# HOUSE OF REPRESENTATIVES—*Tuesday, January 26, 1971*

The House met at 12 o'clock noon.

The Reverend John J. Waters, Society of Jesus, pastor, El Progreso, Honduras, offered the following prayer:

O God in whom we trust, as the House of Representatives convenes this day, continue to look favorably upon all who labor here, and assist them in their duties.

Grant the Members of this House all that they need to carry out more perfectly the duties they bear as Representatives of our people.

Grant them guidance and wisdom to know the true needs of our Nation; grant them patience and understanding in their deliberations as they seek to form the laws that will continue to bring peace and happiness to our Nation; grant them conviction and strength to accept the burdens of their office as they try their best to serve their people and our Nation.

We ask this of You, our triune God—and we seek Your blessings upon them and their labors—in the name of the Father, and of the Son, and of the Holy Spirit.

## THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

## MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Leonard, one of his secretaries.

## SWEARING IN OF MEMBERS

The SPEAKER. The Chair understands that some Members who have not yet taken the oath of office are here. If they will present themselves in the well of the House, the Chair will be glad to administer the oath.

Mr. HOSMER and Mr. ECKHARDT appeared at the bar of the House and took the oath of office.

## AUTHORIZING PAYMENT OF SALARIES OF CERTAIN COMMITTEE EMPLOYEES

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 92–1) on the resolution (H. Res. 17) authorizing payment of salaries of certain committee employees, and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

H. RES. 17

*Resolved,* That there shall be paid out of the contingent fund of the House of Representatives such sums as may be necessary to pay the salary for services performed in the period beginning January 3, 1971, and ending at the close of March 31, 1971, by each person—

(1) (A) who, on January 2, 1971, was employed by a standing or select committee in the Ninety-first Congress and whose salary was paid under authority of a House resolution adopted in that Congress or (B) who was appointed after January 2, 1971, to fill a vacancy, existing on or occurring after that date, in a position created under authority of such House resolution; and

(2) who is certified by the chairman of such committee as performing such services for such committee in such period.

Such salary shall be paid to such person at a rate not to exceed the rate he was receiving on January 2, 1971 (or, in the case of a person appointed after January 2, 1971, to fill any such vacancy, not to exceed the rate applicable on January 2, 1971, to the vacant position), plus any increase in his rate of salary which may have been granted for periods on and after February 1, 1971, pursuant to section 5 of the Federal Pay Comparability Act of 1970.

The resolution was agreed to.

A motion to reconsider was laid on the table.

## CONTINUING PROVISIONS RELATING TO POSITIONS ON THE U.S. CAPITOL POLICE FORCE UNDER THE HOUSE OF REPRESENTATIVES

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 92–2) on the resolution (H. Res. 150) adopting and continuing for the 92d Congress the provisions of the first section of House Resolution 1293, 91st Congress, relating to positions on the U.S. Capitol Police force under the House of Representatives, and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

H. RES. 150

*Resolved,* That effective as of noon on January 3, 1971, the provisions of the first section of House Resolution 1293, Ninety-first Congress, adopted December 17, 1970, relating to positions on the United States Capitol Police force under the House of Representatives, are hereby readopted and continued with respect to the Ninety-second Congress without break in the application and effect of such provisions.

SEC. 2. Until otherwise provided by law, effective as of noon of January 3, 1971, the contingent fund of the House of Representatives is made available to carry out the purposes of such House Resolution 1293 as readopted and continued in effect by this resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

## UNFINISHED BUSINESS OF 91ST CONGRESS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. 92–36)

The SPEAKER laid before the House the following message from the President of the United States; which was read and referred to the Committee of the Whole House on the State of the Union and ordered to be printed:

*To the Congress of the United States:*

This first special message to the Ninety-second Congress concerns itself not with the new, but with the familiar. As indicated in my State of the Union Message, this first request is that the unfinished business of the Ninety-first Congress be made the first business of the Ninety-second.

With this message, I am proposing to the Ninety-second Congress more than three dozen items of legislation which were previously submitted to the Ninety-first Congress. Some were acted on favorably by either the Senate or the House of Representatives. Some are being resubmitted in their original form. Others have been modified to meet legitimate concerns expressed by members of the Congress. Most will be in the hands of Congress today. All are bills which I consider to be in the national interest.

Although lengthy, this list does not contain all the measures proposed over the past two years which will be resubmitted to the Congress in this session.

There are other measures—measures to deal with strikes creating national emergencies, Social Security amendments, bail reform, aid for higher education, reform of the draft and steps to move toward an all-volunteer armed force, and other initiatives—which the Congress must also consider. I will deal with these separately.

In my message on the State of the Union, I outlined six great goals—goals which, by their accomplishment, could make this the greatest Congress in America's history as a nation.

These included one especially urgent item of unfinished business which I proposed to the 91st Congress: welfare reform. In fairness to the taxpayers, to the communities, and also to the children, we can afford to delay no longer in discarding the present system and replacing it with a new one.

In due course, I will be making more detailed proposals to the Congress for achieving the other goals that I outlined. Meanwhile, I believe that the items of unfinished business I propose today merit the prompt and careful consideration of the Congress. I believe they are good measures. I believe they are wise proposals. I believe they are necessary legislation. I urge the Congress to act favorably upon them.

ECONOMIC JUSTICE

Two proposals being resubmitted would promote economic justice. One would provide broader opportunities for Americans entering into new small businesses—especially black Americans and members of other minorities who need, but cannot acquire, the seed capital to go into business for themselves. The other would provide improved benefits for certain American workers.

AID TO SMALL BUSINESS

Ten months ago, several proposals were sent to the Congress to promote the prospects for success of small businesses in the United States. They included:

—Allowing private and corporate lenders an income tax deduction equal to twenty percent of the interest earned on Small Business Administration guaranteed loans, which would act as an incentive for loans to small businesses and minority enterprises;

—Providing managerial training to disadvantaged persons going into business for themselves;

—Authorizing banks to become sole sponsors of Minority Enterprise Small Business Investment Companies (MESBICs);

—Authorizing SBA to pay interest subsidies on loans it guarantees, in cases of demonstrated need;

—Liberalizing the net operating loss carryover rules and stock option provisions for qualified small businesses;

—Allowing tax deduction for contributions to nonprofit MESBICs.

Many of these amendments passed the Senate in the 91st Congress. I urge this Congress to give them a favorable response.

LONGSHOREMEN'S DISABILITY COMPENSATION

The existing minimum disability compensation for longshoremen and harbor workers was established in 1956—the maximum a decade ago. I am renewing the administration's proposal that these benefits be increased to a level more in line with the increased wages and living costs since the present levels were set. Other liberalizing provisions of the Longshoremen's and Harbor Workers' Compensation Act are being resubmitted as part of this proposal.

Under this legislation the recovery of damages by employees from their employers, including shipowners, would be limited to those specified under the Act. We seek to eliminate situations in which longshoremen are permitted to recover damages in suits against shipowners, which usually require the longshore employer to indemnify the shipowner for the damages paid.

AMERICA'S OVERDUE DEBTS

There are three groups of peoples, two of them among the earliest inhabitants of the Western Hemisphere, to whom this nation has outstanding obligations that ought to be met.

