance products. But would unisex rates help women, as the bill intends, or would they hurt? The insurance industry says they would hurt. But I'm persuaded that the drawbacks are small, compared with the gains.

PENSIONS

Most female workers today get the same pension incomes as similarly situated men, because the majority of pension plans are gender blind. But a woman might get less if she's in a public-employee plan or a private profit-sharing plan and takes her retirement benefit in the form of a life-time income.

Insurers blame the lower payment on female longevity. Women, on average, live longer than men, so a given sum has to stretch over more years. But biology need not be destiny in the matter of pensions. Thousands of employers pay men and women alike; why shouldn't the holdouts do the same? If you're in a discriminatory plan, unisex pricing would mean slightly more future income for women and less for men.

Insurance-industry attorney George K. Bernstein told Congress that women are not really entitled to equal pension, because of the logic of their longer life spans. "If the concern of the sponsors [of unisex benefits] is that older women do not have sufficient income, let them properly characterize the bill as providing charity," he complained. But Bernstein's logic stops with women. Whites live longer than blacks and married men live longer than single men, yet neither whites nor married men pay for their longevity with smaller pensions. Only women have the honor. "The primary purpose of pension plans is to meet the need for retirement income," says actuary Donald S. Grubbs Jr. of Buck Consultants. "To provide less retirement income to a person of one sex than one of the other cannot be acceptable."

Unisex pricing would also help widows who collect survivors' pensions after their husbands die. In more than half of today's pension plans, the survivor of a male worker gets a smaller monthly income than the survivor of a similarly situated female worker. Unisex pensions would raise benefits for widows, thereby aiding all aging women, not just working women.

LIFE INSURANCE

Women who buy their own life insurance pay less than men of the same age, with the size of the discount varying widely. After a switch to unisex pricing, the average man would pay a little less for his policy and the average woman a little more. A $50,000 term policy might cost a 35-year-old woman an extra $50.

The insurance industry hits this point hard, in hopes of turning women against the bill. But unisex pricing means bigger benefits for widows, because men will get more life insurance for the same dollar. Furthermore, insurance and pensions are two sides of the same coin. If women reject equal insurance rates they'll lose equal pensions, too, and pensions are crucial to their fight for a decent standard of living.

AUTO INSURANCE

A married woman gets her husband's rate, so any switch to unisex pricing is chiefly of interest to the unmarried. In most states, single women over 25 pay about 10 percent less than men, while younger women pay substantially less.

Insurers warn that unisex rates mean higher prices for single women across the board. But in the four states that already mandate gender-blind auto rates, the results are mixed. Some young women are paying more and some aren't. The real winners from unisex pricing should be safe-driving young men, who stand to pay less if insurers set rates solely on the basis of personal driving characteristics.

HEALTH INSURANCE

Most women are covered by employer plans which, under the law, cannot discriminate. In the individual market, 24 percent of the policies sold to people under age 65 are already written on a unisex basis, as are 10 percent of the disability policies and virtually all of the medigap policies for people age 65 and up.

The fair-insurance bill requires the rest of the industry to switch to unisex pricing, too. It also requires them to spread the expense of pregnancy among all their policyholders (as group insurance does), rather than burden younger couples with the full cost. Young families, women under 55 and men aged 55 to 65 might all pay less; their opposites would pay a bit more.

Many sectors of the insurance industry already live with unisex rates. It's long past time for all the rest to do the same.●

NO TRADE WITH IRAN UNTIL PERSECUTION OF BAHAIS CEASES

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. STARK. Mr. Speaker, just 3 weeks ago the Iranian Government took yet another step in their attempted "genocide" of the Bahai people—16 Bahais in Shiraz, Iran, 10 of which were female including 3 teenagers, were executed because they would not recant their religious faith.

In February, Ayatollah Khomeini sentenced another 22 Shiraz prisoners to death. President Reagan wrote a plea of clemency for the prisoners, but his appeal was ignored. The Iranian Government carried out its inhumane slaughter of 16 Shiraz prisoners of the Bahai faith.

This Bahai bloodbath was not an unusual event for the Iranians. The

Bahais of Iran have been persecuted for over 100 years, but this terrorization was intensified after the revolution in 1978-79. Hundreds of Bahais have been jailed unjustly, dismissed from public and private employment, have had their schools closed, homes, businesses, crops and animals destroyed, and their bank accounts confiscated.

Some 150 Bahais have been executed since 1979, because they would not recant their religious faith. Numerous secret killings have taken place along with many mob beatings. An article in the September 19, 1982, Los Angeles Times described how two of these incidents were carried out.

In the first:

> Fifteen masked men attacked a couple in their home at night, poured kerosene on the husband and set him on fire before forcing him to run a few yards. Finally, they heaped wood upon him, burning him to death. His wife, subjected to similar treatment, died a few days later.

The second event was just as barbaric as the first:

> A mob after destroying the local Bahai center, fell upon a man and his son, dragged their bodies through the street and chopped them up into little pieces that were finally consigned to flames.

> The Iranian Government not only terrorizes the living, but also tortures the dead Bahais. Many Bahais cemeteries have been destroyed, graves disinterred, and bodies defecated upon. Ayatollah Khomeini has cast aside all human rights and decency when dealing with the Bahai people.

In contrast to the violent actions of the Iranian Shiite Islams, the Bahai followers abide by a very peaceful religion. It teaches and strives for the unity of mankind, the equality of races, the equality of sexes, universal education, and the maintenance of world peace through collective security. Although they are enjoined to obey the laws of their respective countries, the Bahai religion does not allow its people to affiliate with any political party. However they may vote, but without regard for political affiliation. The Bahai people work to foster good characteristics among their people such as honesty, compassion, trustworthiness, and justice. A basic Bahai principle is the eradication of prejudices based on race, creed, class, nationality, and sex.

The Bahais believe that religious truth is not absolute, but relative. The divine revelation is therefore a continuous and progressive process. For that reason, the Bahai religion is able to adapt itself to modern times such as believing in the equality of males and females. Yet, the Bahais have standards which are not relative, but fixed. For instance, they still prohibit the consumption of alcohol and drugs, as well as premarital sex. The Bahai faith has 300,000 to 400,000 members in Iran, 100,000 members in the United States, and followers in many other countries.

According to the Iranian Government, the Bahai people have committed a few major crimes for which they deserve to be treated more harshly than any other minority in Iran. The Islamic religion believes in the Old and New Testament, as well as the Koran, the writings of Muhammed. The Bahais also believe in these writings. Islam believes that the last and final prophet was Muhammed. Since the Bahai people believe in Baha'u'llah, a prophet subsequent to Muhammed, Islam considers the Bahais to be heretics. The Moslems accuse these heretics of "corruption on Earth and warring against God," because of their belief in Baha'u'llah.

The Shiite Islamic people also accuse the Bahais of being Zionists, because they send money to Israel. The Bahai world headquarters and one of its largest shrines, is located in Haifa, Israel. The Iranian Bahais used to send money to the shrine in Haifa to help support it. The Iranian Government accused the Bahais of being Zionist on account of these "contributions to Israel." The Government ignores the fact that the shrine was placed in the Holy Land almost 50 years before Israel ever became a state. Also, the Iranian Moslems themselves, as do many peoples around the world, contribute to their respective houses of worship in Israel.

Ayatollah Khomeini also accuses the Bahais of being spies for Israel, Russia, and the United States. This charge is ridiculous since the Bahai religion forbids political affiliation and repudiates rebellions against any duly constituted government such as the present Government of Iran.

Ayatollah Khomeini also considers the Bahai women to be prostitutes. There is no civil marriage in Iran, yet the Iranian Government does not recognize Bahai marriages. Therefore any Bahai woman that ever consummates her marriage is considered to be a prostitute. The Shiite interpretation of the Koran places women in a subservient position to men, but the Bahais believe in the equality of the sexes. Bahai women do not wear the head to toe veil, they sit together with their husbands in religious services, they hold administrative positions, and their opinions are considered just as important as those of the Bahai men. The Moslems consider these actions as proof of the Bahai women's immorality.

Since the Bahais are considered heretics, unlike the other minority religions, they are not protected under the Iranian Constitution. The Bahai people cannot complain to the clergy about the Government, because the clergy is the authority.

Many Bahai people have tried to leave Iran. The majority of those who have escaped this persecution fled Iran illegally, because those who attempt to do so legally, usually fail in their endeavor. On the emigration form, there is a space left for the applicant to fill in his religion. If the Bahai member writes any religion other than Bahai, he has recanted his religion. It is written in the Bahai scriptures that it is better for one to die than to deny his membership to the Bahai faith, even for a fleeting moment.

The Bahais believe that the present life is preparation for the more important afterlife. Therefore few Bahais would fill in the name of another religion causing them to jeopardize their afterlives. If the Bahai member leaves the space blank, or draws a line through it, then the applicant's religion is open for questioning. Once the Government knows that the applicant is a Bahai, the Bahai member is charged with belonging to an obscene violent group that wars against God, corrupts Earth, and wishes to overthrow the Iranian Government. Permission to leave is denied and the applicants are often punished. The Bahai people are left in a catch-22 situation.

The Iranian Government continuously preys upon these trapped people; 20,000 Bahais have been executed in the last 100 years. Hundreds of other Bahai followers have been imprisoned by their oppressors. This ferocity and persecution forces the Bahai people to live a life full of fear and sorrow.

As fellow human beings, it is our duty to help answer the cry for help of this oppressed people.

The Iranian Government must know that the United States will not tolerate terrorist governments that deprive people of their basic human rights. Ayatollah Khomeini has ignored Congress' resolution calling for an end to the Bahai bloodbath. Although letter writing and public statements deploring this terrorization need to continue, we must resort to more forceful actions in our condemnation of Khomeini's genocide of the Bahai people.

I have introduced a bill, H.R. 2778, which will show our serious commitment to this cause. The bill states that no article which is the growth or product of Iran may be imported into the United States until the President determines, and certifies to the Congress, that the Government of Iran has ceased its persecution of the Bahais in Iran.

Of our imports from Iran, oil accounts for approximately 97 percent. The United States buys only 1 percent of its oil from Iran. And, oil of the same or higher grade can be purchased from several other countries at comparable prices with no time delays.

From their point of view, Iran sells 2 to 3 percent of its oil to the United States. Losing our business now would have an impact on the Iranian economy. Iran would have less money to fund its present war with Iraq and would have to look for a new buyer during an oil glut. That could be difficult.

The United States should go on record as a country who condemns the pogrom of the Bahai people. I therefore urge all Members to join in working for early passage of this bill. The faster we act, the more Bahai lives we may be able to save.●

THE NEED FOR INVESTMENT IN PUBLIC WORKS PROJECTS

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. HOWARD. Mr. Speaker, there have been numerous claims the last 2 years that the path to economic prosperity can be found only through private investment. In fact, there has been action taken in this body with the ostensible purpose of stimulating the economy by providing those at the top of the scale, both individuals and corporations, with additional money to invest. Those actions were taken under the debatable philosophy that it is economically valuable to have additional funds placed in the hands of those who already have much of it, while it is degrading and counterproductive to provide Government assistance for those who need help.

Mr. Speaker, we have seen how poorly that philosophy works when applied to the real world. We had the highest unemployment rate since World War II while backers of the misguided economic policy say things are looking up because the unemployment rate is no longer increasing.

Because that marred economic philosophy has been dominant in Washington these past 2 years, and because the opposition to Government spending to aid the economy still lingers, I am submitting for the CONGRESSIONAL RECORD an article by Prof. Frederick C. Thayer of the University of Pittsburgh. Professor Thayer seriously challenges the belief that relying on private investment can revive the economy. Promotion of economic growth, he says, can be done best by Government investment in public works.

I recommend to my colleagues the following article:

[From the New York Times, June 27, 1983]

TO HELP THE ECONOMY, INVEST IN PUBLIC WORKS

(By Frederick C. Thayer)

PITTSBURGH.—Almost everyone believes that substantial new investment in industry is the only sure road to economic recovery, both at home and abroad. But this assessment overlooks the fact that private industry—operating in a world economy that is glutted with industrial capacity—lacks good markets in which to invest. Our economy is characterized by overinvestment in unneeded and duplicative industrial projects, and underinvestment in public works—bridges, roads, transportation, environmental and water systems, which constitute the infrastructure.

In an unrestrained and competitive market—such as the global economy—industrial overcapacity is inevitable. The greater the competition, the greater the duplication, because too many sellers chase the same buyers. Even if every consumer had limitless funds, unchecked duplication would produce more goods and services than could be sold for reasonable profit.

Economic historians have long recognized industrial and agricultural overexpansion as a major cause of economic slumps. The overcapacity and depression of the 1930's were not relieved by New Deal programs or Keynesian economics but by World War II. The public works programs of the New Deal were initiated reluctantly and were cut back at the slightest sign of an economic recovery.

The problem of overcapacity was postponed for nearly a generation by the bombs that destroyed European and Japanese factories. With major competitors flattened, American prosperity was assured until Europe and Japan reindustrialized. As developing countries, then built their own industries duplication inevitably led to the economic crisis of the 1980's.

The present overcapacity afflicts nearly all nations—capitalist, socialist, advanced or developing. But what world leaders seem unwilling or unready to admit is that there are no winners in this competition. As individual producers (or countries) become "more competitive," either by reducing costs or "dumping" subsidized goods, they merely export unemployment from state to state and country to country.

Instead of addressing this fundamental problem, economists, politicians and business leaders worry over projected budget deficits that, it is said, keep interest rates high by making funds scarce and costly for other borrowers. High interest rates—which discourage the investment in plant and equipment needed to assure continued economic health—may choke off the growing recovery, they say.

But this line of reasoning conveniently overlooks the fact that private borrowers have had—and continue to have—ample investment capital. By historical standards, the Government's present role in the credit markets is slight. In 1950, the Government's share of total domestic credit was 43 percent. By 1981, the last year for which figures are available, its share had slipped to 16 percent. Corporate debt—two-thirds of Federal debt in 1950—by 1981 outstripped the national debt by 42 percent.

Private industry and investors have little trouble borrowing and spending, but their money is squandered in merger wars and get-rich-quick stock speculation. In a world glutted with industrial capacity, managers and bankers have done the intelligent thing: They have avoided building more. Business investment fell 5.5 percent in 1982 and is expected to drop 3.1 percent in 1983, the first back-to-back decline since World War II. We can expect a low investment rate to continue whether or not Federal budget deficits are reduced.

Do businesses need the investment tax credit, lower capital gains and income taxes and faster write-offs of capital assets simply to speed the development of more unneeded capacity? Do we need more industrial investment when our present factories operate at 70 percent of capacity? Can we depend upon the vaunted high-tech industries when even those are suffering from oversupply and global competition?

Until a way can be found to equitably regulate international competition and to minimize wasteful industrial duplication, we need to invest heavily in public works. Public works are tremendously beneficial and useful investments, even if Americans do not label them as such. Not only do they create desirable "ripple" or "multiplier" effects—creating jobs and spin-off businesses—but, unlike industrial duplication, they do not cause depressions. A giant public works effort would provide both a market for existing overcapacity and a sounder economic stimulus than the military production that ended the Great Depression. Rebuilding the country would give us time to design a systematic and orderly industrial renewal and sustainable economic growth.●

CENTRE HALL RECEIVES STATE AWARD

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. CLINGER. Mr. Speaker, it is my great pleasure to announce that Centre Hall, a community in my district, recently received a State award for its outstanding voter turnout in 1982. I believe that this significant achievement merits the attention of my distinguished colleagues in the U.S. House of Representatives.

The award, presented by the Pennsylvania State Association of Boroughs, was given in recognition of Centre Hall's turnout of 84.4 percent of the registered electorate. This was the highest turnout in the State for a borough with a population of 1,000 to 2,500. The people of Centre Hall are to be commended for their demonstrated interest in the affairs of their government and for their active participation in choosing their elected officials. This interest and participation in government is the very cornerstone upon which our great American Republic was founded some 207 years ago. The right to vote is a privilege for which many of our bravest citizens have fought and died. The political awareness and responsibility of the citizens of Centre Hall make me believe that the fight was not in vain—that the cornerstone shall not be weakened.●

LAWYERS AND NUCLEAR ARMS CONTROL

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. CONYERS. Mr. Speaker, the Lawyers Alliance for Nuclear Arms Control (LANAC) is a nationwide organization of people in the legal profession—judges, lawyers, law professors, paralegals, law students, and legal secretaries—working to reduce the threat of nuclear disaster. I commend this organization for its good work and call the attention of my colleagues to an article about LANAC that appeared recently in the Reporter, a publication of the Passaic County Bar Association. The article was written by Steven B. Hoskins, Esq., a partner in the Newark, N.J., law firm of McCarter & English. Because of the importance of LANAC's work, I an inserting Mr. Hoskins' article at this point in the RECORD.

[From the Reporter, April 1983]

NUCLEAR ARMS CONTROL: JOIN LANAC NOW

(By Steven B. Hoskins, Esq.)

I believe there will be a nuclear war in my lifetime unless mankind takes immediate action to control nuclear weapons. I believe such a war is likely to be occasioned by human error or the malfunction of equipment. I believe that if such a war is started intentionally as a matter of state policy, the action will be precipitated by a nation other than one of the major world powers.

A number of political and retired military leaders have stated that a nuclear war is unwinnable and unthinkable. The military strategy of deterrence is based upon the "mutual assured destruction" of each nation. In theory no nation will start a nuclear war because it is recognized that such a war is unwinnable. The fact that nuclear weapons have not been used in war for 37 years is cited as evidence that the strategy has been effective.

A key question is: Will this strategy continue to be effective? In my judgment, the answer is no. We are involved in a major escalation of the arms race with new weapons and new and improved delivery systems. As time passes, technology improves and more nations achieve nuclear capability. The risks of war escalate. Statements by members of the current federal administration that a limited nuclear war is winnable and that such a war would not expand into a major exchange have alarmed many concerned citizens (and scared the hell out of me).

I recently plowed my way through an article in The New Yorker magazine of February 1, 1982 by Jonathan Schell entitled "The Fate of the Earth" which graphically describes the consequences of a nuclear war and its aftermath. Jerrold Zacharias, a 77-year-old former M.I.T. physics professor who was at Los Alamos in 1945 says "The Fate of the Earth" is the most important article he has ever read. After reading the article I decided to become informed about the issues.

First. The United States Government includes in its nuclear arsenal approximately forty Polaris and Trident submarines. At least half of the submarines are at sea at all times. Each Polaris submarine carries 16 strategic missiles with each Poseidon missile having 10 or more warheads. The blast power of one Polaris submarine is equal to the blast power of all the weapons of all the nations that were engaged in World War II.

Second. In the United States alone there are approximately 1,052 strategic missile silos for Minuteman and Titan missiles. The young men on duty at the respective silos cope with a job that is boring, with long hours on duty, and it is reported that drugs and alcohol help relieve the stress. A mistake is waiting to happen.

Third. If a nuclear war were to occur, in addition to the immedicate destruction of life and property, the long range effects of radioactive fallout will be devastating to all forms of life. Jonathan Schell reports in "The Fate of the Earth" (The New Yorker 2/82) that because of radioactive fallout and other consequences of a nuclear war, the earth as we know it would eventually become a world of only insects and grasses. A nuclear exchange may throw enough dirt and debries into the atmosphere to change temperature and climate which will adversely affect life. Depletion of the ozone layer may cause blindness in all forms of life plus other equally serious consequences. (If you don't have time to read the Fate of the Earth, read "On The Beach" by Nevil Shute (1957). The eloquent novel about the consequences of nuclear war describes events in Australia after a major nuclear war in the northern hemisphere where radiation spreads over the entire earth destroying all life.)

Psychiatrists report that most individuals block out the threat of nuclear warfare and refuse to deal with this most crucial issue of our time. However, the concern and involvement of the average citizen in our country is increasing. At the June 12, 1982, rally in New York City over 750,000 citizens demonstrated peacefully to express their concern regarding the threat of nuclear war and their support for a nuclear freeze. Among the signs that I saw were "Mushrooms are for Quiche"; "You Can't Hug your Child with Nuclear Arms"; and "I have had enough!" A radio interview reported "This is an idea whose time has come. There are even lawyers in the crowd today!"

The risks of nuclear war have been evident for years. There have been numerous articles, books, movies, speeches and warnings since 1945, but even concerned people have said "Leave it to the experts," or "We have no choice because of the Russians," or "What can I do?"

As a concerned citizen and as a practicing attorney, I have determined that one action that I can personally take is to become a member of the Lawyers Alliance for Nuclear Arms Control, Inc. LANAC, organized in 1981, is a non-partisan organization of attorneys, judges, professors, law students, paralegals, legal secretaries and other people involved in the legal profession who seek to educate themselves about the threat presented by the existence of nuclear arms and to discuss and act in such a way as to minimize or reduce that threat.

Lawyers Alliance for Nuclear Arms Control, Inc. will encourage discussion, dialogue and education regarding the control of nuclear arms. LANAC is not directing its attention towards conventional arms or to the abolition of nuclear arms. LANAC seeks to make a contribution relating to the control of nuclear arms.

I believe that the time has come for all members of the legal community to become actively involved in this movement. As citizens in a democratic society we must intelligently participate in a discussion of the issues and participate with our elected representatives in proposing changes in current policy and military plans.

Some of the factors we must consider are:

First. Radioactive Fallout. The effect of nuclear fallout and radioactivity will be devastating to all forms of life. In addition to the direct effect on all living organisms, it is anticipated that the ozone layer which protects the earth from ultraviolet rays will be damaged. Some scientists believe that a reduction in ozone layer will result in third degree burns to human beings, birds and insects exposed to direct sunlight for over ten minutes. They will all die. It is possible that any surviving form of life will become blind because of damage to the eyes. Trees are particularly susceptible to the effects of radioactivity and will die. The survivors will be the fish in the ocean and certain types of insects and grasses.

Second. Weapons Will Be Used. The history of mankind shows that human intelligence develops and improves weapon systems and that once weapons exist they are used. Weapons available to mankind have progressed from stones, clubs, spears, bows and arrows, catapults, cannons, guns, ships of the line, aircraft, poison gas, tanks, bombs, submarines, missiles and probably lasers and weapons in space. The arms race is based, in part, on the fear that some other nation will develop the next "super" weapon. Other nations, based on experience, assume the United States is most likely to have a major technological breakthough at any moment. The existence of nuclear weapons suggests that they will be used by individuals or by governments. We must assume that nuclear weapons will eventually be used. Albert Einstein said "The splitting of the atom has changed everything but our way of thinking, and thus we drift toward unparalleled catastrophe."

Third. Mistakes Will Be Made. Human error in the form of negligence, or mistake, or jumping to an incorrect conclusion, or failing to follow established procedures or policies could launch a nuclear weapon. An example could be a U.S. or Russian submarine where through faulty information, or misunderstanding, or mental stress nuclear missiles will be launched. A war could result. In November 1979, a technician left a war games tape by mistake in our national defense computer system. The Strategic Air Command were notified of an attack alert immediately. The mistake was discovered within 6 minutes. The fact that such a mistake could be so promptly recognized is commendable. The particular war game involved an attack on the United States by Russian submarines where a decision must be made whether to launch strategic weapons from missile silos before incoming missiles can destroy them. This is called launch on warning. In such a situation, the reaction time to make decisions is only 10 to 12 minutes. It is possible that a nuclear war could have been commenced based on this human error if a few more minutes had passed without determining what the error was. Other examples of human error by highly trained technicians are Three Mile Island and recent commercial aircraft crashes. In addition to human error, we face the risk of equipment error. We deal with breakdowns in duplicating machines, telephone systems, typewriters, power mowers, outboard motors and computers on a regular basis. We know from experience that all machinery, no matter

how carefully constructed, will eventually break down. If equipment in Russia breaks down, and missiles are launched towards the United States, major decisions will have to be made in a short period of time by those responsible for national defense. A nuclear war could result.

Fourth. Short Reaction Time. In the 1950's and 1960's when nuclear bombs were only carried by airplanes, ten to twelve hours were available within which aircraft could be recalled or stopped before bombs were dropped. In the 1980's intercontinental missiles can reach their targets in 30 minutes. Missiles from submarines can reach their targets in 6 to 10 minutes. Land based missiles in Europe and Russia can reach target in 6 to 10 minutes. The individuals responsible for national defense face an ever decreasing reaction time for making decisions.

Fifth. New Technology. Rapidly developing technology means that delivery time for missiles will be reduced even further; the 6 to 10 minutes reaction time to a submarine attack will be even shorter. Nations have to develop defensive reaction systems whereby computers will be programmed to fire strategic missiles upon the occurrence of certain events. There will not be an opportunity for human beings to overrule computer programs or to recognize mistakes. It seems imperative to freeze technological development or deployment of new systems now while negotiations are conducted regarding control or reduction of existing weapons.

Sixth. Enough is Enough. It has been estimated that 90 nuclear warheads reaching their target would be adequate to destroy all important cities in Russia (or the United States). In the 1960's it was recognized that 300 bombs per side would be adequate for mutual assured destruction (MAD). In 1982, it is reported the United States has 9,000 and the Russians 8,000 strategic nuclear warheads. France, Great Britain and China also have nuclear weapons. The production of cruise missiles will dramatically increase the arsenals of nuclear war. Experts seem to agree that additional nuclear weapons do not serve a required military purpose. If each nation had a smaller number of warheads and delivery vehicles (whether land based, in submarines or carried by aircraft) it would be easier to monitor, control and prevent mistakes or errors from occurring. General Charles DeGaulle of France was once asked why he spent so much of the assets of France to develop the little "force de frappe". He said "My dear friend, you don't understand the fundamentals of nuclear weapons. All you need is enough."

Seventh. Nuclear proliferation. At the present time the nations that have permanent seats on the United Nations Security Council have nuclear weapons; China, France, Great Britain, the United States and USSR (plus possibly India). One hundred twenty three nations have signed the nuclear Non-proliferation Treaty of 1968 where they have agreed not to develop nuclear weapons. Among the nations that have not signed the treaty are Argentina, Iraq, Israel, Libya, Pakistan and South Africa. If these nations do not already have nuclear weapons they probably will have them in a short time. The nuclear war that is the subject of Nevil Shute's book, "On the Beach," started when a small nation fired one or more missiles and the United States concluded that it was being attacked and followed pre-planned procedures to launch missiles against the Soviet Union resulting a nuclear holocaust in the Northern hemisphere. As additional nations develop nuclear weapons the chances of error and mistake will dramatically increase the risks faced by all nations.

A rational citizen, after considering the seven factors summarized above, can reasonably conclude that a nuclear war is likely to occur in our lifetime. What can be done?

Barbara Tuchman, the historian, after reviewing the history and experience of fruitless attempts to negotiate control of war by disarmament or limitation of arms states:

"I think a change is possible because a new factor, terrible as it may be, has intervened: it is the prospect of finality. Before the advent of nuclear power, war, however devastating and brutal, had limits of destruction. The new factor is fear. Fear may make the difference."

Negotiations are currently underway between the United States and the U.S.S.R. on a number of issues involving nuclear weapons. We have had a history of successful negotiations as to germ warfare, chemical warfare and some aspects of nuclear arms control. In 1925, at Geneva, nations successfully negotiated and have generally complied with a treaty prohibition the belligerent use of poison gas and chemical weapons against people. The Limited Test Ban Treaty of 1963 prohibiting atmospheric testing has been honored. The Anti-Ballistic Missile Treaty of 1972, part of SALT I, has been honored. In 1978 a Biological Warfare Treaty prohibiting the development, production and stockpiling of toxins and bacteriological weapons was signed by Britain, the Soviet Union and the United States. The SALT II Agreement which took seven years to negotiate has been honored, although not ratified by the Senate. It would appear that nations should be able to negotiate additional treaties to control nuclear weapons and radioactive fallout. As citizens, we should encourage and support such negotiations between nations. We should keep the pressure on.

In New Jersey, a referendum question on the ballot last November gave citizens an opportuntiy to vote yes or no on the following question:

"Do you support a mutual United States-Soviet Union nuclear weapons 'freeze' and urge the government of the United States: (1) to propose to the government of the Soviet Union that both countries immediately agree to a mutual, verifiable halt of all further testing, production and deployment of nuclear warheads, missiles and delivery systems as a first step toward mutual balanced reduction, and (2) to apply the money saved to human needs and tax reduction?"

In New Jersey the vote was "Yes" by over a 2-1 margin. The idea of a "mutual freeze" was supported by voters in seven other states. A national debate has been started. One significant result of the referendum votes is that it is no longer political suicide for our elected representatives to discuss and advocate nuclear arms control. In part, it may become political asset to advocate and act on arms control.

It is the responsibility of each citizen to analyze the issues involved: (1) Does the United States need to improve, upgrade or expand its military force prior to a "freeze"? (2) Will a popular movement supporting a mutual nuclear arms freeze strengthen or weaken the U.S. bargaining position? and (3) Should legislators be encouraged or required to support proposals to negotiate further nuclear arms control agreements?

What do you think? When will you become involved? I urge you to become a member of the Lawyers Alliance for Nuclear Arms Control before it is too late.●

HOW CAN WE BEAT THE UPCOMING INCREASES IN LOCAL PHONE BILLS?

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. MARKEY. Mr. Speaker, on three previous Mondays, I have offered suggestions for possible congressional action to beat the upcoming increases in local phone bills. Today, I offer a fourth recommendation for a House initiative to deal with this pressing problem.

The new, post-divestiture Bell Operating Cos. (BOC's) will be complex and interesting creatures. They will perform a variety of functions and offer a wide range of services to many different consumers. Some of these functions and services will be the activities of a regulated monopoly, like the provision of basic telephone service to millions of Americans. Others will be the efforts of an aggressive business in a highly competitive industry, as is the case when the BOC's begin to market telephone equipment to consumers.

To many people, both are vital undertaking for the BOC's. Both the provision of monopoly and competitive services seem essential to the viability of the operating companies. The validity of this contention is not my subject today. My concern with respect to increases in local phone bills is the relationship between the two activities. My topic today is the issue of cross-subsidization.

Cross-subsidization. It is a confusing term with many different connotations. It is something we encourage BOC's to do when we ask them to use intrastate toll revenues to keep the cost of basic service down. But that is not my concern here.

I am worried about the possible cross-subsidization of BOC endeavors in competitive areas with revenues from regulated, monopoly services. Simply put, I am worried about the prospect of BOC's raising rates for basic telephone service to help pay for efforts to compete with ROLM or Panasonic in the sale of consumer equipment.

The issue of cross-subsidization, then, is one of serious potential impact on basic local rates. Even so, commentators are split over whether or not such cross-subsidization should be prohibited. After all, they ask, do not all companies use revenues from one division to bolster the efforts of another?

Maybe. But other companies which cross-subsidize this way do not take revenues from a monopoly, essential service to provide an advantage in a

competitive endeavor. It is one thing for a corporation to raise the price of one good it sells in a competitive market to lower the price of another it sells in such a market; if consumers are being gouged by the shift, they simply refuse to buy the product. It is a very different thing to raise the cost of local phone service—an essential service for which consumers have no ability to choose between vendors—to bring down the rates charged for telecommunications equipment sold in a competitive market.

What then can we do?

First, we can include in any common carrier bill tough language to prohibit cross-subsidization of competitive services with revenues from monopoly services. Failure to include such a provision may show a lack of resolve in our dedication to this principle, and may ultimately lead to increases in the rates charged for basic local service to make the BOC's more effective competitors in the equipment market.

Such cross-subsidization is the inevitable product of any market which is composed of both monopoly and nonmonopoly elements. I do not wish to impugn in any way the motives or intentions of BOC officials; their tendency to cross-subsidize does not come from some moral flaw or evil character. Instead, such cross-subsidization would be a likely product of the market structure, one that any executive would be likely to attempt.

But if cross-subsidization is natural given the market structure, it is nonetheless harmful to consumers. It means they pay more for an essential service to give the BOC's a market advantage. It means that resources are allocated in an uneconomic and inefficient manner.

So cross-subsidization must be prohibited strongly and clearly. But we also must have an effective means of measuring whether or not BOC's are undertaking cross-subsidization. That is where my second recommendation comes in.

Repeatedly, the General Accounting Office has found that the Federal Communications Commission's (FCC) system of accounts is inadequate for providing the basic information to determine the separation of costs between regulated and unregulated services. Tough anti-cross-subsidization standards will have little meaning if we lack the ability to obtain information to assure compliance with the restrictions.

Time and again, the FCC has promised to adopt a comprehensive revision of its system of accounts. Now is the time to expedite its work in this matter. The FCC should move with all haste to adopt a new system of accounts which meets the concerns of those who fear an increase in basic rates to subsidize competitive endeavors.

Preventing cross-subsidization, and adopting an accounting system capable of monitoring compliance with this prohibition, is the fourth thing which can be done to beat the upcoming increases in local phone bills.●

WHEN FREE-TRADER REAGAN WINKS AT CONGRESS

HON. STAN LUNDINE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. LUNDINE. Mr. Speaker, the United States is involved in a more intense international competition than ever before, and we are losing. Whereas this country emerged from World War II as the preeminent industrial and economic power in the world, we now find ourselves being challenged on all fronts. Rapid changes in the world economy and in technology are going on all around us, and yet, in the midst of what could conceivably be the most exciting time in our economic history, we find ourselves faced with aging factories and noncompetitive methods of production. Competing nations are using the technologies that we have developed, while our factories struggle with outdated processes.

The U.S. economy has become internationalized to the point where the entire strength of our economy depends on our international competitiveness. The levels of U.S. manufacturing imports and exports, for example, are nearly 25 percent of our domestic manufacturing production, four to five times higher than they were in 1960. One out of every five U.S. manufacturing jobs depends on trade and for every $1 billion in exports, 30,000 to 50,000 new jobs are created in the United States. Both the extent and the rapidity of the internationalization of our economy has been dramatic.

Yet even as our stake in international markets grows, our competitiveness is slipping away. U.S. productivity growth is among the lowest of our industrial peers. In the last 3½ years, we have lost 3 million jobs in manufacturing alone, 1.9 million of which will not come back even with an economic recovery. Our trade deficit may reach $70 billion this year, after a record setting $42 billion deficit in 1982. The U.S. trade deficit for the month of May, the last month recorded, was $6.9 billion—the largest single monthly trade deficit in our history.

Many factors have caused these slippages, including the aggressive competitive techniques of other trading nations, high interest rates and deficits here at home, as well as the shortsighted, nonaggressive approach to trade that Government and business have taken in this country.

While some nations have boldly entered into the new international industrial competition and are making great gains in terms of market shares and their balances of trade, the United States continues to follow inconsistent policies and competitive techniques that are just not strong enough, or relevant enough, to match our international competitors.

Our economy is badly in need of a strong, consistent, and aggressive trade program to put the United States back into the international market as a world class competitor. We need to move away from passive reliance on free trade rhetoric and haphazard protectionist intervention.

I would like to submit into the CONGRESSIONAL RECORD an article by my colleague RICHARD DURBIN entitled "When Free-Trader Reagan Winks at Congress." In this article, which appeared as a letter to the editor of the New York Times, June 17, 1983, Congressman DURBIN very thoughtfully points out how President Reagan's "actions belie his rhetoric." Rather than this back-door approach to trade policy, a trade policy created only in response to the policies of other trading nations, we need to adopt a credible and dependable trade policy if we are to be in a position to negotiate successfully with foreign traders.

TO THE EDITOR: Hubert Humphrey tells in his biography of being contacted by President Nixon about an important foreign policy issue. Humphrey, then a Senator, was asked by Nixon for help in tilting public opinion toward recognition of Red China. Nixon, a past hardliner on this issue, suggested that Humphrey take the lead in espousing recognition of the Communist nation. The President would initially be critical of Humphrey's position and then allow his views to "soften" as Humphrey led the national debate.

This was not the first time in American history that a President has used Congress as a stalking horse on a controversial issue. The Presidency may be a bully pulpit, but it helps to have a strong choir.

Today, President Reagan has maneuvered Congress into a forward position on the issue of world trade policy. The President's public pronouncements in favor of free trade are firm and unequivocal. He has criticized Congressional leaders for bending to protectionist pressure and risking a worldwide trade war.

It is clear that Congress has moved toward a position favoring some trade restrictions or at least trade reciprocity. The Domestic Content Bill is the most visible example, and the Administration has made it an object of derision.

This effort by the United Auto Workers to guarantee that auto imports contain substantial portions of American-made parts is labeled by our Republican President as both anti-consumer and anti-business. Lobbyists from the Department of Commerce stalk the Congressional corridors exhorting legislators not to fire the first salvo and risk a global trade war.

Trade unions are not alone in their interest in America's foreign-trade policy. Congress also is lobbied by business interests to

be aware of the negative impact on jobs when we import cheap machine tools, for example, or Canadian lumber.

Agriculture Secretary Block recently conceded that elements of the farm sector, a historic beneficiary of free trade, continue to press for favored treatment in Washington. The President is acutely aware of the need to respond to this broad-based call for help. His actions belie his rhetoric. He has: Negotiated auto import restrictions with Japan. Established sugar quotas. Approved a heavily subsidized sale of wheat flour to Egypt. Granted a farm-export credit subsidy dubbed "blended credit." Allowed a 1000 percent increase in the tariff on heavy motorcycles.

By any standard, these efforts are protectionist, pure and simple.

On the covert side of the Administration's effort, the same Cabinet officials who publicly condemn Congress for protectionism privately encourage Congress to pour on the coals. Our trade negotiations know that our bargaining position is enhanced when they can warn our trade allies of those "tough cops" on Capitol Hill.

If there is any method in the madness of the Administration's free-trade charade, it may be that the President sees this process as finally evolving into a much-needed U.S. trade policy. For years we have walked away empty-handed from the negotiating tables as American products were clobbered by the heavy-handed policies of our trading partners. The Administration's methods may be designed to result in a more credible and forceful U.S. posture in world trade negotiations.

The next time President Reagan gives Congress a stern lecture on free trade, watch for the wink.

RICHARD J. DURBIN,
Member of Congress, 20th Dist., Ill.●

JAMES W. POIROT IS NEW CHAIRMAN OF CH2M HILL

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. AuCOIN. Mr. Speaker, I would like to take this opportunity to offer my congratulations to James W. Poirot of Atlanta, Ga., who was recently elected chairman of the board of CH2M Hill.

CH2M Hill is the sixth largest consulting engineering firm in the United States. Its staff of approximately 2,000 employees in over 35 offices worldwide have, since its founding in Corvallis, Oreg., in 1946, been providing clients—the private sector and governments at all levels—with comprehensive services in engineering, planning, economics, and the environmental sciences. This environmentally oriented firm is most unusual in that it is wholly employee owned.