AMERICAN INDIANS AND ALASKA NATIVES

The first two of these are the American Indians and the Alaska Natives. After full consultation with Indian leaders is complete, the unenacted legislation outlined in my Message of last July 8 will be reviewed and promptly submitted again. An Alaska Native Claims bill will also be submitted which I believe will equitably resolve the Native claims in that State. These legislative proposals would take America in a new more hopeful direction in dealing with the problems of a terribly neglected minority of our people.

THE MICRONESIANS

Under the Executive Agreement of April 18, 1969 between Japan and the United States, inhabitants of the Trust Territory of the Pacific Islands are to be compensated for damages suffered during World War II. The agreement stipulates that each government will make ex gratia contributions of $5 million for the welfare of the people of Micronesia.

I am renewing the administration's request that the Congress authorize appropriations of $5 million to meet that commitment, and also that the Congress establish a five-member commission to settle the claims of individual Micronesians resulting from World War II and to determine the validity of additional claims for property damage arising after the war.

Congressional action on these matters would render overdue justice to the people of Micronesia.

PURE FOOD AND DRUGS

Two pieces of "preventive" legislation are being resubmitted dealing with the health of the American people. The first has to do with the wholesomeness of fish and fish products which form so significant a segment of the American diet; the second with preventing illness and death from accidental misuse of prescription drugs.

FISH INSPECTION

Fish and fish products, a major source of protein in the American diet, are highly perishable foods. Improperly handled, they become a medium for bacterial growth. The Wholesome Fish and Fishery Products Act, which is being resubmitted, would establish a broad surveillance and inspection system to assure the wholesomeness and quality of both domestic and imported fishery products.

Recent reports of mercury residues in both inland and deep sea fish provide urgent and concurring arguments for immediate passage of this legislation.

DRUG IDENTIFICATION

Every year some Americans, in times of medical emergency, are poisoned by drugs of unidentified composition. Some of these men, women, and children die from these poisonings; others suffer lasting physical harm. While these occurrences are not commonplace, their number can and should be reduced to an absolute minimum. To achieve that objective—to permit the rapid identification of prescription drugs in emergency situations—this administration again proposes the coding of all drugs. Such coding will also facilitate recalls of drugs when necessary to protect public health.

Some manufacturers already use coding systems for immediate identification and inventory control. A universal system of coding of drugs would benefit the entire drug industry—and perhaps save the lives of scores of Americans and their children in years ahead.

TOWARD A MORE SECURE AND DECENT SOCIETY

Within this broad category, I again urge action on five previously submitted measures. One of them would provide new and needed protection for the orderly processes of government in the event of disruptive activities conducted in or near Federal offices. Passed by the Senate, this measure should be viewed favorably by the House. It is needed to protect government workers as they carry out their duties. The wagering tax and the administration's proposal to give law enforcement officers the right to gather non-testimonial evidence are reforms which would provide us with new weapons in the war against crime. The final proposals, dealing with obscenity and pornography, I believe to be essential at a time when the tide of offensive materials seems yet to be rising.

PROTECTION OF PUBLIC BUILDINGS

If the Federal Government is to discharge its duties, the employees of government must cease being victimized by raucous and disorderly demonstrations in the offices where they work. Such disruptions have occurred too frequently in recent years.

To help end this harassment, I propose that the General Services Administration's authority to police Federal property be extended to all buildings leased or occupied by Federal agencies.

Further, I ask Congress to prohibit specifically:

The obstruction of passage into or out of a government office;

The use of loud, abusive, or threatening language, or any disorderly conduct that has as its goal the disruption of government business; and,

Any act of physical violence within a GSA facility.

These are similar to the safeguards which the Congress provided for its own employees in the U.S. Capitol Buildings and Grounds Security Act of 1967.

Under this proposal the maximum penalties for violation of the rules promulgated by GSA would be raised from a $50 fine or thirty days in jail to a $500 fine or six months in prison.

Passage of this legislation would help divert future protests back into the legitimate democratic channels where they belong.

FEDERAL WAGERING TAX

The Federal wagering tax can be a useful tool in our increasingly successful effort against organized crime. Some of its provisions, however, were ruled unconstitutional in 1968 as violative of the Fifth Amendment right against self-incrimination. Both to retain this needed weapon and to bring the law into accord with the rulings of the Supreme Court, I again propose a prohibition on any use—against the taxpayer—of information obtained through his compliance with this statute. At the same time, the new amendments would broaden the coverage of the wagering tax and increase the level of taxation.

NON-TESTIMONIAL IDENTIFICATION

Currently, law enforcement officers are often handicapped in obtaining significant non-testimonial evidence—such as blood samples or fingerprints—in a way to qualify it for use as legal evidence. Under this proposal, a judicial officer could, under prescribed conditions, issue an order *requiring* that a suspect give such kinds of evidence. This is a constitutionally sound step that would advance the cause of criminal justice without infringing upon any of the legitimate rights of suspects and defendants.

OBSCENITY AND PORNOGRAPHY

The overwhelming majority of Americans is rightly appalled at the burgeoning

growth of the pornography industry here in the United States. Though Court rulings have restricted some government countermeasures, in other instances they have left us the freedom to act. They have both recognized the right to protect minors from the products of this obnoxious enterprise, and reaffirmed the right to restrict pandering through advertising. I propose anew that Congress pass measures, with stiff penalties, prohibiting the use of interstate facilities to transport unsolicited salacious advertising, or to deliver any harmful and offensive matter to youngsters. It would be difficult to overstate the strength of my support for these two pieces of legislation.

EDUCATION: REFORM AND OPPORTUNITY

Under this broad category, I have included three measures submitted to the Ninety-first Congress, all of which I believe have great merit and would serve great needs. The first is for a National Institute of Education, the need for which is becoming increasingly apparent; the second is a measure to provide financial assistance to those school districts carrying the strain of desegregation; the third is to encourage and assist the men coming home from Vietnam to make better use of the educational opportunity the country affords them. Higher education proposals will be resubmitted later to the new Congress.

NATIONAL INSTITUTE OF EDUCATION

A National Institute of Education—to bring to education the intensity and quality of research now developed in the fields of space and health—is truly a national need. Year by year, the American people grow more disenchanted with the returns on their education tax dollars. The schools of the nation are in growing need of new counsel and new ideas. Here is the opportunity to find the answers, by bringing to bear on the problems wisdom, the knowledge and the experience of the most able men and women in the field. This Institute was a key part of my education proposals of last year. Today I again urge the Congress to act favorably upon this request.

EMERGENCY SCHOOL AID

Last year, both to encourage and to expedite desegregation of the public schools in the United States, I asked the Congress for a two-year Emergency School Aid Act. Although great progress has been made, the need for such aid remains. Therefore, today I reissue this request. The changes needed to desegregate our schools—either under court order or through voluntary action—place a heavy strain upon local school systems, and the Federal Government should assist the school systems in this effort. The measure I propose today is similar to the one which passed the House of Representatives in the closing days of the Ninety-first Congress. I urge the Congress to complete action at an early date.

VIETNAM VETERANS EDUCATION ALLOWANCE

It is this administration's hope that more veterans coming home from Vietnam will take advantage of the educational opportunities the nation affords them. The bill I now again recommend will help achieve that objective.