Mr. Poirot has served on the CH2M Hill board of directors for 8 years and in 1981 was elected senior vice president. He joined CH2M Hill in 1953 after earning a bachelor's degree in civil engineering at Oregon State University. He was called to active duty in 1954-55 to serve as an officer with the U.S. Army Corps of Engineers, assigned to the construction of Eilson Air Force Base near Fairbanks, Alaska.

In December 1955, he returned to CH2M Hill in Corvallis, Oreg., to serve as design engineer and project engineer of water supply, water pollution control, industrial, ports, and airport projects.

James Poirot and Holly Cornell, a founding partner of CH2M Hill, opened the firm's third regional office in Seattle, Wash., in 1960. Mr. Poirot was appointed vice president and manager of the Seattle office in 1967. In 1975 he became northwest district manager and in 1978 was also appointed manager of the southwest district.

A registered professional engineer, Mr. Poirot is a Fellow in the American Society of Civil Engineers (ASCE) and has served as president of the Seattle section. In 1980 he served as national executive committee chairman of the ASCE Professional Practices Division. He was also president of the Consulting Engineers Council of Washington during 1975-76.

Mr. Poirot is currently serving on the board of directors of the Consulting Engineers Council of Georgia. In September he will relocate to CH2M Hill's Denver office.●

THE TIME HAS COME FOR A FAIR AND SIMPLE FLAT RATE TAX

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. YOUNG of Alaska. Mr. Speaker, for several years I have been working for tax reforms which would help to resolve the two most serious problems facing taxpayers—the complexity of the Tax Code and fear of the IRS.

Because these two problems have become more serious over the past few years. I believe the time has come to seriously consider repealing most of the tax code and substituting a simple, flat-rate personal income tax. A fair and simple flat income tax with taxpayer protection standards would eliminate the abuses which have been built into the tax system over the years. For this reason, I am introducing legislation which would substitute a flat rate of tax for the current progressive tax rate system.

Last year, I joined with several colleagues to form a coalition to seek passage of a legislative package establishing a flat rate tax combined with legal taxpayer protection standards. The proposed legislation would provide for a simple, flat-rate tax on personal income with few deductions. Deductions would be allowed for charitable contributions, mortgage interest paid on the taxpayer's principal residence, and trade or business expenses.

Also, there would be an exemption for the first $10,000 of income. Income above $10,000 would be taxed at a rate of 15 percent. Most economists estimate that a rate of 15 percent would yield the same amount of personal income tax revenue as the current complicated progressive tax system. These estimates generally do not take into account the amount of revenue which has been lost as more and more otherwise law-abiding taxpayers are being driven to the underground economy by complex tax laws and a growing fear of the IRS. Estimates of revenue lost to the underground economy now total as high as $91 billion for this fiscal year.

The income base that is taxed has been so eroded by exceptions and preferences that the rates on what is left to tax must be kept unusually high. Thus, the tax on an extra dollar of income for a typical family earning $20,000 is 28 percent and becomes progressively higher.

Another important part of the tax reform legislation would be the enactment of laws protecting taxpayers when dealing with the IRS—these reforms would include protections I have worked for including the requirement of a court order before the IRS could seize property, the requirement that the IRS must follow the written advice of its agents, and the establishment of legal rights for taxpayers during audit examinations.

Passage of this legislative package would go a long way toward providing a fair and simple tax system in which all taxpayers paid their fair share of taxes. Too many abuses have built into a tax system which now covers 2,000 pages of laws and 6,000 regulations are difficult to eliminate. Instead of piecemeal changes which only increase the complexity of the code, it is time to enact a comprehensive reform which provides a fair tax system for all taxpayers.

Mr. Speaker, the present system creates mistrust and invites abuse by both sides. Some may consider a wholesale change of the tax system a radical step but we in the Congress have been trying the piecemeal approach for decades, and look where we are now.●

HUBERT H. HUMPHREY INSPIRATIONAL AWARD

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. PEPPER. Mr. Speaker, I would like to take this time to call your attention to a wonderful presentation

given by a great lady who has endeared herself to many of us, Frances Humphrey Howard. The occasion was this year's presentation of the Hubert H. Humphrey Inspirational Award at the American Cancer Society volunteers' luncheon of March 18, 1983, which it was my privilege to attend. This award is presented each year in fond memory of a distinguished statesman who courageously, determinedly, and selflessly battled against cancer, Hubert H. Humphrey. The stature of that great public servant was never more evident than it was during his illness.

In presenting the Humphrey Award, Ms. Howard delivered a moving and inspirational speech as she recognized the outstanding and courageous young woman who was the recipient of this year's award, Barbara Boggs Sigmund. This lovely lady, a daughter of my dear friend and our able colleague, LINDY BOGGS, and who is herself very special to me, has exemplified those strong qualities of commitment, determination, and leadership in a time of great personal struggle. She is an inspiration to others who are battling the same monstrous disease and provides an example for all of us of all those attributes of the human spirit which are the most noble.

We should all reflect upon the text of these eloquent remarks by Ms. Howard and renew our resolve to dedicate ourselves to strengthen the fight and one day soon to conquer that horrible menace to the health of our society, cancer.

I respectfully submit the text of Frances Humphrey Howard's beautiful and moving address to be included in the body of the RECORD following my remarks.

REMARKS BY FRANCES HUMPHREY HOWARD ON THE OCCASION OF THE PRESENTATION OF THE HUBERT H. HUMPHREY INSPIRATIONAL AWARD AT THE AMERICAN CANCER SOCIETY VOLUNTEERS LUNCHEON, WASHINGTON HILTON HOTEL, MARCH 18, 1983

Distinguished Ladies and Gentlemen of the Dais: Mr. Jack Anderson, notable columnist, our Master of Ceremonies; the Reverend Gilbert Hartke, the Honorable Claude Pepper, who has done so much in the fight against cancer by holding hearings in 1979 before the Joint Committee on Aging on "Frontiers in Cancer Research." The Honorable Lindy Boggs, charming and able legislator, mother of our Honoree; the Honorable James J. Howard, outstanding Congressman from New Jersey's third district; Barbara Boggs Sigmund; Mr. Paul Sigmund, husband of our honoree and her brother, Mr. Thomas Boggs. Mrs. Marion Barry, charming wife of our Mayor; Dr. La Salle Leffall; Mr. Vincent Burke, III; as well as other distinguished officers of the American Cancer Society and our audience of dedicated volunteers.

I look forward each year to the occasion when I have the honor and privilege of presenting the Hubert H. Humphrey Inspirational Award to the person who best exemplifies his spirit. That person today is Barbara Boggs Sigmund, a young person whom Hubert knew and loved when she was growing up in the Washington political scene and in subsequent years when she participated in political campaigns and Democratic conventions.

It is particularly appropriate that Barbara is to be the recipient of this award because she possesses many of of same qualities for which Hubert is so lovingly remembered—optimism, energy, warmth and commitment—commitment to her family, her community and her country.

But before I present the award to Barbara, I want to share with her and recall with you the memories of that day back in 1977 when Hubert was honored by the American Cancer Society for his valiant fight against cancer. His friend, Vice President Walter Mondale, and many other leaders, as well as hundreds of you, were present that day to pay tribute to him. He was deeply moved by your outspoken praise, your warm affection and your admiration for the strength and courage that he has shown in battling this disease. It was a day of both sadness and joy. He was, as always, of good cheer. Even then, after months of chemotherapy, he still exuded his boundless energy, his good humor and his spontaneous wit, making even Victor Borge take second place in the quick and sparkling repartee at the head table.

There he was, responding to all the accolades you had showered upon him with a kind of gentle humility and affection so characteristic of him. Then he rose to the microphone, his voice becoming stronger, as he spoke compassionately about the human needs of our society; the need for medical research in cancer, the need for better nutrition habits, and for health care for the young, the handicapped and the elderly.

He spoke to all of us of hope of the future of America. For a moment we might recall some of the things he said here, and elsewhere in his lifetime. "I have little time for people who say we ought not to promise, that we shouldn't raise people's hopes. You live by hope. And you live by promise. Achievement is not enough, because so many of us, at times, don't quite make it. We don't always get what we want. But we have got to believe that someday, somehow, it will be better. And that we can do it."

And again, he talked about himself and his life. "I have been accused so many times of being a congenital optimist about so many things. I have also been told that I am not tough enough. I suppose they are both true because so many people say it. But I'll tell you this—I don't think this world needs any more toughies. I never believed that you needed to be tough. I think at times you need to be firm.

This day, in 1977, began the tradition we are carrying out today. It was a year after his death in 1978 when the American Cancer Society established the Hubert H. Humphrey Inspirational Award in his memory with the stipulation that the award should be presented to a person who best exemplifies his spirit—to a person who through a personal battle with cancer provides inspiration and hope for others who are afflicted.

The award has gone to five others in previous years, to former First Lady Betty Ford, Edward M. Kennedy, Jr., the Honorable John S. Monagan, Marvella Bayh, and Jack Pardee. Today that person, as I have already mentioned, is beautiful Barbara Boggs Sigmund, a remarkable young woman, whose courage, energy, warmth, commitment and personal traits are so much like the qualities we admired and remember when we speak about Hubert and the inspiration he gave to others in his battle against cancer.

Barbara Boggs Sigmund has been an inspiration to all who know her. She continues to carry on the great tradition of her distinguished family in public service. In every way she most perfectly meets the criteria established for this award; valiant courage and inspiring hope.

Hubert used to say so often when he was faced with disappointment or loss, "Frannie, it isn't what you have lost that is so important, it is what you have left." I believe that Barbara, without saying this, has proved it.

Hubert would have had a very special affection for this day. He loved and admired the Boggs family. Barbara's parents, both Hale and Lindy, were his good friends—not just social friends—they were committed to the same kind of dream for America. They believed that all Americans should have the opportunity for participation in this great political democracy. And so does Barbara. Her record speaks to the fact.

What a remarkable young woman! I so well remember Barbara when in 1975 she participated in a program on "Women in Politics," preparatory to the International Women's Year Conference in Mexico City. A congressional symposium entitled "The Role and Status of Women in the United States," had been organized by my daughter, Anne Howard, with the backing of her Uncle Hubert, and Senator Charles Percy. It was a platform for Barbara, who was an informed and convincing witness. The Senators and Congressmen listened! I was impressed. I came away with great admiration for this young woman. I followed her political campaign when she ran in the Democratic Primary for U.S. Senator from New Jersey. You knew when you watched this energetic, dynamic, young woman that she had discipline and courage. There was no self pity there after the loss of her eye, but there was plenty of commitment. She campaigned like a trooper. Less than two hours after leaving the hospital, her face still swollen from the operation, she appeared at a political fundraiser.

My goodness, how much she is like my brother, Hubert. She must be his spiritual daughter! I recall that one night in September 1976, when Hubert broke the news about his forthcoming cancer surgery. The family sat down with him at his home in Waverely. He told them that there were risks but that he was going to win the battle. He knew that everyone was upset and that their hearts were heavy. He promptly said to his sons, "This is no time for negative thinking—I don't know what you are going to do, but I am going to Omaha and help Ed Zorinsky win the U.S. Senate seat."

Barbara shares with Hubert, as well as her father, Hale, other well-loved characteristics, such as a droll sense of humor, a speaking ability and a sense of social responsibility. Barbara grew up with the biblical imperative—"To whom much is given, much is expected." In our family we grew up with my father's admonition from the statement by Harry Emerson Fosdick—"With power comes responsibility."

What an honor it is to present this inspirational award to a truly impressive young woman—bright, attractive, able, an advocate, an outgoing and a tireless worker. She has already accomplished so much! She has been totally immersed in politics from the day she was born. A native of New Orleans,

Barbara divided her time between there and Washington, D.C., after her father was elected to the House of Representatives. She attended the Stone Ridge Country Day School in Bethesda, Maryland, and Manhattanville College of the Sacred Heart in Purchase, New York.

Prior to becoming a candidate for the U.S. Senate from New Jersey, Mrs. Sigmund served on the Princeton Borough Council, then in 1976 she was elected to the Mercer County Board of Freeholders, serving as president in 1979-80. She was elected president of the New Jersey Association of Counties in 1981. She has been a delegate to the last two Democratic national conventions. She has already decided to run in the mayoralty election of Princeton, N.J.

Barbara is the wife of Paul Sigmund, a Princeton University professor, the mother of three children. Mrs. Sigmund is an active volunteer for the Society's New Jersey division.

Barbara may have lost an eye and lost that primary in New Jersey, but we know that with her courage she is destined to win many honors. By her example she has won over many of us. Hubert is applauding up there in heaven as I present this award with much love and affection to Barbara Boggs Sigmund.●

A LETTER TO THE PRESIDENT OF THE UNITED STATES

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. MORRISON of Connecticut. Mr. Speaker, on June 1, 1983, the State Department released a guidance statement to the press reiterating its opposition to granting extended voluntary departure status to Salvadoran refugees. In response to this statement, I have written a letter to the President asking him to order the State Department to reverse its position. The letter reads as follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., June 30, 1983.

Hon. RONALD REAGAN,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I am writing in response to the State Department's June 1st Guidance Statement reiterating its opposition to Extended Voluntary Departure Status (EVDS) for Salvadoran refugees. The Administration's position is based on the assumption that EVDS would encourage illegal immigration and that Salvadoran nationals pass through other countries where they may take refuge. I believe both assumptions are incorrect and misleading in this context. I encourage you to review the State Department's position and order the Department to issue a revised Guidance Statement which adopts a policy of EVDS for Salvadoran refugees.

Under this Administration, asylum has been denied to most of the Salvadoran nationals. Between October 1982 and January 1983, out of 1,139 applicants for asylum, the Immigration and Naturalization Service (INS) District Directors granted only 61 requests. The remaining 1,078 were deported. Upon their return to El Salvador, many of these refugees met with calamities ranging from simple custody to torture and murder.

El Salvador is in the midst of a civil war. Its populace is experiencing much violence and hardship. Deportees are particularly endangered by the ongoing violence. In the words of a former career military officer in the Salvadoran Army, "the dangers faced by all . . . in El Salvador is greatly enhanced for those who are returned to El Salvador after being deported." The latest statistics show that approximately one out of every five deportees are killed upon their return to El Salvador.

If a policy of EVDS is adopted, one may assume that those El Salvadorans currently in the U.S. will seek to perhaps avoid returning to El Salvador in the near future—a decision they can hardly be blamed for and perhaps should be encouraged to make.

That does not mean there would be an increase in the number of Salvadorans requesting to enter the U.S. For the most part, Salvadorans have been hesitant to uproot themselves and leave their country. The adoption of EVDS will not significantly increase the number of Salvadorans wishing to migrate to the U.S., but only increase the chances of survival for those Salvadorans already here. Furthermore, by granting EVDS, the Administration will encourage El Salvadorans now residing here to come forward and make their presence known to the Immigration and Naturalization Service. Clear and complete records of Salvadorans in the U.S. will act as a deterrent to and aid against illegal immigration.

The assumption that Salvadorans can take refuge in other countries is both debatable and irrelevant. In most of the refugee camps in Mexico, Honduras, Guatemala, Belize, and Nicaragua there are no jobs or sanitation, health conditions are poor, and externally-induced violence is common. The press has reported numerous incidents showing a large security risk for the refugees in these camps, including those located in Honduras where there is a large international presence. This issue is largely irrelevant, however, since EVDS only affects the Salvadoran refugees already in the U.S.

There is no question that existing conditions in El Salvador meet the requirements of the INS and the State Department for establishing a policy of EVDS. In the past, under similar conditions, citizens of Lebanon, Ethiopia, Poland, Uganda, and Nicaragua were temporarily allowed to remain in the United States. There is no reason for the State Department to take a different position in this case. The INS operation instructions state that refugees faced with extreme danger from either natural disaster or, as in this case, civil strife upon their return home can be allowed to extend their departure from the U.S. In addition, the State Department's Foreign Affairs manual implicitly recognizes the need for extending the period of voluntary departure in conditions of civil strife.

Based on the foregoing, I ask that you order the Department to reverse its position and allow Salvadorans living in the U.S. to remain here until it is safe for them to return home.

Sincerely,

BRUCE A. MORRISON.●

A NATIONAL HOLIDAY FOR MARTIN LUTHER KING

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. DOWNEY of New York. Mr. Speaker, I rise in support of national recognition of the birthdate of Martin Luther King. Our recognition will demonstrate an unwavering commitment to continue his struggle versus hatred, oppression, prejudice, and injustice. Martin Luther King had a dream; a national holiday will ensure that his dream and the spirit he personified will remain instilled in the national conscience.

In 1955, the Nation's attention was drawn to Montgomery, Ala., as this unknown black preacher startled us with his leadership and courage in a citywide boycott against policies of segregation. In the many efforts to come, King demonstrated his dedication to a struggle of and for peace; methods of nonviolence that demanded attention against a backdrop of world violence. His speech in August 1963 remains as moving as any words delivered in modern times. "I have a dream," he explained and pleaded. "It is a dream deeply rooted in the American dream. From every mountain let freedom ring." It was this dream and the path he had chosen to achieve it that earned him the Nobel Peace Prize in 1964. King was the youngest individual and only the third black man to receive this honor. His assassination in 1968 left us shocked and questioning our own possibility of true humanity.

But King's vision of democracy, liberty, and freedom for all men and women continued in the lives of all his spirit touched. He delivered us a hope and reminded us that each man is heir to a legacy of worthiness. While today's civil rights achievements are rooted in Martin Luther King's efforts, his dream continues to remind us of how far we still have to go in the struggle for equality. Our struggle must remain devoted to nonviolence. For, as King would remind us, it is only through moral means that one can achieve moral ends.

Fifteen years later, I believe it is essential that Martin Luther King's beliefs and achievements be remembered. The Nation should be encouraged to reflect on the man and his principles, which ring as true today as ever. His statement that there is no longer a question of violence or nonviolence but of nonviolence or nonexistence could not be more pertinent in this age of nuclear debate and worldwide struggles for human rights. Mr. Speaker, I urge my colleagues to join me in support of a national commemoration of Martin Luther King. We

should encourage the Nation to reflect on his ideals, and we must do no less than recognize the greatness of this individual who has changed the course of history.●

THE CONFUCIAN CONNECTION

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. SHUMWAY. Mr. Speaker, the current popularity of industrial policy as the solution to our economic problems is based on the belief that it is successfully applied by other nations—particularly Japan—to compete more effectively than the United States in the international marketplace. Because of industrial policy, it is often argued, Japan and other East Asian nations have developed vital, dynamic economies that insure ever rising standards of living for their own citizens, while at the same time causing the unemployment of thousands of U.S. steel, auto, and electronics workers. To counter such competition, many now propose that the Federal Government must more directly intervene in the American economy.

While it is undoubtedly true that the relationship between government, business, and labor in Japan is quite different from that in the United States, the degree to which the Japanese Government directly intervenes is the subject of intense debate, as is the degree to which industrial policy, modeled after Japan, is applicable in this country.

There are, in my opinion, very basic social, cultural, and historical factors responsible for Japan's economic structure and success; factors which do not apply in the United States. In our consideration of industrial policy, then, we must avoid the temptation of ascribing exclusively to it the successes of foreign nations; we must not view it as a panacea which can solve our many complex economic problems.

I commend to the attention of our colleagues a recent editorial by Joseph Kraft which elaborates on the unique socioeconomic makeup of Japan and other East Asian nations.

THE CONFUCIAN CONNECTION

(By Joseph Kraft)

HONG KONG.—The showpiece of capitalism—what Britain was to the 19th century and the United States to the first three-quarters of the 20th—has moved across the Pacific. Except for the Communist countries, the Japanese miracle has been recapitulated all over East Asia.

But how come? What force has generated rapid growth, low inflation and a political framework remarkable for stability, if not democracy?

The answer seems to be cultural. It lies, I am persuaded by Derek Davies of the Far Eastern Economic Review, in the Confucian component

The economic success of non-Communist Asia brooks no argument. In the halcyon days between 1950 and 1973, the industrialized countries of North America and Western Europe averaged annual per capita growth of 3.8 percent. The Asian countries nearly doubled that figure. Moreover, while the pace fell off in the industrialized countries after 1973, the Asian nations kept right on going despite the oil shock.

During the last three years, the recession, which practically flattened Western Europe and North America, made much less dent in this part of world. Anticipated growth rates for this year are as follows: South Korea, 7.5 percent; Taiwan and Thailand, 5.5 percent; Malaysia, 5 percent; Hong Kong and Singapore, 4 percent; Japan, Indonesia and the Philippines, from 3.5 to 3 percent. Except for Indonesia and the Philippines, every country on the list has brought inflation below 5 percent annually.

The political features are just as distinctive. While none of the countries makes the short list of worst cases among authoritarian regimes, neither does any pass the acid test of democracy. Not one has a cohesive opposition with a real chance for taking power soon.

In Japan, the Liberal Democratic Party has ruled, with one very brief exception, for 38 years. Quasi-military regimes run Indonesia, Thailand and South Korea. Hong Kong is one of the last colonies left in the world. The families of Ferdinand Marcos and the late Chiang Kai-shek rule the Philippines and Taiwan respectively. In Malaysia, a single broad-based party holds sway. Prime Minister Lee Kuan Yu, one of the world's most remarkable leaders, dominates Singapore to the point where the opposition holds only one seat in a parliament of 75 members.

The Confucian connection with all this has been traced by Davies in a series of articles and lectures. He gave me the gist of the argument here:

Confucianism sets out the basic rules of social order. Harmony requires a leader of character, discipline and education, with a strong sense of responsibility for fostering peace and prosperity.

The sense of obligation at the top finds its counterpart in a sense of duty down below. Loyalty to the leader is enjoined as much as fidelity to the family. "The people," Davies put it in a lecture at the University of Hawaii, "owe the just, benevolent leader total acceptance of his authority."

Leaders applying those values to the modern world devise policies for industrial development that yield rapid growth. The loyalty felt by the workers finds expression in products of quality and low rates of inflation. Hence the brilliant economic performance.

As to the politics, the Confucian mode, in Davies' words, "envisaged either total acceptance of the ruler—or total rejection. There was no halfway house; no such concept, as in the West, of a 'loyal opposition.'" Thus many Asian countries—notably Indonesia and the Philippines—now face difficult political transitions. These may well be resolved, as in South Korea, by passage from one strong man to another.

If that view is sound, there is little point in the various Western efforts to copy Japan. While some lessons can be learned, the cultural gap is too wide, the political differences too great, for direct assimilation.

Still, elements of the Confucian model can be abstracted and integrated into Western society. Clearly the United States and other Western countries need some method for restraining wages and prices while promoting growth—an incomes policy to go along with budgetary and monetary policies.

Lastly, it makes sense for the United States to plug into the dynamism of the Asian economies. That means a steady thickening in the network of ties, an increase in the exchange of goods and services to the point where there eventually becomes feasible a Pacific Basin Economic Community.●

MORE ON SPY DONALD MACLEAN AND THE KOREAN WAR

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. McDONALD. Mr. Speaker, June 29, I placed in the RECORD an item on Donald Maclean of Great Britain, and the role he played in compromising U.S. policy on the Korean war. Strangely enough, another version of this story appeared in the Washington Post of Sunday, June 19, 1983, written by the Soviet dissident, Roy Medvedev. His version is in more detail and adds some information from the scene in Moscow, which I feel my colleagues will find to be of interest. The item follows:

REQUIEM FOR A TRAITOR: A SPY'S LONELY LOYALTY TO OLD, BETRAYED IDEALS

(By Roy Medvedev)

MOSCOW.—Several weeks ago some friends of Donald Maclean gathered at a private apartment in Moscow to honor his memory on the ninth day after his death, as is the Russian custom. Among them were several scholars and specialists on international relations, two former members of the Comintern and myself. Maclean's circle of friends in Moscow was not large, but those who knew him best respected him and considered him a sincere person whose fate was not only unusual, but tragic.

Only a few of the people who worked with Donald knew the details of his biography. The short obituary in Izvestia paid tribute to him as a scholar, the author of a number of studies of England's foreign policy, a doctor of science and a prominent member of the Institute of World Economics and International Relations.

But that does not explain why leading newspapers in England and the United States devoted major articles to the death of a scholar who was never very well known in the U.S.S.R.

A Scotsman, Donald Maclean was born to a wealthy, aristocratic family, and dozens of influential relatives congratulated his father (who later became a member of the British Cabinet) on the birth of a son. But when, at the age of 70, Donald Maclean died in Moscow in total isolation, none of his relatives had been with him during illness and none was present at his funeral.

For in Britain he was a spy, a traitor to his country and class, condemned in absentia to 30 years of imprisonment. For the U.S.S.R., he was one of the best spies who ever worked for Soviet intelligence.

For 20 years the Soviet media have been singing the praises of Soviet spies and mem-

bers of the secret police. They have made a hero of Richard Sorge, one of the first to predict the Nazi attack on the Soviet Union, who was hanged in Tokyo in July 1944. Long articles appeared about Donald Maclean's former friend Kim Philby, who had also occupied posts in Britain's diplomatic service. But no articles appeared about Maclean, nor is it likely he would have agreed to any such publicity, though entire books had been published in Britain about the Maclean-Philby affair.

I happened to meet Maclean in the late 1960s. I had written a large manuscript about Stalin [later published in the West under the title "Let History Judge"] which I was showing to individual historians, old Bolsheviks and other writers in exchange for their comments and to gather facts and testimony to add to a future book. One of my acquaintances asked for permission to show the manuscript to Mark Petrovich Frazer; Maclean was going by that name in Moscow.

My acquaintance told me a little about Maclean's life. His childhood had been typical for boys of his circle. In the 1930s, he began to study at Cambridge, a university accessible only to a few at that time but rife with political passions even so. Britain still possessed her empire, and the ruling class was not yet contemplating independence for the colonies. World War I was still a fresh memory, as was the Depression of 1929-33.

Many saw a way out in radicalism or fascism. Still others, including some members of the intelligentsia and the aristocracy, read Marx and Lenin with hope. To them it was Soviet Russia that had provided "a ray of hope in the kingdom of darkness" by overthrowing capitalism.

Donald Maclean's personal crisis came during the Spanish Civil War. At that time a Communist Party cell was active in aristocratic Cambridge. Young Donald requested permission to join the party, but he was asked to wait. Some time later he was asked to meet "a certain person," introduced to him as a senior member of the Comintern [the Communist International]. "You can do more good for the communist movement and its standard bearer, the Soviet Union, by serving our commom cause in secret, and not by joining the party," the man told Donald. "It would be best for you to put some distance between yourself and the communists and make a career for yourself like other young men of your background."

Donald agreed with this logic. He was still very young and only vaguely realized the price he would have to pay for his choice. He sincerely believed in socialism and did not want to continue the life of a well-heeled aristocrat. Within his own society he was a "dissident," but English society was tolerant to dissent and he would not have been faced with imprisonment even if he had openly come forward with a gospel of Marxism.

Now, however, Donald had become an agent of a foreign power, a spy, and English society—like any other society—could not forgive him this. True, he had not been bribed, but had been recruited through appeals to his convictions. He received not a single cent for his work as a spy, but that did not justify his actions in the eyes of British society.

Donald's career developed quite successfully. He openly "came to his senses" and began to work in the Foreign Office. For a long time he worked in the British embassy in Washington and was involved in the activities of the Anglo-American Combined Policy Committee on Atomic Matters. Thanks to Donald's reports, the Soviet leadership learned of the American effort to create an atomic bomb at various stages of its development. That was why President Truman's announcement at the Potsdam conference of the creation of an atomic bomb made no impression on Stalin whatsoever.

Naturally, I was interested in learning Maclean's opinion of my manuscript, and I soon delivered it to him at his apartment near the Kiev train station. He liked my manuscript, and we discussed it for a long time. He said he had learned a great deal from it. But, as I realized later, he was most interested in the very concept of the manuscript.

In analyzing Stalin's crime, I did not deny the value of socialism and communism—an approach which Maclean found congenial with his own view. When he had fled to the Soviet Union in 1951, warned by Kim Philby of the impending danger of his exposure, he found Soviet socialism to be very different from what he had imagined in the '30s. But even though he may have grown increasingly disenchanted with Soviet socialism, it is unlikely that he regretted the past or accepted the values of capitalism. In an utterly sincere step he became a member of the Communist Party of the Soviet Union.

Maclean and I subsequently met on several other occasions. He showed me his library and offered to help in translating certain English texts. "Samizdat" was at its peak and he wanted to read many other manuscripts circulating in Moscow. Maclean never spoke of the details or the techniques of his work as a spy—perhaps he was not permitted to do so. On a few occasions he made reference to certain historic events which he seemed to have influenced.

For example, in the summer of 1950 the North Korean army began its offensive on the south and quickly crushed the troops of Syngman Rhee, pushing them to the sea and seizing 90 percent of the territory of South Korea. Truman suddenly ordered that a 50,000-man American contingent make an amphibious landing in the deep rear of the army, and on the following day the Eighth American Army launched an attack from its base in Pusan. Cut off from their bases, the troops of Kim Il Sung found themselves in a hopeless position and were crushed. American and Korean troops, together with units of certain allied countries, moved north toward the Chinese border.

It seemed that the days of the Korean People's Republic were numbered when Stalin insisted on Chinese interference. Mao hesitated, afraid that the Americans might move the war onto Chinese territory and even use the atom bomb on Chinese troops and industrial centers.

At that time an English delegation headed by Prime Minister Clement Attlee was visiting the United States. Donald Maclean, head of the American desk of the Foreign Office, was a member of that delegation. Neither Attlee nor their American colleagues had any secrets from Maclean. He managed to get a copy of an order from Truman to Gen. MacArthur not to cross the Chinese border under any circumstances and not to use atomic weapons. America feared a lengthy and hopeless war with China.

Stalin immediately passed on the information to Mao Tse-tung, and the Chinese reluctance came to an end. On Oct. 25 a vast army of "Chinese people's volunteers" crossed the Korean border and attacked American and South Korean troops. The bloody war entered a new stage and ended three years later with the establishment of a demarcation line along the 38th parallel.

In Moscow, Maclean did not seek meetings with the dissidents, although he observed their activities and struggle with interest. He never refused to make small contributions when collections were made in support of the families of the arrested. On one occasion he learned that the daughter of a family he knew had been arrested for distributing leaflets (handprinted sheets from a school notebook). That year elections were being conducted for the Supreme Soviet of the U.S.S.R. A Soviet citizen, Maclean went to the voting place and, inside the booth, wrote on the form: "While girls like Olga Ioffe are kept in mental institutions, I cannot participate in the elections."

Maclean was pleased when his book on British foreign policy was published in England without any concealment of his authorship. He announced to everyone he knew that he would no longer go under the name Mark Petrovich Frazer, but would again be Donald Maclean. About two years later the book was published in Russian in the Soviet Union. I received a copy with the author's compliments and inscription.

In Moscow Maclean's family life was not a happy one. He did not like to discuss the matter, but it was not difficult to guess that his frequent drinking bouts were the cause of the friction. He was an alcoholic and underwent treatment for the disease. Evidently, the nerve-wracking experience of previous years was not without effect.

Did Maclean maintain any contacts with the KGB? His closest friends were convinced that, if such ties remained, he used them only to get the material privileges and perquisites without which life in the Soviet Union is very difficult. In the past Maclean had evidently held some sort of rank in the intelligence service, that of colonel perhaps. But now he was a retired colonel and had no desire to remain in active service. Besides, he had never had any connections with those branches of the KGB that work in domestic matters.

Maclean had received the position of "adviser" to the Ministry of Foreign Affairs while Stalin was still alive. In essence, this was a sinecure. Later he began to work in the Institute of World Economics and International Relations in the Soviet Academy of Sciences. It was there that he defended his doctoral dissertation.

Nevertheless, it was only thanks to the assistance of the KGB that he and his wife Melinda received good apartments in Moscow. If the KGB had not vouched for him, he would not have been able to make trips to certain countries of the Soviet bloc—to Hungary, Poland, Bulgaria.

On several occasions he explained to me how to reveal an "informer" or learn if the secret police was following you and how. He even used one woman as an example, pointing out the clues that showed her to be a KGB informer.

Maclean could not have become a Soviet dissident, but neither did he wish to make any sort of career for himself in the U.S.S.R. He preferred to be an ordinary scholar. In the 1950's, Maclean still maintained friendly relations with a number of historians and specialists on international relations.

He became a regular in the group that formed around the journal International Life, and he enjoyed the complete trust of its members. I am not going to name any

names here. In the 1960's the circle of his acquaintances shrank considerably. He broke off relations with some persons, and others passed on to a better world. In the '70's, his circle of acquaintances was reduced still further. By that time his sons had grown up and were studying in Moscow University, and not infrequently brought home young friends who were opposed to the government. Maclean listened to their conversations with interest, but this was already a different generation, with its own ideas about political and moral values.

Donald had a dacha not far from Moscow, in the resort area of the Ministry of Foreign Affairs. He lived there from spring till late fall, cultivating his orchard, flower beds and garden like a true Englishman. Often his daughter came to stay with him. He particularly loved his little granddaughter, who would stay with him for weeks at a time.

Gradually Donald's family began to fall apart. First his eldest son Fergus left for England. Then Donald's wife left to live with her mother. Together with her second husband, Donald's daughter left for the United States, taking his beloved granddaughter with her. Finally, his youngest son Donald also left, and Maclean was left alone in the world. When he learned of his illness, he withdrew into himself and stopped seeing even his closest friends. I learned of his death from the newspaper Izvestia.

Maclean lived a little over 30 years in the Soviet Union—precisely the amount of time he would have spent in solitary confinement in an English prison. In his youth he had passionately longed for social justice, and he did not betray his ideals in old age. Fate, however, had prepared heavy trials for him, and he was not up to enduring them all. This was more his tragedy than his guilt, for he lived in a very complex time and found himself in extremely complicated conditions.

Various people will probably try to draw conclusions from his tragic experience. The history of intelligence gathering is also history, and sometimes very instructive. In the foyer of his apartment Maclean had hung a sign with large letters: "Opportunists, Dishonest People, and Anti-Semites leave this apartment!" It was a strange sign for a man who had been one of the most important Soviet spies and KGB agents. But it was a very natural sign for the man whom we knew simply as Donald Maclean.●

REMEMBERING THE ARMENIAN GENOCIDE

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. McKINNEY. Mr. Speaker, as we return from our July 4th recess, marking 207 years of freedom, we should be cognizant that today Armenians in Turkey and the Soviet Union suffer from discrimination and a general lack of freedom. The people who founded America stood committed to the ideal of freedom, and their success encouraged others with similar ideals. Armenians who dared to adhere to their Christian beliefs in a Moslem-dominated community paid dearly. To dismiss the fundamental American value by denying the existence of the Armenian genocide would not only be hypocritical but would compromise our strength as a Nation. And while I did not participate in the special order on April 21 honoring Armenian Martyr's Day, I did cosponsor House Resolution 171, to affirm the Armenian genocide, and therefore would like to address this continuing concern.

As you are aware, a footnote in a State Department Bulletin entitled, "Armenian Terrorism: A Profile," referred to the Armenian genocide as "alleged." This blatant misrepresentation of history prompted many to speak out, especially Armenian-Americans who have lost relatives to this tragedy, as well as Members of Congress and concerned citizens everywhere. The Department retracted its statement, but the fact that there remains any doubt whatsoever compels the U.S. Government to clarify the history of this forgotten genocide and reflect upon its implications.

In 1915, the Turkish Government systematically exterminated three-quarters of the Armenian population, 1½ million people, living in Turkey and Armenia. Ever since the Ottomans had occupied historical Armenian territory, there had been religious differences between the peoples. During World War I, the Moslem Turks found a way to settle the Christian Armenian question once and for all, claiming that the Armenians sided disloyally with Russia. The first victims were able-bodied men, soldiers, and intellectuals. They were killed after being rounded up under the pretext that they were being conscripted for military service. The remaining women, children, and elders were forceably marched through the Syrian Desert. Those who did not perish along the way from starvation, exposure, or beating were often killed once they reached their destination. Of the small number of survivors, many left their homeland forever. One of the oldest known civilizations, Armenia lost its independence in 1920 and now lies under Soviet domination.

Not only the former U.S. ambassador to Turkey, Henry Morgenthau, Sr., has recognized these atrocities, but friends and foes of Turkey, alike, have documented them in their national archives. Yet, to this day, Turkish governments have refused to admit the guilt of their forefathers. First generation Armenians in America, who were disorganized, were able to do little to combat the official version of what happened. Those of the second and third generations now strive to restore an accurate historical perspective. The overwhelming majority, in an intelligent manner, but the most frustrated and desperate, through the emotion of revenge. While I cannot condone the recent terrorist activities against Turkish diplomats, I will not ignore the appalling events of 1915, the results of which have sparked the new violence.

A recent "Dear Colleague" from Representatives HENRY A. WAXMAN and CHARLES PASHAYAN, Jr. explains that the Turkish Ambassador sought to dissuade those Congressmen who responded to the special order from recognizing the Armenian genocide. I find this highly objectionable. The Near East Relief, chartered by Congress, sent $113 million in aid to survivors between the years 1915 and 1930, and American families have adopted 132,000 Armenian orphans. The existence of these programs documents the reality of events and America's assistance role in them. The Armenian genocide has been recorded in the archives, and it has been recognized by the U.S. Holocaust Memorial Council. The facts remain inviolate. The goal is not to break ties with another nation but to achieve justice for the descendants of the Armenian martyrs. And by recognizing past events and learning from them, human civilization can understand and prevent such unharnessed action in the future.●

AN ADMINISTRATION WHICH KNOWS THE COST OF EVERYTHING AND THE VALUE OF NOTHING

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. STARK. Mr. Speaker, as part of this administration's drive to get the Government off the backs of business, it has thrown a whole lot of babies out with very little bath water.

In late June, the Insurance Institute for Highway Safety issued a study showing that the Government's weaker bumper standards on cars is paying off—in much higher collision repair costs.

The National Highway Traffic Safety Administration scrapped the 5-mile-per-hour bumper standard in May 1982. They justified this by saying that the stronger bumpers cost more than motorists would save in insurance premiums, because of additional fuel consumption and higher car prices. But the insurance industry has said that car prices have not dropped to reflect any savings in a lighter bumper, and they challenge the claims of fuel savings. What is clear, however, from a study of 1983 Hondas (which use a bumper which only withstands a 2½ mph tap) is that the claim per insured vehicle was as much as 40 percent more, compared to 1982 Hondas.

I believe, Mr. Speaker, we can expect to see insurance premiums rise sharply on new cars.