Under the GI Bill, the monthly allowances received by veterans begin only after they have enrolled and completed at least a month of their education or training. This deferral of payment often deters veterans from taking training or additional schooling because they lack the initial funds to meet tuition and living expenses.

This legislation would enable the Veterans Administration to make advance payments to veterans as soon as they submit evidence they have registered. This will provide them with funds when their need for funds is most pressing.

THE FEDERAL CITY

Two proposals being resubmitted deal with the nation's capital. The first envisions a corporation to carry out the revitalization of the heart of Washington. The second would give the District Government a new measure of freedom and control over its own capital outlay programs, reducing District dependency on the Federal Government.

FEDERAL CITY BICENTENNIAL DEVELOPMENT CORPORATION

The American Bicentennial—midway through the present decade—presents a powerful incentive and a realistic deadline for realization of Pierre L'Enfant's vision for the Federal City. The proposal being resubmitted would create a public corporation to prepare plans for carrying forward the revitalization of the heart of Washington, and for generating the maximum private and commercial investment for the fulfillment of that dream. I urge the Congress not to allow any more time to be lost in completing this promising enterprise.

D.C. CAPITOL PROGRAM FINANCING ACT

Currently, when the District of Columbia Government is confronted with the need to borrow for major new building and construction, it must turn to the United States Treasury; and it can borrow only up to a temporary formula limit set by the Congress.

I now renew this administration's proposal that the Congress grant the District of Columbia Government the authority to issue its own local bonds, and that the future limit on borrowing be set according to a permanent flexible formula based on District revenues. Removing the District's capital spending requirements from the Federal budget would mean savings to the Treasury. Further, it would give Washington responsibilities and rights commensurate with those of other great American cities.

TRANSPORTATION

Under this heading, two proposals are being resubmitted. They relate to waterways safety, the need for which has become increasingly apparent as more and more great vessels ply the navigable waters of the United States. Decreasing accidents at sea is an important part of our overall program to provide greater safety to the traveling public. In addition, these bills enhance our efforts to prevent the damaging pollution of the Nation's waterways which often results from collisions at sea.

PORTS AND WATERWAYS SAFETY ACT

As commerce grows, and as world trade expands, more and more great ships use American waters. Many carry hazardous cargoes—potential dangers to America's ports, harbors, waterfront areas, the waters themselves and the resources they contain. There would, I believe, be a substantial benefit in the creation of a coordinated safety program. And I again ask that the Secretary of Transportation be empowered to prescribe standards and regulations, and to act upon them, to give the protection the nation increasingly needs.

VESSEL-TO-VESSEL RADIO PHONES

With the increasing number of vessels operating on inland and coastal waterways, the danger of accidents and collisions has become more serious. To help prevent unnecessary loss of life and property in future years, I am again proposing to the Congress legislation requiring that certain vessels transiting these waterways carry equipment for direct bridge-to-bridge contact. While most vessels today carry radio equipment, there is not always a compatible and open communication channel between two ships—and hence, they often cannot communicate even the most basic navigational information. Many vessels are already adequately equipped to meet the new requirements; the cost to the remaining shipowners would not be great.

RURAL AMERICA

Two measures again being proposed concern Americans living in the countryside or on farms. One would establish a mixed-ownership bank to make loans to telephone borrowers, along the lines of the Farm Credit Administration; the other would reduce Federal expenditures by replacing direct loans to some farmers with government guaranteed loans.

THE TELEPHONE BANK

I propose creation of a mixed-ownership bank to make loans—at from 4 percent to market interest rates—to telephone companies and cooperatives which now rely almost exclusively on the Rural Electrification Administration for their financing.

The bank would be partially capitalized through Treasury purchase of stock at a rate of up to $30 million annually until the Treasury holdings reached $300 million.

When total capital stock plus paid-in surplus reached $400 million, the bank would begin to retire the Federal investment. Further, the bank would be empowered to sell stock to its borrowers, and to borrow from private investors up to eight times the paid-in capital and retained earnings of the bank. This could bring about bank loans during Fiscal Year 1972 of $94.5 million to telephone borrowers—and the 1972 budget assumes timely enactment of this legislation.

INSURED FARM OPERATING LOANS

This proposal would permit the Farmers Home Administration to substitute insured for direct loans to farmers up to a level of $275 million for the coming fiscal year.

This could reduce Treasury outlays by $275 million, while leaving a Federal guarantee for the loans. It is consistent with our belief in maximum use of the private sector in achieving public purposes, and its enactment is assumed in our 1972 budget.

GOVERNMENT AND ADMINISTRATIVE REFORM

A number of proposals being resubmitted deal with the smoother, more efficient and more responsive operation of the Federal Government. They argue for themselves on their own considerable merits.

GRANT CONSOLIDATION

First, I urge the Congress to enact legislation permitting the President to merge related Federal assistance programs, subject to Congressional review and concurrence. This authority, similar to presidential power to reorganize the Executive Branch, would be a vital part of our total effort to simplify the Federal system and make the delivery of goods and services at the regional, State and local level more effective. The consolidation of programs will make possible broader and more flexible use of funds and facilitate program administration at all levels of government. Originally submitted almost two years ago, this request for authority is thoroughly in keeping with the administration's unprecedented revenue sharing proposals contained in my State of the Union Message. The time has come to move on this bill.

JOINT FUNDING

Often when States, communities or even individuals apply for Federal grants, the funds must be drawn from more than a single agency. To answer these requests more quickly, more simply and more efficiently, I recommend that the Congress authorize Federal agencies to pool certain related funds—and to adopt common administrative procedures, to be carried out by a lead agency. The House passed this joint funding measure last year. I again urge both Houses to act favorably upon it early in the Ninety-second Congress.

AEC AMENDMENTS

This proposal would authorize the Atomic Energy Commission to collect license fees from any other government agency engaged in generating electric power on the same basis it now charges other electric utility systems for licensing nuclear powerplants. The cost of a license for a nuclear powerplant is part of the cost of doing business. Thus, it is appropriate that Federal power agencies should be placed on the same footing.

CLARIFYING CERTAIN PRESIDENTIAL AUTHORITY

Under Reorganization Plan No. 9 of 1950, the President was given authority to designate the Chairman of the Federal Power Commission. However, because the basic statute has not been amended to accord precisely with that plan, the President's authority is not crystal clear. This resulted, some time ago, in certain ambiguities when one of my predecessors sought to designate a new FPC Chairman.

The Ninety-first Congress was urged to clarify this situation, and I now request that the Ninety-second Congress enact the necessary clarifying legislation.

NATURAL GAS ACT AMENDMENT

The Federal Power Commission has asked the Congress for broader authority to gather and publish information on the natural gas industry. This would benefit the industry, its consumers and investors, government agencies and the Congress itself, as well as enable the FPC to exercise more effectively its own regulatory powers. The proposal is comparable to existing provisions of the Federal Power Act concerning the electric power industry—and in no way would it expand the regulatory responsibilities of the FPC. I urge the Congress to act favorably upon this request.

COST ACCOUNTING STANDARDS BOARD

Last year, in extending the Defense Production Act, the Congress established a Cost Accounting Standards Board—and then placed that Board under the authority of the Legislative Branch.

This Board is responsible for establishing cost accounting standards, rules and regulations for use by defense contractors and subcontractors. Since these standards necessarily affect the negotiation and administration of government contracts, and since government contracts are the responsibility of the Executive Branch under the Constitution, placing this board under the Legislative Branch violates the fundamental principle of the separation of powers.

On August 17, 1970, we asked Congress to remedy this situation. With this message I am reissuing that request.

DEFENSE PRODUCTION ACT AMENDMENTS

Under the Defense Production Act, the nation's industrial capacity is expanded and critical materials are produced and allocated in times of national emergency. I now renew the administration's proposal that this Act be extended for another two years and needed changes be made. These include:

—A new method of financing the production expansion provisions.

—Elimination of the unnecessary and undesirable restrictions on guaranteed transactions imposed last year.

—Authority for the President to make adjustments in civilian pay and personnel administration to assure the effective functioning of government agencies in a civil defense emergency.

STOCKPILE DISPOSALS

Proposed legislation will be resubmitted which would authorize GSA to sell off from the government's stockpiles quantities of sixteen commodities which we now hold in excess of our needs for national security. The sales would bring substantial returns to the Treasury. In the near future, new legislation will be submitted to the Congress for authority to dispose of other commodities—authority which I urge the Congress to grant as consistent with both sound government and a sound economic policy.

LOST CURRENCY WRITE-OFF

Millions of dollars in U.S. currency and silver certificates issued since 1929 have been lost or destroyed, or are held permanently in collections—and will never be presented for redemption. I now renew the administration's proposal that the Department of the Treasury be authorized to write off these Federal Reserve bank notes and national bank notes, and to remove the limitation of $200 million on such write-offs. In anticipation of favorable Congressional action, the Fiscal Year 1972 budget reflects these write-offs as a receipt of $228 million.

REFORM OF VETERANS' PROGRAMS

Three separate reforms can be made in veterans' programs which would lift an unwarranted burden from the general taxpayer without in any way diminishing the legitimate rights or privileges of veterans. I am again asking the Congress to enact them, along with a proposal to facilitate sale of direct loans by the Veterans Administration.

BURIAL ALLOWANCE

The first deals with the veterans burial allowance which runs to $250. This allowance was established before the existence of other Federal programs—such as social security and railroad retirement—which often provide similar or greater burial benefits to the same eligible veterans. The legislation proposed would eliminate duplication by limiting the Veterans Administration's burial payment to the difference between $250 and the non-VA burial payment.

TUBERCULOSIS DISABILITY COMPENSATION

Secondly, some veterans are still receiving disability compensation for tuberculosis long after the disease has reached a stage of complete arrest. The Congress has enacted legislation prohibiting future awards of compensation for arrested tuberculosis, recognizing that such awards no longer reflect medical reality. However, those on the rolls before that law was enacted continue to receive monthly payments, although their disease has been cured. This preferential treatment of a relatively few veterans should be terminated.

MEDICAL INSURANCE

My third proposal deals with the cost of caring in VA hospitals for veterans who have non-service connected ailments and who have private health insurance.

Generally, veterans who are over 65 or have war-time service, and who state that they cannot afford hospitalization, are entitled to VA care on a bed-available basis.

In many cases, the private insurance could pay part or all of the cost of hospitalization. But the insurance contracts often bar reimbursement to a veteran hospitalized in a VA hospital. This represents both an unwarranted windfall to the insurance company, and an unnecessary burden on the Federal Treasury.

Veterans should not be barred from receiving care in a VA hospital. But there is no reason why insurance companies should not reimburse the Federal Government in the same manner in which they pay a non-Federal private hospital. The proposed legislation will correct this discriminatory situation.

SALE OF VA DIRECT LOANS

Under present law, the Veterans Administration can sell direct loans from its portfolio only if the price received is at least 98 percent of par. Recent market conditions have resulted in prices below that level and this proposal would remove the statutory price limitation, allowing the Veterans Administration, when necessary, to sell loans if "reasonable prices" prevail.

USER TAXES

Two of my proposals deal with a more equitable allocation of user costs of transportation services. Under one proposal, the cost of providing security against aircraft hijackers would be borne by the passengers themselves and not by the general public. Under the other, the large trucks which use our national highway system would be made to bear a more appropriate share of the cost of highway construction.

AIRLINE USER TAXES

The number of airline hijackings that seemed to be taking place almost daily months ago has been reduced. Partly, this is due to the civil air and ground security program, particularly the sky marshals, established by the Federal Government. This program should be continued and strengthened—but its cost should be borne, not by the entire tax-paying public, but by the airline users themselves. For that reason I urge approval of legislation the administration is resubmitting to provide for an increase of one-half of one percent in the eight percent airline passenger ticket tax, and for an additional charge of $2 to be added to the present $3 departure tax on all international flights. Those who use our airlines are the principal beneficiaries of this new security service, and it is appropriate, therefore, that they should bear the cost.

HIGHWAY USER TAXES

Believing that the burden of highway taxes should be more equitably distributed between larger trucks and smaller vehicles and automobiles, I again ask that the Federal tax on diesel fuel be raised from four cents per gallon to six cents, and that the present $3 per thousand pounds annual use tax on trucks weighing over 26,000 pounds, be changed to a graduated tax schedule ranging from $3.50 to $9.50 per thousand pounds. This new tax would be applied only to those truck combinations weighing in excess of 26,000 pounds.

IMMIGRATION AND FOREIGN ASSISTANCE

Finally, I urge passage of several measures which are being resubmitted dealing with the immigration policies of the United States, and with American contributions to international banks to assist the economic development of friendly nations.

REFORM IN THE IMMIGRATION LAW

To improve our immigration laws and to enlarge upon our national tradition as an open nation and an open society, legislation is being resubmitted which would, among other reforms, provide:

—A higher percentage of immigrant visas for professionals, needed workers and refugees.

—Additional visas for the Western hemisphere, with special provisions for our nearest neighbors, Mexico and Canada.

Further, to encourage travel and tourism in the United States, the requirement for a visa would be waived for all business and pleasure visits of ninety days or less by nationals of countries designated by the Secretary of State.

CONTRIBUTIONS TO ASIAN DEVELOPMENT BANK AND INTER-AMERICAN DEVELOPMENT BANK

In recent years, the benefits of increased multilateral aid to developing countries have become more and more manifest. Multilateral aid enables a pooling of the assistance of the donor nations; it reduces political frictions inherent in some bilateral programs; it strengthens international institutions; it is preferred by many recipient nations.

Thus, I again urge the Congress to authorize $100 million in United States contributions to the Special Fund of the Asian Development Bank, and $900 million to the corresponding fund of the Inter-American Development Bank. The former will enable the nations of free Asia to assume greater responsibility for the success of their own development. The latter, along with the $100 million first installment authorized by the last Congress, will make possible significant advances in the economic development of the hemisphere, in which we ourselves have so vital a stake, and also give substance to the partnership of the Americas.

To the veterans of the Ninety-first Congress, the measures proposed once again in this message will of course be familiar. In the case of many of them, the work begun by the Ninety-first Congress should aid prompt consideration by the Ninety-second. Each is worthy, and by moving promptly and favorably on these matters of unfinished business this Congress will make an auspicious beginning on what could become a record of splendid achievement.