In social spending, the administration can always see costs, but never sees benefits. In the area of bumper standards, we can quantify their shortsightedness. This is an area where the American consumer would like to see the Government get on their back bumper.●

SAKHAROV TALKS ABOUT THE KREMLIN: A WORD FOR THE WISE

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. BROOMFIELD. Mr. Speaker, I want to call the attention of my friends here in the House to a most interesting article which recently appeared in the Washington Post. The article summarizes the views of Mr. Andrei Sakharov concerning the military posture of the West and the present military advantages of the Soviets.

As all of you know, Mr. Sakharov is a noted Soviet physicist and dissident who has been duly punished for speaking the truth about the Soviet Union and the Kremlin's real intentions in the world. As one of the Soviet Union's former experts in the weapons field, Mr. Sakharov has a unique insight into the Byzantine scheming and strategizing which goes on behind the Kremlin's walls.

I believe that Sakharov's basic argument supports the arms control efforts of the Reagan administration. He stresses the importance of balancing the growing power of the Soviet Union. Mr. Sakharov advocates the Western approach to arms control and NATO's plan to deploy new Pershing II and cruise missiles in Europe. These missiles would offset the present Soviet intermediate range missile lead in the European area. He also notes that the West should match the Soviet ground forces in Europe since our current weakness in this area may tempt the West to resort to using nuclear weapons in the event of aggressive Soviet troop movement into Western Europe. All of this seems to be safe and sound advice from a man who probably knows far more about Soviet goals than our Government's Sovietologists.

As we might expect, the closed Soviet system would not permit Mr. Sakharov to air his views in a normal manner. He had to resort to smuggling these ideas out of Gorky so that they could be published as an open letter in the current issues of Foreign Affairs magazine.

With these thoughts in mind, I suggest that all of my colleagues in the Congress read the following article:

[From the Washington Post, July 2, 1983]

SAKHAROV SAYS WEST SHOULD BOLSTER ARMS STRENGTH TO BALANCE SOVIETS

(By Michael Getler)

Soviet physicist and dissident Andrei Sakharov says the West should bolster its military strength—even if that means building the new MX missile and prolonging the arms race—to balance Soviet power and avoid the "main danger" of "slipping into an all-out nuclear war."

Sakharov, 62 a Nobel prize-winning scientist, who has been exiled within his own country for criticizing Soviet human rights policies, laid out his views on the nuclear arms debate in an article in the current issue of Foreign Affairs magazine.

The article is written as an open letter to an American colleague, physicist Sidney Drell of Stanford University.

It was smuggled out of Gorky, the off-limits city 250 miles east of Moscow to which Sakharov has been banished, and translated with the help of his son-in-law, Efrem Yankelevich, who lives in Newton, Mass.

Sakharov, once a leading Soviet weapons scientist, has managed to get other writings out of the Soviet Union. But this is his first major assessment of the nuclear arms issue.

Yankelevich, interviewed by telephone, said there is "no doubt" these are Sakharov's views but that he "cannot elaborate" on the manner in which the article reached the West.

Sakharov dwells on the theme of nuclear war as "a calamity of indescribable proportions" that would amount to "collective suicide" no matter which side starts it.

He argues forcefully for atomic arms control and is critical of a U.S. strategy that threatens the first use of atomic weapons in Europe to stop a Soviet conventional attack there.

But most of what he says will probably dismay those in this country who advocate a weapons freeze and are against the MX and new Pershing II and cruise missiles in Europe.

At the same time his words will probably be read with some satisfaction within the Reagan administration.

Sakharov essentially argues that to deter war it is necessary to retain parity in arms so that neither side feels it can safely take the first aggressive step.

"If the probability of such an outcome . . . slipping into an all-out nuclear war . . . could be reduced at the cost of another 10 or 15 years of the arms race, then perhaps that price must be paid," he says.

"It would be wiser to agree now to reduce nuclear and conventional weapons and to eliminate nuclear weapons entirely. But is that now possible in a world poisoned with fear and mistrust?" he asks.

Sakharov criticizes the West for not matching Soviet ground forces in Europe, a weakness that he says could lead the West to a too-easy crossing of the nuclear threshold.

Similarly, he argues that deterrence of nuclear war requires a finely tuned strategy that takes account of different kinds of warfare and different regions of the world, rather than one that rests only on the ability of the two superpowers to destroy each other.

Thus, he supports the western plan to combine a quest for arms control with a plan to deploy new Pershing II and cruise missiles in Europe to balance already-fielded Soviet missiles if no accord is reached.

"For these talks to be successful the West should have something that it can give up. The case of the Euromissiles once again demonstrates how difficult it is to negotiate from a position of weakness.

"Only very recently has the U.S.S.R. apparently ceased to insist on its unsubstantiated thesis that a rough nuclear parity now exists," he says.

Sakharov chides those in the West who criticize the western plan without making any demands on Moscow.

He says that in the West "Pro-Soviet propaganda has been conducted for quite a long time and is very goal-oriented and clever, and that pro-Soviet elements have penetrated many key positions, particularly in the mass media."

Sakharov makes a similar case that "a great advantage" Moscow holds in powerful ocean-spanning land-based missiles also must be confronted. "Perhaps talks about the limitation and reduction of these most destructive missiles could become easier if the United States were to have MX missiles, albeit only potentially.

"While the U.S.S.R. is the leader in this field, there is very little chance of relinquishing that lead. If it is necessary to spend a few billion dollars on MX missiles to alter this situation, then perhaps this is what the West should do."●

EDUCATIONAL EXCELLENCE AND BUILDING REPAIRS

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. KILDEE. Mr. Speaker, in the wake of the publication of the National Commission on Excellence in Education report, much attention has been focused on means to improve the quality of education in the United States. I would like to call to the attention of my colleagues a bill now pending before the House that would address one part of this problem.

I am speaking of H.R. 1036, the Community Renewal Employment Act, introduced by the gentleman from California (Mr. HAWKINS). H.R. 1036 is a bill to address unemployment by providing useful jobs for the long-term unemployed. Among its other provisions, it would help to insure that school buildings and academic facilities at colleges and universities across the country are returned to a reasonable state of repair. Title III of the bill, which I added as an amendment during Education and Labor Committee consideration, authorizes $1 billion in Federal funds to allow local school districts and institutions of higher education to hire unemployed workers to repair, renovate, and rehabilitate their buildings and facilities.

A recent national study showed a pressing national need in this area. Because of the austerity budgets they have had to adopt over the last few years, many colleges and local school districts have had to defer important

maintenance projects. For many schools, major repairs are now required. The study was conducted cooperatively by the Council of Great City Schools, American Association of School Administrators, and National School Boards Association. It concluded that $25 billion of unmet need in this area now exists.

Clearly, one component of a quality education is providing instruction in a clean, safe, well-maintained facility. Because of current economic conditions, this minimum physical standard is virtually beyond the present resources of many schools.

Mr. Speaker, H.R. 1036 meets an important need in providing meaningful employment for our massive pool of jobless workers. Title III of the bill provides the added benefit of making an immediate and significant contribution to improving educational quality in schools across the United States. I urge the support of my colleagues for this vital legislation.●

ADVISORY COMMITTEE ON RADIOLOGICAL EMERGENCY—RECOMMENDATIONS FOR RADIOLOGICAL EMERGENCY PLAN

HON. FRANK HARRISON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. HARRISON. Mr. Speaker, a dedicated group of citizens in Columbia County, Pa., very near the new Salem nuclear plant of the Pennsylvania Power & Light Co., has served as an advisory committee on radiological emergency to the Columbia County Commissioners.

Earlier this year, this committee produced its recommendations for a radiological emergency plan, and I am happy to insert this document into the RECORD, Mr. Speaker, since it serves as a shining example of the importance of citizen participation in the decision-making processes that effect their health, safety, and welfare.

REPORT TO THE COUNTY COMMISSIONERS

From: Advisory Committee on Radiological Emergency Plan.

(NOTE.—Page numbers cited refer to relevant pages in County Plan.)

Columbia county's 60,000 residents (including 13,000 school children) live within a 27-mile radius of PP&L's plants north of Berwick.

The county's radiological emergency plan is based on a major assumption made by the NRC, FEMA and PEMA: even the most severe accident at PP&L would be contained within a 10-mile radius of the plant and the 20,000 residents in this area (including 4,300 school children) are the only ones at risk (page 7). In addition, the designated evacuation routes assume the wind will blow from the west (pages J-1-3, 4—evacuation routes).

RECOMMENDATIONS

A. No expert can guarantee that radiation effects will not harm people outside a 10-mile radius. It would depend on the amount and types of radionuclides released, and on wind direction.

B. Radioactivity is invisible, odorless and hazardous.

C. A study by the Union of Concerned Scientists on the TMI accident, and an informal survey taken in Bloomsburg in May, indicate that people well beyond the 10-mile radius would choose to evacuate in case of a General Emergency.

D. In planning for emergencies, we should be prepared for the worst that could happen.

E. In a plan of this magnitude, it is impossible to anticipate every possible happening. In the following recommendations, the committee has tried to suggest some basic, practical guides to protect all of Columbia county's residents and emergency workers in a severe emergency.

ADVANCE PREPARATIONS

1. The present plan calls for only one-third of the county's residents to be evacuated in a General Emergency.

Prepare plans to evaluate all county residents (who choose to leave) simultaneously to a safe distance from the plant. This would allow for a synchronized traffic flow out of the area.

2. The NRC contradicts its own 10-mile assumption by conceding there is a possible 50-mile "ingestion pathway zone" in which crops, milk, land and property may be contaminated. "Protective actions" would include decontamination and/or denial of use until crops, milk, land and property can be decontaminated. (Letter from Robert L. Tedesco, Asst. Director for Licensing, NRC, Aug. 26, 1981.) Though the ingestion pathway is mentioned in the county plan, there is no indication of how and by whom evaluation measures would be organized (page 8).

Prepare a contingency plan with at least three counties beyond the 50-mile radius of PP&L to shelter evacuees from the ingestion pathway plume. (For example, Bradford County to the north, Union to the west, Berks to the South.)

3. Presently, pickup points for school children, and reception centers for persons without a place to stay, are all in the western quadrant, at roughly 11 to 40 miles from PP&L. If there is a massive or sustained release of radioactivity, an easterly wind could put some of these points directly under the radioactive plume (page J-2-1).

Establish additional pickup points and reception centers in the north and south quadrants, at least 30 air miles from PP&L. Cancel central Columbia, Millville and SCA schools as pickup points for school children.

4. The Millville and SCA schools are listed as mass care centers—each is roughly 20 air miles from PP&L (page L-2). A decontamination station for emergency workers is to be located "just beyond the 10-mile radius" (page M-4). These locations stand the risk of contamination, if the wind blows from the wrong direction.

Establish mass care centers at least 40 air miles from PP&L and additional decontamination stations at least 20 air miles away, on major routes.

5. The present traffic plan is designed to channel evacuees to existing pickup points and reception centers in the west quadrant (PEMA Evacuation Plan Map). It posts police at a number of Traffic Control points (pages F-3-1,2; F-5-1,2).

If the wind blows from an easterly direction, this plan could put evacuees directly under the path of the radioactive plume, and many of these Traffic Control points could be working at cross-purposes.

Establish plans depending on specific wind direction (for example, plans a through G for winds from the N, NE, E, SE, S, shifting, or no wind at all). If wind blows from any of the westerly directions, Columbia County should be safe for the time being, and no plans need be developed for westerly winds.

Inform county residents of wind direction, encourage them to use secondary roads to the nearest pickup points and reception centers. This would relieve congestion on main highways, and get everyone out of the area more quickly.

6. As spelled out in the plan, well-trained volunteers will be needed throughout the county.

Fully inform volunteers of risks involved.

Request volunteers to sign forms saying (a) They are willing and available to serve in an emergency; (b) where they can be reached; and (c) how long it will take them to respond to their posts.

Give volunteers comprehensive training.

MATERIAL NEEDED

1. The plan does not state who is to pay for protective equipment to be used by emergency workers.

Recognizing the financial limitations of local and State governments, the committee recommends it is the responsibility of PP&L to provide the protective equipment.

2. The plan lists a possible roster of over 1100 emergency workers: 710 volunteer firemen, 250 National Guard, 79 police and 72 state police, who would warn the public, direct traffic, and engage in rescue operations (pages E-2-1,2; H-2; F-2-1,2; F-3-1,2; F-5-1,2).

The plan indicates the maximum whole-body dose for property-saving operations is 25 RADS (equivalent to 25,000 millirems) which is considered a once-in-a-lifetime dose. For life-saving operations, the dose is 75 RADS (page 18).

The annual whole-body dose limit for nuclear industry workers is about 5000 millirems. A dose of 10,000 millirems can damage lymph nodes, the spleen, and decrease bone marrow and blood cells (National Geographic, April 1979).

Emergency workers, who would be moving in a radioactive environment, are to be issued three dosimeters and a 14-day supply of potassium iodide tablets (pages M-6-1,2). The plan mentions that "respirators with activated charcoal filter cartridges are desirable for emergency service workers where available" (page 18). There is brief mention of special clothing (page Q-1-1).

Protective gear should be mandatory for all Columbia County emergency workers. Sufficient units of the following—to accommodate all emergency workers—should be apportioned among fire houses, police stations and barracks, and National Guard barracks: #CD V 730 dosimeters, #CD V 742 dosimeters, film badges, face respirators, and suits of special protective clothing.

3. The plan says farmers needing to re-enter contaminated areas to care for livestock shall be certified as emergency workers (page O-2). Over 500 farms in the county report they keep livestock ('78 Census of Agriculture).

An additional 300 units of protective gear should be in reserve for farmers.

4. The "Emergency Information" booklet prepared by PEMA and issued by PP&L is short on detailed, practical information.

Distribute to every household in Columbia County a brief booklet (6-8 pages, legal envelope size) that spells out how to prepare for an emergency. It should include the following:

(a) Addresses of all local assembly points, pickup points for school children, reception centers for those who need a place to stay, and mass care/decontamination centers, with services available.

(b) Map of 50-mile radius around PP&L, showing locations of the above (except for local assembly points).

Distribute a similar booklet to farmers, telling how to shield their animal shelters, protect stored feed and water, and care for their animals in an emergency. Include addresses of decontamination centers.

PLANNING

1. At the earliest, the plan calls for sirens to be sounded in the 10-mile zone at the Site Emergency phase of an accident (page 6-3). If the emergency is a fast-moving one, this would give people very short notice, which in turn could lead to haste, confusion and panic.

If, 30 minutes after an alert has been declared, there is no guarantee the accident will not be upgraded to a site emergency, sound fire sirens throughout the county, warning all residents to tune their radios to an emergency broadcast station. In addition, notify the ministerium to ring church bells throughout the county—to help warn those who live outside the range of fire company sirens.

2. The plan calls for fire company volunteers to knock on doors in isolated areas not reached by the siren system (page E-2). This could be impractical, because of insufficient personnel and exposure risk. An EPA study recommends the use of aircraft with loudspeakers to warn the public. State police have such aircraft available at Harrisburg.

Hold at least two full scale drills, well publicized, on a weekday to test effectiveness of siren/church bell warning system. On second drill, where dead spots existed, use loudspeaker aircraft to test its effectiveness.

EVACUATION PROCEDURES

1. The plan indicates a "selective evacuation" may take place at a Site Emergency—for pregnant women and school children (page J-1). If radiation levels are dangerous for them, they are dangerous for everyone else. Further, many pregnant women may not leave without their families.

If an evacuation is recommended, it should not be selective. Plans should be drawn up to evacuate everyone who wants to leave. If some people insist on staying, they should not be forced to go.

2. The most recent Berwick School District plan calls for evacuating children at the Site Emergency phase. Problem: The district has 23 buses under contract, would need about 50 more to evacuate all children in a one-time move (page N-3-1). Many families would want their children sent home so the family can stay together.

When an alert is declared, notify all Columbia County school districts, and send children home by the usual means of transportation.

3. An accident at PP&L could begin with such severity that it is immediately classed as a Site or General Emergency.

In this case, the county shall recommend evacuating children of all county school districts to pickup points.

4. The plan presently calls for outlying school districts (Benton, Bloomsburg, Central, Millville and SCA) to send their buses to Berwick to aid in a general evacuation (page N-3-1). However, this plan would be impractical at such time, because of time lag, congested highways, and the natural anxiety of parents in outlying districts to have their children taken to safety.

Develop Berwick school district plans for other sources of transportation, in case of an immediate site or general emergency.

5. Emergency Broadcast radio announcements are unnecessarily long. The General Emergency announcement takes nearly 6½ minutes to read, and contains confusing route directions.

Review EBS announcements. Eliminate unnecessary words, and traffic directions, which could be subject to change. Emphasize locations of pickup, points, reception centers, wind direction, and use of secondary roads.●

THE SONNENBERG GARDENS

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. KEMP. Mr. Speaker, the Sonnenberg Gardens in Canandaigua, N.Y., are a magnificently beautiful attraction, and a great cultural and educational asset to the Finger Lakes region. The 50 acres of gardens, and the 40-room mansion and conservatory they surround are available to the public for guided tours. The facilities extend themselves to summer educational workshops in everything from horticulture and landscape design to art, science, and drama. Unfortunately, a reverter clause in their deed prevents Sonnenberg Gardens from taking advantage of beneficial long-term financing for capital improvements and more importantly from carrying the considerable value of their real estate as an asset. The financial hand tying imposed by the reverter clause is unnecessary, because there was never any intention but to use Sonnenberg Gardens as a nonprofit educational facility. In this case the reverter clause is an unreasonable burden, and today I am introducing legislation to remove the reverter clause and allow Sonnenberg Gardens to be developed to their fullest potential as an educational and cultural facility.●

TUITION TAX CREDITS: HELP FOR AMERICAN EDUCATION

HON. GERALD B. H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. SOLOMON. Mr. Speaker, since the recent Supreme Court ruling in Mueller against Allen has provided a major legal boost for the hopes of millions of Americans who strongly support tuition tax credits, I would like to take this opportunity to share with my colleagues an extremely informative and cogent discussion of the tuition tax credit issue, prepared by the Heritage Foundation. I strongly recommend it to my House colleagues for its insightful analysis of this issue and its demonstration of the vast benefits which will accrue to American education in general after the enactment of tuition tax credit legislation as proposed by the President in H.R. 1730.

THE HERITAGE FOUNDATION,
Washington, D.C., June 27, 1983.

TUITION TAX CREDITS: RX FOR AMERICAN EDUCATION

INTRODUCTION

The American educational system is a shambles. This is the verdict of three independent panels of experts who recently released their findings. Test scores have plummeted over the past twenty years, and despite huge increases in spending on education and the creation of a new federal department, 13 percent of the nation's 17-year-olds are considered functionally illiterate. Excellence in education has been difficult to achieve in great part because of the public school system's virtual monopoly of elementary and secondary education. This gives teachers and administrators little incentive to maintain quality. In higher education, however, healthy competition has turned many public universities into institutions that challenge the very best private schools.

Private elementary and secondary education are accessible only to upper income groups and those families willing to make a tremendous financial sacrifice in the hope of buying a better education for their children. Since families with children in private schools also would have to pay state and local taxes to support public schools, many find the alternative of private schooling out of financial reach. To alleviate this unfair double burden, parents should receive some tax credit for the cost of educating their children. This tuition tax credit would enable average and low income Americans to choose the best schools for their children, whether public or private.[1] More important, perhaps, it would create the long-overdue pressure on the public schools that will force them to improve.