RICHARD NIXON.

THE WHITE HOUSE, *January 26, 1971.*

## CONGRESSIONAL ACTION NEEDED ON UNFINISHED BUSINESS OF 91ST CONGRESS

(Mr. GERALD R. FORD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GERALD R. FORD. Mr. Speaker, the President has placed before the 92d Congress more than 3 dozen items of legislation constituting the unfinished business of the last Congress

I have reviewed all of the items listed in the President's message, and they all appear to me to be meritorious. I therefore urge that the Congress get moving on this too-long-delayed agenda.

The size of this workload makes it imperative that the new Congress organize as soon as possible and quickly tackle the task before it.

Various of the measures included in the unfinished business of the previous Congress are needed to promote equity and justice and the common good.

I call particular attenton to the need for legislation dealing with disorderly or violent demonstrations in or near Government buildings, a Federal wagering tax as a tool against organized crime, measures to ban use of the mails to deliver unsolicited salacious advertising and material offensive to youngsters, advance payments to veterans interested in schooling or training under the GI bill, and Presidential authority to merge Federal grants under related assistance programs.

Mr. Speaker, the 92d Congress can get off to a fine start by early action on the measures designated by the President as pending business. I urge that we set about our business with dispatch.

## HOUSE OF REPRESENTATIVES HOLIDAY RECESS SCHEDULE

(Mr. BOGGS asked and was given permission to address the House for 1 minute.)

Mr. BOGGS. Mr. Speaker, it is my pleasure to announce that the leadership has agreed on the holiday recess schedule through next summer.

The first recess is during the Lincoln-Washington Birthdays—the first recess will be at the conclusion of business on Wednesday, February 10, until noon, Wednesday, February 17.

The Easter recess—Easter Sunday falling on April 11—will be from the conclusion of business on Wednesday, April 7, until noon, Monday, April 19.

The Memorial Day recess—Memorial Day being on Monday, May 31—will be from the conclusion of business on Thursday, May 27, until noon, Tuesday, June 1.

The July 4 recess—July 4 being on Sunday—will be from the conclusion of business on Thursday, July 1, until noon, Tuesday, July 6.

The August-September recess, which so many Members are interested in because of their families, and in order to plan for vacations, we have decided the recess will begin with Friday, August 6, until noon, Wednesday, September 8.

## ADJOURNMENT OVER TO FRIDAY NEXT

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Friday next at 12 o'clock noon.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. KYL. Mr. Speaker, I reserve the right to object for the purpose of asking a question.

In regard to the so-called Lincoln Birthday recess, did I understand the gentleman to state that it would be from February 10 at the close of business until noon on February 17?

Mr. BOGGS. From the conclusion of business on Wednesday, February 10, until noon, Wednesday, February 17.

Mr. KYL. I thank the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. GROSS. Mr. Speaker, further reserving the right to object, I would ask the gentleman why the session on Friday rather than Thursday, and adjournment over to the following Monday from Thursday instead of from Friday?

Mr. BOGGS. Mainly for the convenience of the Members.

The SPEAKER. And the budget message.

Mr. BOGGS. The budget message is due on Friday.

Mr. GROSS. Mr. Speaker, I withdraw my reservation.

Mr. WALDIE. Mr. Speaker, reserving the right to object, and I shall not object, I merely want to say I think this scheduling of recesses is an extremely helpful and good thing for the leadership to have done. It is the first time since I have been in the House, which is a short period of time, that Members have been able to plan with any certainty in terms of their schedules, and I express my thanks to the leadership for having taken this step.

Mr. BOGGS. We thank the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

## RESCHEDULING OF SPECIAL ORDERS SCHEDULED FOR WEDNESDAY AND THURSDAY TO FRIDAY, JANUARY 29

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute.)

Mr. MONTGOMERY. Mr. Speaker, I take this time for the purpose of asking the majority leader about the rescheduling of special orders. I was given unanimous consent for a special order on this Wednesday. In the light of the request of the majority leader that the House go over to Friday, I should like to ask him what procedures we should now follow.

Mr. BOGGS. The gentleman simply will have to ask unanimous consent that his special order be rescheduled for Friday or some other time.

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that all special orders scheduled for Wednesday and Thursday of this week go over until Friday, January 29.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

## RURAL ELECTRIC COOPERATIVES

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

Mr. TEAGUE of California. Mr. Speaker, the Rural Electrification Administration loans money principally to electric co-operatives at the statutory rate of 2 percent. In the past, I have introduced bills that would cause the REA to charge the same interest on its loans as the Government has to pay on its borrowings. It seems to me utterly improper that the Treasury has had to pay interest of 6 or 7 percent for money which is then loaned out at 2 percent. In effect, all taxpayers are subsidizing the beneficiaries of the REA loans. Not only that, but the REA cooperatives are also exempt from income taxes and have various other advantages with respect to property taxes.

In view of these facts, I was interested to learn recently about the purchase by a fully taxed utility of an REA cooperative in my State of California. The San Diego Gas & Electric Co. announced that it had acquired all the properties of the Mountain Empire Electric Cooperative in southeastern San Diego County. The purchase price was $1,691,000. After various liabilities are paid, the remainder of the purchase price will be divided up among the members of the cooperative.

According to Joseph F. Sinnott, president of the private utility, the integration of two electric systems will permit greater operational efficiencies and will result in substantially lower electric rates.

This sale will not only be a gain for the co-op members, but also for the country as a whole. The Rural Electrification Administration, according to its annual statistical report for the year ending December 31, 1968, had approved loans for the Mountain Empire Electric Cooperative of $2,206,000 during the life of the co-op. Not only will the remaining balance due on this 2-percent money be paid off, but the co-op will come off the tax-exempt list and pay its share of income taxes to both the Federal and State Governments.

During the calendar year of 1968, electric loans were made totaling $422 million. This brought the cumulative 33-year total to $6.8 billion in loans made to 1,101 borrowers. The borrowers included 987 co-operatives, 55 public power districts, 34 other public bodies and 25 commercial power companies. It seems outrageous that the Government, which has to pay 6- to 7-percent interest on its own securities, is required by statute to loan it out at a 2-percent rate.

Although the purchase by a private utility of a small electric co-op is not a very large event, I think it is a healthy transaction for our economy. Other taxpayers will not much longer have to subsidize this co-op with 2-percent money. The co-op will come off the tax-exempt rolls and begin paying its share toward the support of the State and Federal Governments. Its former members are also better off. They get a cash distribution and pay less for their electric power. I hope there will be more purchases like this in the future.

## "A TIME FOR CONSTRUCTIVE PROGRESS—NOT WHEEL-SPINNING"

Mr. SMITH of California. Mr. Speaker, on January 15, 1971, Mr. Donald M. Kendall, president and chief executive officer of Pepsi Co., Inc., spoke before the Los Angeles Rotary Club of Los Angeles, Calif.

His overall remarks on the environmental problems were, in my opinion, extremely well done. I thought that it might be of interest to the Members and those who read the CONGRESSIONAL RECORD. Accordingly, I am inserting the complete text of his remarks into the RECORD.

REMARKS ON ENVIRONMENTAL PROBLEMS

(By Donald M. Kendall)

First of all, I'd like to express my personal gratitude to the man in this Club who decided to schedule my appearance out here in January. Back home right now we have only one kind of weather report: *Cold and continued rotten.*" Now I can at least go back and convince my colleagues that there is still a sun.

In a much more serious vein, I do want to thank you for inviting me to address this great and nationally respected Rotary Club. You have earned a reputation not only as warm and appreciative listeners, but as men of thought and action . . . representing the finest dedication to the public interest.

I am especially grateful to be able to speak to you today on a subject of overriding public interest . . . and perhaps equally pressing public confusion.

According to a Lou Harris poll published within the past three weeks, the quality of the environment has now replaced crime, drugs, and education as the foremost concern of Americans. Similarly, a recent Reader's Digest study ranks environmental deterioration second only to the rising cost of living among consumer worries. This same study tells us that the public holds private industry primarily responsible for environmental problems by a shocking margin of well over two-to-one over government at all levels.

(But, I'm getting ahead of my story.)

There is today on the national scene an exciting new organization with one of the least exciting titles in America: *The National Center for Solid Waste Disposal.* But, don't let the name turn you off. This group can mean the beginning of the end of one of the most monumental problems ever faced by any nation: What to do with the ever-mounting volume of solid waste that accompanies the presence of man.

There used to be a childish question that asked, "Can God build a mountain so high that he can't jump over it?" Well, I don't know about God, but man is coming close to building a mountain of waste so high that one day he may not be able to burn it or bury it . . . much less jump over it.

As Chairman of the National Center, I'd like to tell you that our purpose is nothing short of moving mountains. The National Center was established as a non-profit corporation headquarted in Washington, D.C., last August by 16 leading manufacturers, retailers, and users of packaging containers of all types. Its 30-member Board of Directors includes principal executives of such companies as U.S. Steel, National Steel, Alcoa, Monsanto, American Can, Continental Can, Reynolds Metals, Owens-Illinois, Anchor-Hocking Glass, International Paper, Mead Packaging, and U.S. Plywood-Champion Papers; Marcor, Kroger, Lucky Stores, and Super Giant Stores; General Foods, Proctor & Gamble, Anheuser-Busch, Adolph Coors, Heublein, and Coca-Cola, as well as PepsiCo. I. W. Abel, President of the United Steel Workers of America, is on the Board, which also has as public members Washington's Mayor, Walter Washington; Katherine Graham, Publisher of *The Washington Post;* and Maurice Mitchell, Chancellor of the University of Denver.

The National Center constitutes industry's primary response, in the packaging area, to the challenge contained in President Nixon's special Message to The Congress last February, part of which I quote:

"Man has applied a great deal of his energy in the past to exploring his planet. Now we must make a similar commitment of effort to restoring the planet. The unexpected consequences of our technology have often worked damage to our environment; now we must turn that same technology to the work of its restoration and preservation." End quote.

To make our response worthy of this challenge the Center's sponsoring industries have set themselves the task of creating a total-systems development approach—problem-solving in orientation—to the subject of solid waste disposal. A first and vital step was to recognize and accept the fact that

*American business has concentrated on the distribution and dissemination of packaging to the virtual exclusion of disposition.* There was and is no intent by any member industry either to cop out or cop a plea. Our primary intent is to correct this situation by developing constructive solutions to the problem of used-package disposal. But we have no intention of stopping there.

We have chosen the comprehensive course of critically examining the broad function of the Nation's waste collection and disposal systems and proposing positive improvements extending into such areas as: reclamation, recycling, and reuse of materials; new product packaging and materials; changes in distribution, marketing patterns and procedures; consumer education and alteration of established modes of behavior. Importantly, the Center will serve Government agencies and the private sector as a communications focus for information on every aspect of litter prevention and solid waste collection, recycling, and disposal. But it is equipped to go far beyond information assembly and dissemination. We intend to finance trailblazing creative research in the design, operation, and evaluation of solid waste management systems.

That this is a formidable assignment is made pretty clear by an examination of that mountain of waste I mentioned a moment ago. The United States currently generates some 4.4 billion tons of solid waste per year, of which agricultural wastes account for 2.3 billion tons, mineral wastes (primarily mining in origin) 1.7 billion tons, non-recycled industrial wastes 110 million tons, and residential, commercial and institutional wastes 250 million tons. Even when agricultural and mineral wastes, building rubble and scrapped automobiles are not counted, the residue comes to 9.7 pounds per day for every living American. Automobiles are junked at the rate of six million a year, representing 15 million tons. Something over 80 percent of these are reclaimed for recycling, but the Bureau of Mines has placed the number of abandoned hulks now dotting the landscape at 15 million, with a total weight of 26 million tons. (As that Dodge Sheriff says, "We're in a heap o' trouble.")

In an effort to dispose of this avalanche of refuse, United States municipalities are spending 4.5 billion dollars a year—more than for any public function other than schools and roads—and spending it, by and large, very poorly indeed. In the average community, 78 percent of the disposal budget goes for collection, nine-tenths of which represents garbagemen's wages. Disposal *manpower* takes another 17.4 percent, with the result that only three and a half percent of total expenditures is left for the actual disposal process. Consequently, cities feel compelled to settle for the cheapest available means of refuse handling—i.e., dumping and open burning. There are over 12,000 municipal dumps in the Nation today, and fewer than 800 of them employ even the minimal method of covering the waste with earth.

Percentagewise, a report issued by the Bureau of Solid Waste Management places the 1966 proportion of solid waste tonnage handled by open dumping at 77.5 percent, as compared with 14 percent for incineration, 5 percent for sanitary landfilling, and 0.5 percent for composting, with the remaining three percent being salvaged in one way or another. Other informed studies, confined exclusively to municipal as opposed to private disposal facilities, increase the dumping figure sharply to 84.6 percent, and correspondingly reduce the incineration proportion to eight percent, most of which is burned without even the most rudimentary air pollution control equipment. In any event, the open dump—an unsightly, disease-breeding fire trap—clearly is the predominant method of solid waste disposal. Fortunately, many cities soon will be forced to do something else. *Time Magazine* reports that Philadelphia and San Francisco may run out of dumping space by the end of 1971. Other major communities will reach that point within the next five years.

The flood of garbage and trash is expanding steadily under the combined impact of population growth and rising per-capita consumption. Adequate Federal financing has been slow in developing under the Solid Waste Disposal Act of 1965, and state and local governments—reflecting pronounced voter resistance to enabling bond issues—generally have shown little enthusiasm for providing matching funds in any case. Some progress is at last being made with municipal waste-treatment facilities—enough to impel the Chairman of the President's Council on Environmental Quality to tell *U.S. News & World Report* two months ago that he thinks "we are beginning to get the upper hand" in the water-pollution area, although he conceded that "it is too early to document any substantial improvement."

Certainly, the waste-disposal job immediately ahead is a very large and difficult one, but the sponsoring participants in the new National Center are convinced that the problem can be solved, and are individually and jointly determined to make a maximal contribution toward its solution. Our membership comprises a not-inconsiderable portion of the Nation's industrial, merchandising and *technological* strength. But there's the rub: *If the politicians and the public will permit us to approach the matter on a technological basis, we feel we have the expertise to cope successfully with the difficulties involved.* We also have the financial resources and the management commitment to implement major decisions reached in the public interest.