BACKGROUND

Strong lobbying by the public education bureaucracy—especially by the National Education Association (NEA)—so far has defeated proposals for tuition tax credits. But President Ronald Reagan supports the concept and new legislation is before Congress. Senate bill S. 528, introduced by Robert Dole (R-Kansas), has cleared the Finance Committee; a similar bill before the House (H.R. 1730) sponsored by Representative Willis Gradison (R-Ohio), however, faces hostile Democratic opposition in the Ways and Means Committee. The Administration supports both bills.

Tuition tax credits are simple to administer. Parents who choose to place their children in non-public schools would receive a tax credit to offset partially the cost of tui-

[1] For a detailed analysis, see E. G. West, "The Economics of Education Tax Credits" (Washington, D.C.: The Heritage Foundation, 1981).

tion. Most proposals, including those before Congress, allow a credit of one-half of each child's tuition, up to a maximum of $300 per child.

Tuition tax credits would give middle and lower-income parents financial help to choose the type of education most suitable for their children. High tuition cos's for many private schools and escalating state and local school taxes deny many power and middle income parents the opportunity to choose between public and private schools. The wealthy, by comparison, do not find cost a significant obstacle to giving their children quality private education. Tuition tax credits, therefore, are not a boon to the rich or to "elite" private schools but to middle and lower income families. Of families with children in non-public schools, 62 percent have incomes below $25,000 a year.[2]

Under the proposed legislation, only families with incomes below $50,000 a year would be eligible for tuition tax credits. Since the credit would not rise with income, those in the lower income groups would benefit the most: $300 means more to a family with a yearly income of $10,000 than to a family making $50,000.

Proponents plan to include provisions making tuition tax credits "refundable." This means that the credit would even benefit those with little or no income who are not required to pay taxes. Typically, a tax credit is of no use to such a family. It is suggested, however, that they should receive a check from the IRS for one-half of the tuition, up to $300 per child. This is fair and reasonable, for the aim of tuition tax credits is to give lower and middle income Americans a choice by reducing the enormous financial disincentive now imposed by choosing private education.

Tuition tax credits introduce a vital factor sorely lacking in education—competition. Because public educators have a monopoly position, they can combine higher wages with lower teaching standards than teachers and administrators in private schools who must compete with other schools for students. Competition in any profession tends to lower costs and improve quality. Education is no different. Introducing real competition between schools would benefit both private and public schools. It is because public universities always have had to compete with private schools for students that many state-run institutions rank with the best private colleges. Elementary and secondary schools would benefit from the same competition.

The alternative to tax credits is to spend more money on public education while doing nothing to foster competition. This has not worked in the past and cannot be expected to work now. The cost of educating a child in a public school nearly tripled between 1970 and 1980, while bellwether indicators such as SAT scores steadily declined. Verbal scores declined from 460 to 423 between the 1969-70 and 1979-80 school years, and math scores dropped from 488 to 467.

OBJECTIONS TO CREDITS

Mass Exodus.—Opponents of tuition tax credits charge that credits would destroy public schools. They claim that the result would be a mass exodus of better students to private schools, leaving public educators to cope with slow learners and "problem" students. Yet, if overall quality of education improves because of the competiton triggered by tax credits, academically sound public schools would have no problem keeping their students. Schools neglecting quality and standards, on the other hand, would have to improve radically or close. In any case, a disruptive mass migration from public to private schools seems highly unlikely. An NBC News/Associated Press survey of October 1981 found that only 30 percent of adults with school-age children would be more likely to enroll their children in private schools if tuition tax credits were available.

Unconstitutional.—The first Amendment states "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof. . . ." Tuition tax credits do exactly that, complain the critics, since the majority of private schools are church-affiliated. Yet, tuition tax credits would not aid any institution, religious or otherwise, since the credit would benefit the individuals who would be free to choose any private institution. After all, the charitable income tax deduction is not unconstituional simply because donations are made to religious organizations. The credits do not favor any religion over another, and in no way, serve to establish a state religion.

Discrimination.—Critics charge that some private schools discriminate against minorities and could become indirect recipients of federal money through tuition tax credits. All evidence refutes this. The recent Supreme Court ruling on the Bob Jones case means that schools which discriminate are likely to lose their tax-exempt status. Since the tax credit proposals would restrict credits to tuition for tax-exempt schools, institutions practicing discrimination would be excluded. Roman Catholic schools, which educate two-thirds of all private schoolchildren, have substantial and growing minority enrollment, particularly in the inner cities. And a CBS News exit pool in 1978 found that black and Hispanic Americans favored tuition tax by a 72 and 84 percent majority, respectively—outpacing white support. The minorities themselves apparently disagree with the critics of the proposals. Finally, the legislation before Congress explicitly bars using tuition tax credits at institutions that discriminate. In fact, of the Senate bill's 28 pages, 20 impose safeguards against discrimination.

Cost.—Opponents argue that at a time of huge federal deficits, it would be unwise to spend federal money to help support private schools. This complaint ignores the fact that students in private schools save taxpayers over $12 billion by not being in public schools. There are over five million students enrolled in private schools across the country; their parents continue to pay state and local taxes for public schools even though their children do not attend them. Since it now costs, on average, over $2,500 to educate one child in the public school, the five million youngsters in private schools are saving the taxpayers over $12 billion a year. Even if all five million children in private schools received the maximum $300 tax credit, the tax loss would only be $1.5 billion. And because families with incomes above $50,000 could not receive tuition tax credits, the loss to the Treasury would be even less. For each public school student that transfers to private school, the "cost" to the Treasury is only $300 a year, at most, while the saving to the public school system could be many times that figure—money which could be spent on the remaining students.

Regulations.—A number of private schools are cool to the idea of tuition tax credits, fearing that a host of federal regulations would follow. Private schools have been largely left alone by the government, and naturally would like to stay that way. But since the tuition tax credits would be given to individuals, not institutions, the regulation of each private school should be left to the parents—other than for the rules applying to any tax-exempt institution. Obviously parents place their children in a private school for a reason, and would not allow their child to remain in a school that was not performing to their satisfaction. Nevertheless, any tuition tax credit legislation should contain provisions that would prevent unnecessary intervention in the affairs of the private schools by federal agencies.

CONCLUSION

Many lower and middle class Americans have been shut out of the private education system because of its high direct costs combined with the fact that they must still pay state and local school taxes for the public system. Tuition tax credits are an effective way of giving these citizens a real choice. While most parents undoubtedly would continue to choose to send their children to public schools, some would opt to place their children in private schools if costs were less prohibitive.

Parents who are able to send their children to private schools after using the credits will directly benefit from them. Tuition tax credits would give middle and low income Americans and their children an opportunity denied them for much too long. The indirect benefits are even greater. The competition between public and private schools would mostly help to reintroduce quality and effective standards back into the public system.

ROBERT J. VALERO,
Senior Research Assistant.●

[2] "Tuition Tax Credits: The Administration Proposal," Family Policy Insights (Washington, D.C.: Free Congress Foundation, Aug. 4, 1982), p. 7.

CIGARETTE TAX TO GO TO MEDICARE TO PAY FOR TREATING SMOKING-RELATED DISEASES

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. STARK. Mr. Speaker, in January, I introduced H.R. 698 which would make permanent the recent increase in cigarette excise taxes and adjust this increase annually to reflect increases in the cost of living. I am today introducing an amended version of that legislation to require the transfer of the revenues raised by this tax to the medicare trust funds.

Although the hazards of smoking are well documented in our society, it may be worthwhile to go over some of the more staggering statistics. Two Surgeon Generals have estimated that at least 300,000 deaths each year are caused by smoking. In fact, smoking has killed more people in this country than all the Americans killed in major wars and traffic accidents. The diseases differ—cancers of the lungs, larynx, oral cavity, esophagus, heart disease, and complications during pregnancy—but the ensuing suffering

is often indistinguishable. Ironically, this suffering and death is preventable. Smoking is, in fact, the major preventable cause of illness and death in our society.

The costs to society of these illnesses, without even considering the anguish of victims and their families, are equally staggering. The National Council on Health Statistics estimated that the total cost of treating smoking-related diseases in 1980 was $13.6 billion. This is nearly 10 percent of all health care costs in the United States for that year. In addition, a $25 billion cost to the economy due to the loss of productivity can be directly linked to smoking. Nearly 80 million lost working days, about 20 percent of the total of lost days, can be attributed to the effects of cigarette smoking. Recently, an alarming study made in the State of Massachusetts concluded that the additional health costs incurred by smokers in that State averaged $1.10 per package smoked, thus exceeding the actual price of the cigarettes (cite: New England Journal of Medicine, vol. 308, No. 18, p. 1105).

Mr. Speaker, my bill, if enacted, would simply shift part of this enormous public financial burden from nonsmokers to the smokers who cause these health expenses. The concept is a simple one: Because cigarette smokers clearly incur a higher percentage of health costs, they should pay a greater percentage of those costs that smoking generates. Remember, every smoker has made the decision to smoke. The nonsmoking public and the Federal Government should not be forced to subsidize the economic costs produced by these decisions. In short, this tax is a user fee to repay the public for some of the costs of smoking cigarettes.

By transferring this tax revenue directly to the medicare trust fund, the money would be directly available to cover a portion of these health costs. It would also be the first of many necessary steps to aid the ailing medicare program. According to experts, the cost of medicare may run as much as $400 billion ahead of its revenue between now and 1995. At that rate, the medicare hospital fund will be depleted by 1990. Medicare and medicaid spend nearly $4 billion annually for the treatment of smoking-related diseases—or about $50 billion between now and 1995. Studies presented to a special advisory council set up by the Department of Health and Human Services have found that earmarking excise tax revenue for the medicare trust fund is one way to meet this huge deficit. My bill is a step in that direction and would raise roughly $3 billion each year for medicare.

The Tax Equity and Fiscal Responsibility Act of 1982 raised the Federal excise tax on cigarettes for the first time since 1951 from 8 cents to 16 cents per pack. Unfortunately, the legislation provided for termination of the increase in 1985. My bill would make the increase permanent and would provide yearly cost-of-living adjustments on the tax. The revenues from cigarette taxes in real amounts have actually dropped since 1951, even considering the increase of last year. Had the tax been adjusted for increases in the Consumer Price Index, the tax would currently be 30 cents per package. During the 1970's, cigarette excise tax collections fell from 1 percent of all Federal budget receipts to only 0.5 percent in 1980. Despite this lost ground, my bill only calls for making permanent the 16-cent tax and then adjusting by the CPI, or 1 cent per pack, whichever is less.

The Federal Government has aimed most of its efforts at educating the public about the dangers of smoking. The entire country shared the triumphs and pains with Dr. Barney Clark's family as he suffered as the result of many years of cigarette smoking. In fact, over 90 percent of the American public is aware that smoking can cause serious health problems. Since smokers are aware of these risks and can actually prevent them, it is time they began to pay a greater share of their extra health costs. My bill would accomplish this while at the same time providing billions of dollars a year to the ailing medicare system.

I urge my colleagues to support this proposal.●

STATEMENT ON HAZARDOUS SUBSTANCE VICTIMS COMPENSATION ACT

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. MARKEY. Mr. Speaker, I want to call the attention of my colleagues to recent hearings before the Energy and Commerce Subcommittee on Commerce, Transportation, and Tourism on hazardous substance victims compensation legislation. These hearings focused on legislation designed to provide administrative compensation and judicial relief to victims exposed to hazardous substances. I think compensation for victims is long overdue. Original Superfund legislation contained provisions to compensate victims exposed to hazardous wastes, but unfortunately for victims, personal compensation was removed from the law for political reasons.

In order to correct this oversight, I with my colleague, Mr. FLORIO, introduced H.R. 2582, the Hazardous Victims Compensation Act of 1983. I commend Chairman FLORIO for his expeditious handling of this legislation for the hearings before my distinguished colleague from New Jersey's subcommittee are the first hearings held on legislation of this kind in the entire Congress. Because these hearings are the first held on victims compensation and knowing of Members' interest in this legislation, I submit my statement explaining H.R. 2582 and the concept of victims compensation given before the Subcommittee on Commerce, Transportation, and Tourism.

The text follows:

STATEMENT BY REPRESENTATIVE EDWARD J. MARKEY

Mr. Chairman, today, we begin to consider legislation which, in reality, was needed yesterday. In fact, the legislation before the subcommittee today—compensating victims exposed to hazardous waste was considered yesteryear when Congress debated and passed Superfund. At the time, there was much talk about compensating victims exposed to hazardous wastes. Unfortunately for these victims, personal compensation was removed from the law for political reasons.

Because of that absurd oversight, today there is no compensation for hazardous waste victims. Today, Mr. Chairman, because of congressional oversight, there is no compensation for the victims of the Woburn waste site in my district. Personally, I find it inexcusable that the Federal Government will compensate you for the loss of your house—not for the loss of your health.

I commend you Mr. Chairman, for finally holding hearings on this vital issue and for inviting me to testify. I thank you for the opportunity to address the Subcommittee on a bill I favor on this issue, H.R. 2582.

The hazardous Substance Victim Compensation Act, H.R. 2582, drafted by myself, the distinguished Chairman, Mr. Florio, and staff, sprang forth from the recommendation of the Section 301(e) Study Group. This Study Group, comprised of legal experts from all over the country, studied the concept of victims compensation on a national basis. I do not think it came as a suprise to anyone that the Study Group was overwhelmed at the spectre of the problem.

The Study Group, relying on Environmental Protection Agency estimates, found that there could be anywhere from 50,000 to 75,000 sites which contain potentially dangerous amounts of hazardous wastes. According to a Council of Environmental Quality study, 70 percent of waste sites have no lining, 95 percent have no ground water contamination detection capability, and 35 percent of municipal sites are not in compliance with state regulations. When confronted with the pressing question of how many victims were involved, this panel of experts could only answer: We cannot put a number on the amount. Given past compensation programs, however, you can rest assured—it is a lot. These Figures and the Study Group's findings make it clear that there is a present danger of widespread hazardous waste exposure.

I am especially aware of the acute problem presented by hazardous waste exposure since number 4 on EPA's national priority list is in my district. The Woburn, Massachusetts hazardous waste dump site has been a source of community concern and unhealthful side effects since 1853. During the past 130 years, unknown but highly toxic chemicals have been dumped at this

site without recrimination. The wastes are known to include high concentrations of chromium, arsenic, lead, and zinc. This ugly soup of toxic chemicals has produced foul odors emanating from the area since the 1860's. Vegetation has been virtually absent in this area since the 1930's. Despite this clear evidence, toxic chemicals continued to be dumped at this site.

Today, Mr. Chairman, the community of Woburn is paying for yesterday's dumping sins. State and federal officials have reported that Woburn has the highest cancer rate in the Commonwealth for a community of its size. Cancer deaths in Woburn have increased 13 percent in the last ten years; twice the expected number of childhood leukemia cases have been reported; and the highest percentage of kidney and liver cancer-related deaths in Massachusetts is in Woburn.

I submit this data, Mr. Chairman and Subcommittee members, for I believe the Woburn waste site is at least partially responsible for the high incidence of cancer and other illnesses in this community of my district. Today, the people of my district are paying with their health for yesterday's dumping sins.

I should note that Superfund is designed to clean up this site in a timely manner. Unfortunately for the people of Woburn, this process has been inexcusably slow. The problems of Superfund, however, are another hearing. What concerns me, Mr. Chairman, is that even if Superfund were well administered, the Woburn waste site would be cleaned, and some property would be reimbursed. But there would be no federal compensation to victims for medical damage or loss of income due to disease or disability.

There would be no federal compensation for these victims, and current common law prevents many of these victims form successfully suing in court. Common law requirements such as apportionment of responsibility, proving negligence, meeting tough statutes of limitations, and proving direct causation has stopped most victims from collecting in court for their damages. The predicament of no federal compensation program and nearly insurmountable common law obstacles has put hazardous waste victims between a rock and a hardplace. In 1980, Congress turned its back on those people caught in this untenable position by deleting provisions for victims compensation. In its place, Congress inserted, in a response becoming all too familiar for this member—a study of the problem.

Well, Mr. Chairman, we have a study of the problem. And its conclusions are clear: Congress should provide a two-tier remedy for victims of hazardous waste exposure. The recommendations submitted in the Study Group report suggest a first tier, which most of the victims would use, which would provide quick, speedy, and relatively easy administrative relief. The second tier would alter common law and rules of procedure to facilitiate suits by injured parties. The two-tier remedy is designed to provide quick, limited relief to most people while maintaining and facilitating court remedy for a handful of victims.

Our bill, H.R. 2582 embodies the spirit, if not most of the recommendations of the Sec. 310(e) Study Group. The Hazardous Substance Victims Compensation Act would create a federal administrative compensation fund to reimburse certified vicitms for medical expenses and limited loss of income. The test for victims to become eligible is a fair one, not overly burdensome. A victim would have to show proof of exposure, proof of disease, proof of causation, and proof of compensable damages. These tests are not hard to meet, but are of sufficient severity to discourage frivolous or illegitimate claims.

The second tier provided by our bill, H.R. 2582, would create a federal cause of action, enabling victims to sue in federal court the liable parties. Injured parties could sue any owner, operator or transporter at a site where hazardous waste was treated, stored or disposed of and where exposure took place. The claimant has the advantage of joining liable parties and proving strict liability only, meaning the injured party does not need show negligence. In addition, H.R. 2582 will alter the statute of limitations which has prevented many victims from going forward with their case. The bill also helps the injured party meet some of the evidentiary burdens. In this way, suits will not be thrown out of court before a victim has a chance to plead his case.

These administrative and court remedy provisions are largely based on the Section 301(e) Study Group recommendations. At this point, I want to take time to thank the twelve members of the Study Group for the time and tremendous effort they each donated to produce a well thought out, well-written, and therefore, well respected treatise on victims compensation from hazardous wastes. Each of these members should be commended for the expertise and perspective he or she brought to the issue of victims compensation. And each of these members should be proud of providing a blueprint for Congress to deal with this complex question.

The Hazardous Substance Victims Compensation Act departs from the recommendation of the Study Group in only two instances. And both of these departures were taken to improve the applicability of the Study Group's recommendations.

The first difference with the Study Group's recommendation is the administration of the compensation fund. The Study Group recommended that the fund be administered at the state level, with strong federal oversight. The Study Group also stated, however, that: "the compensation remedy ought to be a uniform program, and the claimant's compensation award ought not to depend on the state or location where exposure occurred . . . The effort to encourage nationwide uniformity recognizes the national scope of the chemical industry, as well as the national source of funding from which the compensation awards will be paid." In light of this statement, which I agree with wholeheartedly, there seems to be no logical answer other than to place the administration of the compensation fund at the federal level. H.R. 2582 places the administration of the Fund with the EPA Administrator and the Social Security Administration to actually administer the claims. I believe this variation from the Study Group recommendations is an improvement on their ideas and consistent with the spirit of the Study Group's recommendations.

The second variation of H.R. 2582 with the Study Group recommendations occurs in the judicial remedy section. The Study Group recommended the several states change their several laws to end the common laws bias against victims' suits.

Our bill, H.R. 2582, does not rely on the states to change their numerous laws in order to provide victims a chance to have their day in court. We rejected the notion of trying to change the laws in 50 jurisdictions as unworkable, time consuming, and ultimately unproductive. Instead, H.R. 2582 creates a federal cause of action which enables victims to file suit in federal court against the liable parties. I might add that in drafting the bill we did accept the Study Group's recommendations on procedural changes, such as instituting joinder of parties, strict liability, changes in the statutes of limitations, and joint and several liability. These changes all have the beneficial effect of making it easier for plaintiffs to sue in federal court.

These changes, while on their face substantially different from the Study Group's recommendations, are consistent with the spirit, if not the letter, of the Group's recommendations. It is my firm belief that these changes improve the Study Group's recommendations by making them workable and easier to establish in the shortest period of time. I am confident that these changes, which tend to establish more administrative and judicial power at the federal level, serve all interests concerned with speedy compensation and remedy for victims.

Mr. Chairman, now that I have reviewed what H.R. 2582 is, I would like to comment on what H.R. 2582 is not. This bill is not the last, great victims compensation measure to come before the Congress. In the interest of limiting the scope of the bill, the Hazardous Substance Victims Compensation Act specifically excludes worker-related exposure from some toxic substances, such as auto emissions. This was done to limit the bill to a manageable level.

In addition, the bill does not hold firms liable retroactively for their actions, and thereby open these firms to suit for actions where they did not receive fair notice. To open these firms up to retroactive lawsuits would be unfair and unconstitutional. What this bill does is provide immediate relief to victims and puts companies on notice: From this day foward, you will be held liable. So clean up your mess. I am confident that this factor alone will serve as a strong incentive to firms to take quick action to clean up their wastes sites.

In conclusion, Mr. Chairman, I want to remind my colleagues that victims compensation is the central environmental issue in Congress this session. This issue is so critical because the hazardous waste sites which mar our landscape like a bad case of acne, in the words of former EPA Administrator Mrs. Gorsuch, are a "ticking time bomb."

Well, Mr. Chairman, in some areas of our country, this time bomb has already gone off. And every person in this room can be sure that we will witness an explosion of hazardous waste victims in our lifetimes. Hazardous wastes, much like nuclear wastes which I know a little more about, create a situation in which we as a society have set loose forces in the environment which we do not fully understand. Nor know how to contain. Yet some people don't want to take action until we have victims in the streets.

Now that we have identified the problem, it is our duty as a society, and as a representative, to try to control, if not ameliorate these forces let loose in the environment. Accordingly, I urge the Subcommittee to take action soon, so we can provide some compensation and hope to these victims.

These victims are in Woburn, and in sites in New Jersey, Michigan, New York and throughout our country, waiting for Congress to take action. They are waiting for Congress to finally place as much value on a person's health as on his house. Mr. Chair-

man, they are waiting for the legislation that was, in reality, needed yesterday.●

PHILADELPHIA INQUIRER SUPPORTS RAIL LINE

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. FLORIO. Mr. Speaker, a short while ago, the House debated the merits of a $30 million Federal investment to rehabilitate the rail line between Philadelphia and Atlantic City, a project supported by the State of New Jersey. The House decided that this was a worthwhile Federal investment in our transportation infrastructure.

Recently, the Philadelphia Inquirer published an editorial endorsing rehabilitation of this line. The editorial also points out the importance of providing commuter service once the line is rehabilitated. The editorial follows:

[From the Philadelphia Inquirer, June 22, 1983]

THE REGION WOULD BENEFIT FROM ATLANTIC CITY TRAINS

Atlantic City became the nation's most visited tourist attraction last year, surpassing Disney World in Florida, which had held the honor. More than 23 million visitors swarmed into Atlantic City, about double the 11.6 million who went to Las Vegas.

The figures are enormous—but not surprising to any one who has been caught in the traffic jams that have steadiy worsened in Atlantic City since casino gambling began in 1978. Congestion on Pacific Avenue, the main thoroughfare closest to the Boardwalk, is often even greater than around the craps tables.

Of last year's 23 million visitors, 13 million traveled by car and nearly 10 million by bus. Only about 300,000 traveled by air. More than 100,000 buses transported visitors to casinos in the first quarter of 1983—an average of well over 1,000 buses a day—and the number is rising rapidly.

Casino employees, totaling about 30,000 are prohibited from driving to work. They have to leave their cars at parking lots on the outskirts of the city and go the rest of the way in shuttle buses. They are not included in the bus statistics cited above.

Without remedial action the traffic will worsen. Nine casinos are operating now. Another is scheduled to open next year and at least three more are expected in 1985 or 1986.

Completely aside from how anyone feels about gambling and providing transportation for gamblers, it is essential that there be broad public understanding that a traffic emergency exists and will intensify. It endangers not only Atlantic City but many highways serving the shore resorts including the Atlantic City Expressway and the Garden State Parkway.

Thus, the need for train service from Philadelphia to Atlantic City, with commuter stops in the South Jersey suburbs, should be clear. Inauguration of service took a step closer last week with U.S. House Appropriations Committee approval of $30 million to rehabilitate the railroad right-of-way. A $20 million match from state or local sources would be required for the project, including construction of a new passenger station in Atlantic City that is expected to be funded entirely by casino owners. Amtrak, which would operate the trains, would have to cover 80 percent of operating costs in the first year and 100 percent in subsequent years.

Gov. Kean has insisted properly that substantial commuter service to both Philadelphia and Atlantic City be included. He does not object, nor should he, to express trains making just one stop in the South Jersey suburbs.

Some members of Congress and others have questioned whether federal subsidies should be used to transport gamblers. The fact is that fast-growing South Jersey has needed improved public transportation for years, long before the casinos came to Atlantic City. Heavy travel to casinos has made train service financially feasible. Commuter service along with casino service would make South Jersey residents principal beneficiaries.

Federal transportation funds are severely limited. If New Jersey doesn't go forward with the Atlantic City rail project, the U.S. subsidy for a share of the cost almost certainly would be diverted to some other state. The cost to New Jersey should be relatively small in relation to transportation benefits. Casino owners, besides indicating a willingness to pay part of capital costs, presumably would subsidize operating costs through cash bonuses or other incentives similar to those provided for bus passengers.

South Jersey communities understandably want assurances about adequate local service and safe, environmentally sound operations, but they should not lose sight of the overriding consideration: Revival of train service between Philadelphia and Atlantic City, with interim stops, would be a welcome gain for energy-efficient public transportation in a nation that has tragically neglected its railroads. South Jersey residents and motorists, those who don't gamble as well as those who do, would benefit from some measure of traffic relief.

The 23 million visitors a year—and the number is growing—aren't going to go away. You can bet on it.●

ANHEUSER-BUSCH BEER RETURNED

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. CONYERS. Mr. Speaker, I wish to bring to the attention of my colleagues the matter of the continuing boycott against products of the Anheuser-Busch Cos., Inc., organized primarily by Operation PUSH.

I, as did other Members of Congress, received a gift case of beer from the Anheuser-Busch Co. The gift, I assume, was part of the company's general effort to market its products. My response was to return the gift and forward a letter the the chairman of the Anheuser-Busch, Mr. August Busch III, in which I outlined the reasons the gift was returned. I am including my letter in the CONGRESSIONAL RECORD so that my colleagues might be able to review some of the concerns black Americans have about the investment policies of Anheuser-Busch specifically, and other American corporations in general.

The letter follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., June 29, 1983.

Mr. AUGUST BUSCH III,
Chairman, Anheuser-Busch Co., Inc.,
St. Louis, Mo.

DEAR MR. BUSCH: As an inveterate beer drinker, it pained me to return your gift case of beer. I confess, I entertained thoughts of enjoying the beer and continuing the boycott, but my colleague, Congressman Gus Savage reminded me in a letter he circulated to Congress, that there was a principle involved and it would be inappropriate for me to do both. I am, therefore, returning the beer with this letter of explanation, and a request to meet with you as soon as conveniently possible.

As you know, Operation PUSH, after exhaustive research, and numerous attempts to negotiate with your company, felt it had no recourse but to call a national boycott of your beverages. The reason underlying this boycott can be simply put: Black Americans want a fair share of their return for their investment made through consumption of your product.

PUSH estimates that Blacks account for 15 percent of your sales market, and Fortune Magazine, no foe of business, estimates a lower figure of 10 percent. Operation PUSH rationally concluded through its calculations that Blacks should receive reciprocally at least 10 percent of the benefits of your company.

Using this formula, the Black share of Anheuser-Busch Company falls into five main categories: policy or administration; ownership of distributorships; overall employment; procurement of goods and services; and corporate contributions.

No one is asking for something for nothing. Blacks, indeed, spend a minimum of $660 million annually on Anheuser-Busch products, roughly three times your profit margin. It is fair to assume that this amount could increase if more Blacks were truly involved in the production, distribution and sales of your products.

Possibly, someone in your company has expressed a business logic which resulted in Blacks owning only one out of a total of 950 wholesale distributorships, and it is even conceivable that some high-level discussion resulted in Blacks having only 4 percent of your 99 director and administrator positions. While I submit that these practices are grossly unfair, I suggest also that they represent very poor business tactics.

Times are changing. Many corporations have made far more drastic changes than the ones recommended to you, and they have reaped tremendous benefits for making them.

It is not clear to me why there cannot be discussions between all the parties concerned. If it would serve a useful purpose, I invite you to meet with me and my colleagues to discuss this matter further.

Sincerely,

JOHN CONYERS, Jr.,
Member of Congress.●

INTERNATIONAL MONETARY FUND

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. KAPTUR. Mr. Speaker, before the House begins consideration of the bill to increase the quota for the International Monetary Fund (IMF) we must consider the impact which IMF policies have on the masses of poor people in the borrowing nations. In country after country, export-led development policies have often substituted for internal policies aimed at self-sufficiency. In addition, the IMF's strategy of using austerity as a solution to the payments problem further damages the ability of the poor to meet their basic needs.

Several years ago, Congress passed legislation requiring the U.S. Executive Director to the IMF to insure that loan agreements do not adversely affect borrower's plans for economic development and the basic human needs of their poorer citizens. This provision, section 33 of the Bretton Woods Agreement Act, was added to the law because many then in Congress were concerned that the IMF was unnecessarily damaging the chances for long-term economic growth as well as forcing the poor to bear most of the short-term burden. More specifically, section 33 requires the executive branch to undertake a variety of measures to limit the damage to development plans, social services, economic growth and the basic human needs of the poor frequently associated with conditions placed on standby arrangements between the IMF and its members. Implementation of this provision is even more crucial today than it was 3 years ago. Yet, to many experts, it appears that this excellent legislation has been ignored.

Thus, I, along with 26 of my colleagues, sent a letter to Secretary of the Treasury, Donald Regan, regarding implementation of section 33. We requested that Secretary Regan describe the steps the Treasury Department has taken to implement section 33. The letter follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., July 5, 1983.

Hon. DONALD REGAN,
Secretary, Department of the Treasury, Washington, D.C.

DEAR MR. SECRETARY: We are writing you concerning the implementation of Section 33 of the Bretton Woods Agreement Act. In 1980, Section 33 (known as the Reuss-Cavanaugh Basic Human Needs amendments) was added to the act by Section 2(a) of Pub. L. 96-389. This section requires the executive branch to undertake a variety of measures to limit the damage to development plans, social services, economic growth and the basic human needs of the poor frequently associated with conditions placed on standby arrangements between the International Monetary Fund (IMF) and its members.

This is an excellent section, based on sound economic and humanitarian grounds. Congress approved it out of the conviction that the IMF, although not a development agency, had become a critical factor in the efforts of developing countries to promote equitable development. If vigorously implemented, this section could conceivably do more to further the developmental goals of Sections 101 to 106 of the Foreign Assistance Act and Titles IX and XI of the International Financial Institutions Act than the funds authorized under those acts themselves. It also would enhance prospects for defusing the debt crisis by establishing stronger, sounder economic growth in the longer term.

However, it appears to us to be possible that the general intent and some specific requirements of Section 33 have not been implemented. During the upcoming debate on the House floor on H.R. 2957 some Members may offer amendments to insure implementation of Section 33. Your responses to the following questions would be most helpful in informing the debate on this issue. The questions refer to specific subsections of Section 33, and quotations are taken from the relevant subsection.

33(a)

Have implementing regulations or other instructions of policy been distributed to "the Secretary of the Treasury, the Secretary of State, and other appropriate Federal officials" on what "appropriate means" should be used "to encourage countries, in formulating economic adjustment programs to deal with their balance of payments difficulties, to design those programs so as to safeguard, to the maximum extent feasible, jobs, investment, real per capita income, policies to reduce the gap in wealth between rich and poor, and social programs such as health, housing, and education?"

In what instances and with what means were countries so encouraged?

33(b)(1)

At hearings before Chairman Neal's Subcommittee on International Trade, Investment and Monetary Policy in 1981, the Department of the Treasury testified that great caution needed to be exercised in implementing subsection 33(b)(1). Our questions here do not refer to Treasury's opinion of this piece of legislation, although such a statement would be most welcome. We are merely requesting information on the dates of implementation of subparagraphs (A), (B), and (C) over the past three years.

Have implementing regulations or other instructions of policy been drawn up for this subsection?

On what dates and in what fashion did "United States representatives to the Fund . . . recommend and . . . work for changes in Fund guidelines, policies and decisions that would—

(A) permit standby arrangements to be extended beyond three years, as necessary to enable Fund members to implement their economic adjustment programs successfully;

(B) provide that in approving any economic adjustment program the Fund shall take into account the effect such program will have on jobs, investment, real per capita income, the gap in wealth between the rich and poor, and social programs such as health, housing, and education, in order to seek to minimize the adverse impact of those adjustment programs on basic human needs; and

(C) provide that letters of intent submitted to the Fund in support of an economic adjustment program reflect that the member country has taken into account the effect such program will have on the factors listed in subparagraph (B)?"

33(b)(2)

Have implementing regulations or other instructions of policy been drawn up for this subsection?

Has "any analysis (been) prepared by the Fund or (a) member country in accordance with subparagraphs (B) and (C) of paragraph (1)?"

If not, please describe the process through which you, as United States Governor of the Fund, have prepared for each economic adjustment program an analysis "which examines the effect of the program on the factors listed in subparagraph (B) of paragraph (1)?"

Specifically, what is the role of the Agency for International Development in preparing this analysis?

Could you provide us with a sample of these analyses?

How does the U.S. Executive Director take these analyses into account in voting on standby arrangements?

33(b)(3)

Have implementing regulations or other instructions of policy been provided to the "United States representatives to the Fund, to the Bank, and to other appropriated institutions" describing how they "shall work toward improving coordination among these institutions and, in particular, shall work toward formulation of programs in association with economic adjustment programs supported by Fund resources which—

(A) will, among other things, promote employment, investment, real income per capita, improvements in income distribution, and the objectives of social programs such as health, housing, and education, and

(B) will, to the maximum extent feasible and consistent with the borrowing country's need to improve its balance of payments position within a reasonable period, ameliorate any adverse effects of economic adjustment programs on the poor?"

What steps have been taken to formulate such programs?

When were meetings held between the various representatives to address the requirements of this subsection?

33(b)(4)

When did the "United States representatives to the Fund and the Bank . . . seek amendments to decisions on policies on the use of Fund and Bank resources to provide that, where countries are seeking Extended Fund Facility or upper credit tranche drawings from the Fund and are eligible to receive financing from the Bank, the Fund and Bank will coordinate their financing activities in order—

(A) to take into account the effects of economic adjustment programs on the areas listed in clause (a) of paragraph (2),

(B) to provide, to the extent feasible, Bank project loans designed to safeguard and further basic human needs in countries adopting economic adjustment programs supported by Fund resources, and

(C) to provide, as appropriate, Bank financing for programs of structural adjustment that will facilitate development of a productive economic base and greater attainment of basic human needs objectives over the longer term?"

33(b)(5)

On what dates did the "United States representative to the Fund and the Bank . . . request the Fund and the Bank to provide periodic analyses of the effects of economic adjustment programs supported by Fund or Bank financing on jobs, investment, real income per capita, income distribution, and social programs such as health, housing, and education?"

Please provide us with the text of such requests.

Have the Fund and the Bank responded to the requests?

Please provide us with their responses.

Thank you for your attention to this inquiry. We look forward to hearing from you at your earliest convenience.

Sincerely,

Jerry M. Patterson, Charles E. Schumer, Barney Frank, Marcy Kaptur, Mike Lowry, Julian C. Dixon, Howard Wolpe, James L. Oberstar, Parren J. Mitchell, David E. Bonior, Mickey Leland, Tom Harkin, Bruce F. Vento, Bruce A. Morrison, Edward F. Feighan, Robert Garcia, Lawrence J. Smith, Don Edwards, Louis Stokes, Ronald V. Dellums, Byron L. Dorgan, Ted Weiss, Howard L. Berman, George W. Crockett, Jr., Barbara Boxer, Katie Hall, Edolphus Towns.●

H.R. 3502

HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1983

● Mr. SYNAR. Mr. Speaker, I recently introduced the Patent Term Restoration Act of 1983, and since then I have received numerous requests from colleagues and staff for copies of this legislation. To insure that all interested parties have an opportunity to review this legislation, I would appreciate that the text of H.R. 3502 be printed below.

The bill follows:

H.R. 3502

A bill to amend the patent law to restore the term of the patent grant for the period of time that nonpatent regulatory requirements prevent the marketing of a patented product

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 "Patent Term Restoration Act of 1983".

SEC. 2. (a) Title 35 of the United States Code is amended by adding the following new section immediately after section 154:

"§ 155. Restoration of patent term

"(a)(1) Except as provided in paragraphs (3) and (4), the term of a patent which encompasses within its scope a product subject to regulatory review, or a method for using such a product or a method for producing such a product, shall be extended from the original expiration date of the patent by the amount of time equal to the regulatory review period if—

"(A) the owner of record of the patent gives notice to the Commissioner in compliance with the provisions of subsection (b)(1);

"(B) the product has been subjected to regulatory review pursuant to statute before its commercial marketing or use; and

"(C) the patent to be extended has not expired prior to notice to the Commissioner under subsection (b)(1).

"(2) The rights derived from any claim of any patent extended under paragraph (1) shall be limited—

"(A) in the case of any patent, to the scope of such claim which relates to the product subject to regulatory review; and

"(B) in the case of a patent which encompasses within its scope a product—

"(i) which is subject to regulatory review under the Federal Food, Drug, and Cosmetic Act, to the uses of the product which may be regulated by the chapter of such Act under which the regulatory review occurred, or

"(ii) which is subject to regulatory review under any other statute, to the uses of the product which may be regulated by the statute under which the regulatory review occurred.

"(3) In no event shall the term of any patent be extended for more than seven years or shall more than one patent be extended for the same regulatory review period for the product.

"(4) The term of a patent which encompasses within its scope a method for producing a product may not be extended under this section if—

"(A) the owner of the record of such patent is also the owner of record of another patent which encompasses within its scope the same product; and

"(B) such patent on such product has been extended under this section.

"(b)(1) To obtain an extension of the term of a patent under subsection (a), the owner of record of the patent shall notify the Commissioner under oath, within ninety days after the termination of the regulatory review period for the product to which the patent relates, that the regulatory review period has ended. Such notification shall be in writing and shall—

"(A) identify the Federal statute under which regulatory review occurred or, if the regulatory review occurred under the Federal Food, Drug, and Cosmetic Act, the chapter of the Act under which the review occurred;

"(B) state the dates on which the regulatory review period commenced and ended;

"(C) identify the product for which regulatory review was required;

"(D) state that the requirements of the statute under which the regulatory review referred to in subsection (a)(1)(B) occurred have been satisfied and commercial marketing or use of the product is not prohibited; and

"(E) identify the patent and any claim thereof to which the extension is applicable and the length of time of the regulatory review period for which the term of such patent is to be extended and state that no other patent has been extended for the regulatory review period for the product.