I must confess, however, that recent events suggest this is a big "if". As you know, a highly destructive atmosphere of unreal, unreasoning and unbridled hysteria has developed around environmental issues in general. Like others who are attempting to find positive solutions to environmental problems, we of the National Center hear very clearly what *Time Magazine* this month called "the apocalyptic warnings of the 'New Jeremiahs'—ecologists with an almost masochistic appetite for doom, and demographers with passion for slogans." We have become all too well acquainted with the increasingly strident voices of those irresponsible elements of the scientific community who prompted a White House environmental spokesman to say recently that "there has been too much talk of panic in relation to the environment," and who led Philip Handler, President of the National Academy of Sciences, to remark that "the nations of the world may yet pay a dreadful price for the public behavior of scientists who depart from established fact to indulge themselves in hyperbole."

Thus encouraged—as if they needed encouragement—the ever-present political opportunists have swung into action, besieging packaging-oriented industries with an array of punitive proposals—totaling in 1970 alone, 10 Congressional bills, 43 bills in the legislatures of 33 states, and 24 ordinances introduced in various municipal and county councils—each of which would either compound the basic problems of solid waste disposal or delay their solution . . . not to mention creating economic havoc in the process.

As an inevitable result of this pseudo-scientific clamor and political cacophony, a great deal of needless and potentially harmful public confusion has been produced concerning the nature of solid waste disposal and the Government expenditures required to deal with it effectively. The *Reader's Digest* survey to which I referred earlier found 74 percent of American families specifically concerned about inadequate waste treatment and 86 percent about the water pollution to which deficient municipal facilities contribute so heavily. *Yet, only 19 percent indicated a recognition that Government should accept primary financial responsibility for correcting these and other environmental shortcomings!* People in that frame of mind can scarcely be expected to respond positively when they are asked—as they ultimately must be—to approve bond issues for improved waste treatment plants.

Broad-based public understanding and support are essential to other aspects of the comprehensive effort currently being mounted by forward-looking Government leaders, private agencies and the National Center. Certainly, it is imperative that the citizenery at large comprehend the distinction between litter and solid waste and recognize the fundamental differences in corrective procedures for each.

Litter, by any definition, is a national disgrace. It's unsightly, annoying, irritating, and indefensible. It mars our landscapes and our scenic areas. Unlike solid waste, however, it poses no threat to the public health—although the hulks of abandoned automobiles, piles of paper debris . . . .yes, and discarded beer cans and soft drink bottles . . . can quite factually be said to make the viewer sick.

Litter differs from solid waste in one other way . . . how it gets where it is. It comes from careless, thoughtless, irresponsible, and thoroughly selfish people who discard what they have consumed solely on the basis of personal convenience, totally without regard for the rights of others. Those who know no better deserve to be taught; those who refuse to learn deserve to be penalized. *The answers to the litter problem thus are consumer education, provision of adequate means for the proper disposal of potential litter . . . and strict enforcement of anti-littering laws.*

The National Center itself takes no direct part in litter education, but the great majority of our sponsors participated in the founding of the Keep America Beautiful organization, and remain active today in this foremost litter-prevention group. *Keep America Beautiful* uses every available means of public communication and persuasion to inform citizens that they are individually responsible for the attractiveness of their surroundings. Its program currently is being expanded, I am glad to say, to include increased emphasis on reaching young people.

Litter legislation and law enforcement are, of course, the exclusive province of local authorities. With respect to their performance to date, I can only remark the obvious: Laws providing for litter fines of $50 or $100 or even $500 per offense are common throughout the country, but actual imposition of those fines is virtually unheard of. An unused deterrent can scarcely be considered a deterrent at all. Fortunately, however, there presently are some scattered indications of a developing trend toward increasing enforcement, and even toward more imaginative penalties—forward thinking citizens in the State of Washington have proposed suspension of the driver's license of any person caught littering for the third time.

Solid waste, on the other hand, unmistakably merits a higher order of priority, and for the most urgent of reasons; the President's Council on Environmental Quality has pronounced municipal solid wastes "the clearest threat to health and the environment." Corrective action here is imperative to the future well-being of us all. While the major thrust must come from Governmental action of the type represented by the Solid Waste Disposal Act, the Resource Recovery Act of 1970, and the Federal agencies created by them, the founders of the National Center For Solid Waste Disposal feel that American industry, too, has a direct public responsibility in this area.

Used packaging materials are estimated to constitute about 10 percent of the solid

wastes with which municipal facilities presently are required to deal. Hence, a prime job of the National Center is to apply our special expertise to the development not only of improved methods for the disposal of current containers, but also of new packaging materials which are bio-degradable or can be incinerated without infecting the air with pollutants. High on our list of research priorities is experimentation with materials separation techniques, the importance of which was underscored in the 1969 report on packaging published by the Bureau of Solid Waste Management: "Most of the difficulties created by packaging" it said, "are due to inadequate technology, or the absence of technology, in waste removal." The concurrent development and increasing commercial acceptance of tin-free steel cans, single-alloy aluminum cans, and new paper coatings for containers also will significantly improve the technology of salvage, and thus contribute importantly toward further advancement of the recycling operations in which our member industries already are engaged.

Some of the statistics on present recycling accomplishments might surprise you, because they have been accorded so little public recognition. The paper industry, a recycling leader since World War II, already recycles 20 percent of its total annual product—more than eleven million tons of waste paper each year—and is aiming for the 35 percent level by 1985. The glass and aluminum container industries repurchased well over 50 million one-way bottles and cans last year. The total weight of "non-returnable" bottles bought by Owens-Illinois alone in 1969 and 1970 amounted to more than three million tons. There is an established precedent for recycling steel cans. The steel can industry sends back to the steel industry 10 to 15 percent of the material they buy in the form of scrap to be recycled.

It is certain, however, that major further increases in recycling volume will accompany future breakthrough in salvage technology, in which the National Center hopes to play a part.

The interests of the National Center are by no means confined to packaging-oriented developments. Among the wideranging project possibilities which we intend to explore are exceptionally high-temperature incineration, high-pressure compacting, automatic collection of municipal wastes through a network of pneumatic pipes, and use of incinerator heat to generate electricity. As you may know, the Bureau of Solid Waste Management was sufficiently interested in this last notion to approve construction of a pilot plant here in California, at Menlo Park.

Obviously, the National Center will encourage the continuing research activities of its individual member companies, each of which is pursuing a number of anti-pollution projects on its own. At PepsiCo, for example, we have been working with Standard Oil of Ohio on the development of a thermoplastic bottle, the Barex 210, which is now being test-marketed. It is strong, lightweight, shatterproof—and can be incinerated to a fine ash without a trace of air pollution. It has publicly been suggested, by our friends at Continental Can and by others active in the field of pollution abatement, that if the Barex 210 test-markets successfully and proves commercially competitive in price, this new thermoplastic may totally displace polyvinyl chloride, the *only packaging material* which Government authorities name as a potential health hazard in waste disposal. When burned, it decomposes into chlorine compounds like hydrogen chloride, which can in turn mix with condensation to form hydrochloric acid.