"(2) Upon receipt of the notice required by paragraph (1), the Commissioner shall promptly publish in the Official Gazette of the Patent and Trademark Office the information contained in such notice. Unless the requirements of this section have not been met, the Commissioner shall issue to the owner of record of the patent a certificate of extension, under seal, stating the fact and length of the extension and identifying the product and the statute under which regulatory review occurred and specifying any claim to which such extension is applicable. Such certificate shall be recorded in the official file of the patent so extended and shall be considered as part of the original patent.

"(c) As used in this section:

"(1) The term 'product' means any machine, manufacture, or composition of matter for which a patent may be obtained and includes the following:

"(A) Any new drug, antibiotic drug, new animal drug, device, food additive, or color additive subject to regulation under the Federal Food, Drug, and Cosmetic Act;

"(B) any human or veterinary biological product subject to regulation under section 351 of the Public Health Service Act or under the virus, serum, toxin, and analogous products provisions of the Act of Congress of March 4, 1913 (21 U.S.C. 151-158);

"(C) any pesticide subject to regulation under the Federal Insecticide, Fungicide, and Rodenticide Act; and

"(D) any chemical substance or mixture subject to regulation under the Toxic Substances Control Act.

"(2) The term 'major health or environmenal effects test' means an experiment to determine or evaluate health or environmental effects which requires at least six months to conduct, not including any period for analysis or conclusions.

"(3) The term 'regulatory review period' means—

"(A) with respect to a product which is a food additive, color additive, new animal drug, veterinary biological product, device, new drug, antibiotic drug, or human biological product, a period commencing on the earliest of the date the patentee, his assignee, or his licensee—

"(i) initiates a major health or environmental effects test on such product, the data from which are submitted in an application or petition with respect to such product under the Federal Food, Drug, and Cosmetic Act, the Public Health Service Act, or the Act of Congress of March 4, 1913,

"(ii) claims an exemption for investigation or requests authority to prepare an experimental product with respect to such product under such statutes, or

"(iii) submits an application or petition with respect to such product under such statutes,

and ending on the date such application or petition with respect to such product is approved or licensed under such statutes or, if objections are filed to such approval or license, ending on the date such objections are resolved and commercial marketing is permitted or, if commercial marketing is initially permitted and later revoked pending further proceedings as a result of such objections, ending on the date such proceedings are finally resolved and commercial marketing is permitted;

"(B) with respect to a product which is a pesticide, a period commencing on the earliest of the date the patentee, his assignee or his licensee—

"(i) initiates a major health or environmental effects test on such pesticide, the data from which are submitted in a request for registration of such pesticide under section 3 of the Federal Insecticide, Fungicide, and Rodenticide Act,

"(ii) requests the grant of an experimental use permit for such pesticide under section 5 of such Act, or

"(iii) submits an application for registration of such pesticide pursuant to section 3 of such Act.

and ending on the date such pesticide is first registered under section 3 of such Act, either conditionally or fully; and

"(C) with respect to a product which is a chemical substance or mixture for which notification is required under section 5(a) of the Toxic Substances Control Act—

"(i) which is subject to a rule requiring testing under section 4(a) of such Act, a period commencing on the date the patentee, his assignee, or his licensee has initiated the testing required in such rule and ending on the expiration of the premanufacture notification period for such chemical substance or mixture, or if an order or injunction is issued under section 5(e) or 5(f) of such Act, the date on which such order or injunction is dissolved or set aside;

"(ii) which is not subject to a testing rule under section 4 of such Act, a period commencing on the earlier of the date the patentee, his assignee, or his licensee—

"(I) submits a premanufacture notice, or

"(II) initiates a major health or environmental effects test on such chemical substance or mixture, the data from which are included in the premanufacture notice for such substance or mixture,

and ending on the expiration of the premanufacture notification period for such substance or if an order or injunction is issued under section 5(e) or 5(f) of such Act, the date on which such order or such injunction is dissolved or set aside;

except that the regulatory review period shall not be deemed to have commenced until a patent has been granted for the product which is subject to regulatory review, for the method for using such product, or for the method for producing such product. In the event the regulatory review period has commenced prior to the date of enactment of this section, then the period of patent extension shall be measured from January 3, 1983, or the date the regulatory review period commences, whichever occurs later.

(b) The analysis for chapter 14 of title 35, United States Code, is amended by adding at the end the following:

"155. Restoration of patent term.".●

SENATE COMMITTEE MEETINGS

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

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

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

Meetings scheduled for Tuesday, July 12, 1983, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JULY 13

9:00 a.m.

Select on Indian Affairs

To hold hearings on S. 1148, to provide for the use and distribution of funds awarded the Assiniboine Tribe of the Fort Belknap Indian Community, Montana, and the Assiniboine Tribe of the Fort Peck Indian Community, Montana by the U.S. Court of Claims.

SD-628

9:30 a.m.

Commerce, Science, and Transportation

To resume hearings on S. 1108, proposed Highway Safety Act, focusing on title IV, to provide for increased coordination between Federal, State, and local governments in the transportation of hazardous materials.

SR-253

Judiciary

To hold hearings on the nominations of Morris B. Abram, of New York, John H. Bunzel, of California, and Robert A. Destro, of Wisconsin, each to be a member of the Commission on Civil Rights, and Linda C. Gersten, of the District of Columbia, to be Staff Director for the Commission on Civil Rights.

SD-106

Labor and Human Resources

To hold hearings on home health care services.

SD-430

10:00 a.m.

Agriculture, Nutrition, and Forestry

Business meeting, to markup certain provisions relating to aquaculture of S. 1101, to authorize funds for fiscal years 1984, 1985, and 1986 for certain fishery programs, and S. 663, to prohibit price and other Federal crop supports on highly erodible lands which have not been cultivated for agricultural purposes in the last 10 years.

SR-328

Appropriations

District of Columbia Subcommittee

To resume hearings on proposed budget estimates for fiscal year 1983 for the government of the District of Columbia, focusing on the Department of Corrections.

SD-138

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Finance

Business meeting, to consider the administration's spending reduction proposals for fiscal year 1984 for those programs which fall within the committee's jurisdiction; and to hear and consider the nomination of Stephen J. Swift, of California, to be a judge of the U.S. Tax Court.

SD-215

Small Business

Urban and Rural Economic Development Subcommittee

To hold hearings on certain small business capital formation proposals.

SR-428A

Veterans' Affairs

To hold oversight hearings on certain health issues affecting veterans, focusing on the recruitment and retention of VA medical staff, and to examine the location of certain VA facilities to rural areas.

SR-418

Select on Intelligence

Legislation and the Rights of Americans Subcommittee

To hold closed hearings on intelligence matters.

S-407, Capitol

Joint Economic

To resume hearings on industrial policy, economic growth, and competitiveness of U.S. industry.

2168 Rayburn Building

JULY 14

9:00 a.m.

Environment and Public Works

Environmental Pollution Subcommittee

Business meeting, to resume markup of S. 757, authorizing funds for fiscal years 1983 through 1987 for programs of the Solid Waste Disposal Act.

SR-485

9:30 a.m.

Agriculture, Nutrition, and Forestry

Agricultural Production, Marketing, and Stabilization of Prices Subcommittee

To hold hearings on S. 1368, to permit the Secretary of Agriculture to issue marketing orders regulating the handling of eggs.

SR-328A

Banking, Housing, and Urban Affairs

To hold hearings on the nomination of Paul A. Volcker, of New Jersey, to be Chairman of the Board of Governors of the Federal Reserve System.

SD-538

10:00 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Environment and Public Works

Nuclear Regulation Subcommittee

To resume hearings on S. 893 and S. 894, bills to provide an effective and efficient licensing and regulatory process for the siting, construction, and operation of nuclear powerplants.

SD-406

Governmental Affairs

Civil Service, Post Office, and General Services Subcommittee

To resume hearings on S. 958, to reform the current merit pay system of the Federal Government.

SD-342

Judiciary

Business meeting, to consider pending calendar business.

SD-226

Labor and Human Resources

Alcoholism and Drug Abuse Subcommittee

To hold hearings on problems developing from the manufacture and distribution of imitation controlled substances known as "look-alike drugs."

SD-628

Rules and Administration

To hold hearings on the nominations of Joan D. Aikens, of Pennsylvania, and John W. McGarry, of Massachusetts, each to be a member of the Federal Election Commission, and Senate Joint Resolution 103, to provide for

the appointment of Jeannine Smith Clark as a Citizen Regent of the Smithsonian Institution.
SR-301

Select on Intelligence
Closed briefing on intelligence matters.
S-407, Capitol

Joint Economic
To continue hearings on industrial policy, economic growth, and competitiveness of U.S. industry.
2168 Rayburn Building

11:30 a.m.
Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
Business meeting, to markup S. 958, to reform the current merit pay system of the Federal Government, and S. 1513, to authorize funds for fiscal years 1984 through 1988 for the National Historical Publications and Records Commission.
SD-342

1:00 p.m.
Labor and Human Resources
Aging Subcommittee
To hold hearings on future directions in nursing home health care.
SD-430

2:00 p.m.
Banking, Housing, and Urban Affairs
To continue hearings on the nomination of Paul A. Volcker, of New Jersey, to be Chairman of the Board of Governors of the Federal Reserve System.
SD-538

Environment and Public Works
Nuclear Regulation Subcommittee
To continue hearings on S. 893 and S. 894, bills to provide an effective and efficient licensing and regulatory process for the siting, construction, and operation of nuclear powerplants.
SD-406

3:00 p.m.
Select on Ethics
Closed meeting to consider pending committee business.
S-207, Capitol

JULY 15

9:30 a.m.
Finance
Savings, Pensions and Investment Policy Subcommittee
To hold hearings to examine trends in the projected life expectancy of U.S. citizens.
SD-215

Labor and Human Resources
To resume oversight hearings on activities of the Legal Services Corporation.
SD-430

10:00 a.m.
Environment and Public Works
To resume hearings on national infrastructure issues, and on proposals to develop long-term public works job opportunities, including S. 23, S. 532, and S. 1330.
SD-406

JULY 18

9:30 a.m.
Finance
Energy and Agricultural Taxation Subcommittee
To hold hearings on S. 1193, to treat certain heating of phosphate rock as mining for purposes of percentage depletion, S. 1237, to clarify the definition of geothermal energy, S. 1303, to make the ground water heat pump eligible for the residential energy and investment tax credits, and S. 1305, to extend the energy tax credit for investments in certain classes of energy property; to be followed by the Subcommittees on Energy and Agricultural Taxation and Taxation and Debt Management holding joint hearings on S. 1231, to exempt certain piggyback trailers and semitrailers from the excise tax on sales of heavy trucks and trailers.
SD-215

10:00 a.m.
Environment and Public Works
Water Resources Subcommittee
To resume hearings on S. 947, authorizing funds for fiscal years 1984 through 1988 for water resources construction projects of the U.S. Army Corps of Engineers, and to begin hearings on S. 669, authorizing funds for the construction of a project for navigation at the Bonneville lock and dam, Oregon and Washington, and S. 1554, providing for the recovery of a certain portion of Federal funds for the construction, operation, and maintenance of the national inland waterway system.
SD-406

Judiciary
Administrative Practice and Procedure Subcommittee
To hold hearings on the recent Supreme Court ruling to repeal the legislative veto.

JULY 19

8:30 a.m.
Small Business
To hold oversight hearings on the Small Business Administration's small business development center program.
SR-428A

9:30 a.m.
Banking, Housing, and Urban Affairs
Consumer Affairs Subcommittee
To hold hearings on S. 1152, to provide consumers with certain cost information relating to consumer leases, and to extend certain disclosure requirements to rental-purchase agreements.
SD-538

Finance
To hold hearings on S. 1564, to deny certain tax incentives for property used by governments and other tax-exempt entities.
SD-215

Judiciary
Juvenile Justice Subcommittee
To resume hearings on S. 522, to remove certain juvenile offenders not being tried as adults from adult detention centers.
SD-226

Labor and Human Resources
To hold hearings to examine fire safety issues.
SD-430

10:00 a.m.
Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 752, to provide for certain measures to reduce the salinity of the Colorado River.
SD-366

Select on Intelligence
To resume hearings in closed session on S. 1324, to regulate public disclosure of Central Intelligence Agency information.
SD-232A

Select on Indian Affairs
To hold hearings on S. 1499, to provide for the settlement of certain claims of the Mashantucket Pequot Indians, and S. 1196, to confer jurisdiction on the U.S. Claims Court with respect to certain claims of the Navajo Indian Tribe.
SD-608

Joint Economic
To hold hearings to review the gross national product for the second quarter of 1983.
SD-628

2:00 p.m.
Small Business
To continue oversight hearings on the Small Business Administration's small business development center program.
SR-428A

JULY 20

9:30 a.m.
Labor and Human Resources
Business meeting, to resume markup of S. 564, to establish the U.S. Academy of Peace.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings to investigate alleged involvement of organized crime and mismanagement of funds in the hotel and restaurant workers union (HEREIU).
SD-342

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold oversight hearings on Federal nonproliferation policy.
SD-562

Joint Economic
To hold hearings on structural changes and the future of the American economy.
SD-628

JULY 21

9:30 a.m.
Small Business
To hold oversight hearings on the Small Business Administration's program delivery.
SR-428A

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings to investigate alleged involvement of organized crime and mismanagement of funds in the hotel and restaurant workers union (HEREIU).
SD-342

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on S. 1356, to authorize certain Federal agencies to contract with private law firms for the litigation of Federal Government debt.
SD-562

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on a Presidential Commission report on excellence in education.
SD-430

Veterans' Affairs
Business meeting, to mark up S. 1388, to increase the rates of disability compensation for disabled veterans and to increase the rate of dependency and indemnity compensation for surviving spouses and children of veterans, and related proposals, including S. 859, S. 995, S. 1187, S. 1318, S. 1371, S. 1401, S. 1402, and S. 1403, and other pending calendar business.
SR-418

Select on Indian Affairs
To hold oversight hearings on certain activities of the Branch of Federal Acknowledgment within the Bureau of Indian Affairs.
SD-608

2:00 p.m.
Foreign Relations
To hold hearings on recent developments with respect to the U.S. Information Agency.
SD-419

JULY 22

9:30 a.m.
Finance
Economic Growth, Employment and Revenue Sharing Subcommittee
To hold hearings on the future of U.S. basic industries.
SD-215

Labor and Human Resources
To hold hearings to receive a task force report on the vaccine for pertussis.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Joint Economic
To resume hearings on industrial policy, economic growth, and competitiveness of U.S. industry.
2168 Rayburn Building

2:00 p.m.
Energy and Natural Resources
To resume oversight hearings on the geopolitics of strategic and critical minerals.
SD-366

Finance
Social Security and Income Maintenance Programs Subcommittee
To hold hearings on S. 960, to assist women in making career choices in the home or the labor force.
SD-215

JULY 25

9:30 a.m.
Finance
Economic Growth, Employment and Revenue Sharing Subcommittee
To resume hearings on the future of U.S. basic industries.
SD-215

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

2:00 p.m.
Energy and Natural Resources
To hold hearings on S. 1132, to establish a maximum ceiling on the annual charge to be fixed by the Federal Energy Regulatory Commission for a licensee's use of a Government dam or other structures owned by the United States.
SD-366

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on the proposed Alien Education Assistance Act.
SD-430

JULY 26

9:00 a.m.
Office of Technology Assessment
The Board to hold a general business meeting.
EF-100, Capitol

9:30 a.m.
Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 1173, proposed Federal mine safety and health amendments.
SR-485

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Foreign Relations
Business meeting, to consider certain arms reduction proposals, including Senate Resolution 57, Senate Joint Resolution 2, Senate Joint Resolution 29, Senate Resolution 159, Senate Joint Resolution 74, Senate Concurrent Resolution 46, Senate Resolution 107 and Senate Resolution 83.
SD-419

Labor and Human Resources
Aging Subcommittee
To hold hearings on proposed legislation authorizing funds for nutrition programs of the Older Americans Act.
SD-430

Select on Indian Affairs
To hold hearings on S. 1151, to compensate heirs of deceased Indians for improper payments from trust estates to States or political subdivisions thereof as reimbursements for old age assistance received by decedents during their lifetime, and House Joint Resolution 158, to make a technical amendment to the Indian Land Consolidation Act (Public Law 97-459); to be followed by a business meeting, to mark up the aforementioned measures and S. 1499, to provide for the settlement of certain claims of the Mashantucket Pequot Indians, and S. 1196, to confer jurisdiction on the U.S. Claims Court with respect to certain claims of the Navajo Indian Tribe.
SD-608

2:00 p.m.
Energy and Natural Resources
Public Lands and Reserved Water Subcommittee
To hold oversight hearings on the acquisition of land, and acquisition and termination of grazing permits or licenses issued by the Bureau of Land Management at the White Sands missile range in New Mexico.
SD-366

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on a Presidential commission report on excellence in education.
SD-430

JULY 27

9:30 a.m.
Governmental Affairs
Oversight of Government Management Subcommittee
To hold oversight hearings on the management of the U.S. Synthetic Fuels Corporation.
SD-342

Judiciary
Juvenile Justice Subcommittee
To hold oversight hearings on the problem of runaway and homeless children.
SD-226

Labor and Human Resources
Business meeting, to mark up S. 1133, to authorize funds for fiscal years 1984, 1985, and 1986 for the Legal Services Corporation.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Judiciary
Administrative Practice and Procedure Subcommittee
To hold hearings on S. 1520, to authorize redress payments to certain residents of the United States of Japanese-American, Aleut, or other ancestry who were interned, detained, or forcibly relocated by the U.S. Government during World War II.
SD-562

JULY 28

9:00 a.m.
Energy and Natural Resources
Public Lands and Reserved Water Subcommittee
To hold hearings on S. 5, to designate certain public lands in the State of California as wilderness, and H.R. 1437 and S. 1515, bills entitled the "California Wilderness Act of 1983".
SD-366

9:30 a.m.
Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 19 and S. 918, bills to revise current Federal pension law with respect to the rights and benefits of working and nonworking women, and related measures.
SD-430

10:00 a.m.
Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To resume oversight hearings on government management of natural gas import issues.
SD-342

Select on Indian Affairs
To hold oversight hearings on Indian health issues.
SR-485

JULY 29

9:30 a.m.
Finance
International Trade Subcommittee
To hold hearings on the President's authority to waive the freedom of immigration provisions of the Trade Act of 1974 (Public Law 93-618).
SD-215

AUGUST 2

8:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

AUGUST 3

8:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

9:30 a.m.
Labor and Human Resources
To resume hearings on health care cost issues.
SD-430

AUGUST 4

8:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

AUGUST 8

9:30 a.m.
Labor and Human Resources
To resume oversight hearings on the Department of Labor's law enforcement activities, focusing on the organized crime and racketeering section of the Department of Labor's Office of Inspector General's investigation of allegations involving the International Brotherhood of Boilermakers.
SD-430

SEPTEMBER 8

10:00 a.m.
Labor and Human Resources
Family and Human Services Subcommittee
To resume oversight hearings on the breakdown of the traditional family unit, focusing on the historical perspective and societal implications.
SD-430

SEPTEMBER 15

10:00 a.m.
Labor and Human Resources
Family and Human Services Subcommittee
To resume oversight hearings on the breakdown of the traditional family unit, focusing on causes and remedies.
SD-430

SEPTEMBER 20

11:00 a.m.
Veterans' Affairs
To hold hearings to receive legislative recommendations for fiscal year 1984 from the American Legion.
SR-325

CANCELLATIONS

JULY 13

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

JULY 14

9:30 a.m.
Small Business
Business meeting, to consider pending calendar business.
SR-428A