Although this PepsiCo project happens to be one of which I am particularly proud, I mention it here only as an illustration of the many related activities which National Center members are conducting on an individual basis. To cite just one more of many which merit public exposition, Anheuser-Busch is financing a solid waste total-systems project at the Management Science Center of the University of Pennsylvania, and also is carrying out internally a group of interlocked investigations involving such subjects as options in packaging design and marketing.

In view of the quite extraordinary record of public-service efforts in behalf of environmental improvement which America's packaging-oriented industries have built up over a period of many years, I am distressed and more than a little shocked at the necessity of reporting to you that these very industries have been chosen as the target of an all-out legislative assault allegedly intended to serve an environmental purpose.

I briefly alluded to this assault a few minutes ago, mentioning that it was manifested during 1970 in 10 bills introduced in Congress, 43 in State Legislatures, and 24 more in city and county governing bodies. I return to the subject now only because it is in my judgment of such overriding importance—not alone from the standpoint of the National Center sponsors I represent, but much more urgently from the public viewpoint of getting the imperative job of solid waste disposal done, done properly, and done promptly.

The attack to which I refer is, of course, the attempt to ban non-returnable beverage containers by law, or, failing that, to tax them out of existence, either directly by means of punitive levies of as much as five dollars per container or indirectly by imposing compulsory deposits ranging up to 15 cents apiece. Four such proposals were considered by the California Legislature last year, and a resolution for repressive state action was introduced in the city council of nearby Garden Grove just two months ago. Thus far the drive has succeeded only in two isolated instances involving the communities of Bowie, Maryland, and Upland, Pennsylvania; but there seems little question that if this political pressure is permitted to continue building, it ultimately will bear fruit elsewhere. And that would be bitter fruit indeed.

The simplistic rationale of this curious campaign is that non-returnable bottles and cans are primarily responsible for the Nation's solid waste disposal problem; *get rid of them, and, presto, the problem disappears.* Now, obviously, some of you may be saying to yourselves, "Behold! The Devil has come here to sell the benefits of sin." May I ask you, therefore, to give the Devil his due . . . at least for a minute or two and let me test that argument against some hard-nosed, unemotional facts.

*Fact #1:* Soft drink beverage containers—returnable as well as non-returnable—constitute only two percent of roadside litter.

*Fact #2:* Legislation identical to that now proposed has proved irrelevant to pollution control in the past. The State of Vermont reported to the Bureau of Solid Waste Management that it removed a statewide ban on non-returnable containers some years ago because the prohibition did not measurably reduce even the cost of collection litter, the smallest component of waste treatment.

*Fact #3:* Non-returnable beverage containers are directly responsive to public demand for convenience packaging of the type which now dominates all fields of consumer merchandising. Returnable bottles are returned today only one-tenth as often as they once were in many major metropolitan areas. And a study presented to Congress by the Glass Container Manufacturers Institute shows that roadside litter includes as many returnable as non-returnable bottles. Which may suggest to some politicians that we had better curb American affluence.

*Fact #4:* The American public has made it perfectly evident that it does not want non-returnable beverage containers eliminated, and that it will not accept the higher prices which repressive laws aimed at those containers inevitably would impose on the consumer. In the one instance in which the opposition forces have permitted a direct expression of public sentiment, a proposed statewide five-cent deposit requirement was defeated by voters of the State of Washington last November. A ban on non-returnables in Idaho was able to muster only two and a half percent—one-fortieth—of the petition signatures required to put it on the ballot for that same general election. Moreover, only 7 percent of the national *Reader's Digest* cross-section said they would be willing to pay as much as a 10 percent increase in container prices even if the increase were necessary to "help overcome the pollution problem." Presented with this hypothetical choice, 42 percent said they would pay nothing at all more and an additional 34 percent drew the line at a two percent increase.

Actually, of course, there is no such necessity. Laws banning or harassing nonreturnable containers would serve no useful public purpose whatever. With specific respect to solid waste removal, they would confuse priorities and hamper constructive programs by diverting public attention into a demonstrably unproductive area. They would create severe economic dislocations in industries employing hundreds of thousands of people; they would needlessly inconvenience and financially penalize many millions of consumers—and they would do so without altering the basic fact that improved means would *still* have to be found for disposing of hundreds of millions of glass and metal containers each year.

Despite the indisputable merits of the case, however, anyone who has had any experience with environmental debates need scarcely be told that in this peculiarly emotion-ridden arena, the race frequently seems to run toward those who speak the loudest, rather than those who speak the truth. So the threat of ill-considered and ill-advised legislation persists.

I cannot forego the opportunity to ask the active assistance of this audience of nationally-acknowledged opinion leaders in keeping the wheel-spinning obstructionists on the sidelines, so that the rest of us can get on with the job we are fully committed to do. In return for your confidence in this matter, I think I can confidently promise you that the coming months will bring some very specific and very worthwhile contributions toward improvement of the solid waste disposal situation on the part both of the National Center and of its participating industries.

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## HIGHLIGHTS OF THE ADMINISTRATION OMNIBUS IMMIGRATION BILL

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

Mr. DENNIS. Mr. Speaker, I am pleased to join with Congressmen McCULLOCH, McCLORY, SANDMAN, RAILSBACK, WIGGINS, FISH, and MAYNE in introducing an omnibus immigration and nationality bill drafted by the executive branch. This bill proposes a number of significant amendments to our immigration and nationality laws. Many of them are technical in nature, but some far-reaching changes of substance are proposed.

As cosponsors, we do not intend to indicate we are in complete agreement with every provision or with every technical change proposed by the administration.

However, some amendments to our immigration law are currently needed. The suggested changes contained in this bill are based upon a careful review of our recent experience with the law and are worthy of most careful consideration. I hope that the bill will receive the prompt attention of the Immigration and Nationality Subcommittee.

The present system of immigration with its system of preferences for the Eastern Hemisphere has worked well since it came into effect in 1965. However, there are certain areas in which the system does not provide adequately for the legitimate immigrant demand which has arisen. The demand for admission into the United States by professionals, skilled workers and refugees has been somewhat heavier than can be accommodated under the present law. While it is not desirable, or even possible, to attempt to reconcile and satisfy all demand for immigration, it does appear that some legitimate demands call for adjustment of the Eastern Hemisphere preference system.

The bill reapportions allowable immigration within the several preference classes so that additional visa numbers will be available to the third, sixth, and seventh preference classes. Minor changes are also made in the definition of two of the preference classes, one of which will grant second preference classification to the parents of adult permanent residents, and the other which would limit eligibility for fifth preference status in the future to unmarried brothers and sisters of U.S. citizens. A savings clause would preserve fifth preference status for those married brothers and sisters who have already qualified and are on the waiting list.

The bill also proposes to change the Western Hemisphere immigration picture in several ways. In the Western Hemisphere the demand for immigrant visas has far exceeded the 120,000 limitation which took effect on July 1, 1968. This phenomenon has had a number of undesirable effects, including a drastic drop in immigration from Canada.

The administration bill would remove Canada and Mexico, our closest neighbors and with which we share common borders, from the general Western Hemisphere system and give to each a separate numerical immigration ceiling of 35,000 annually.

For the rest of the Western Hemisphere the present annual ceiling of 120,000 would be reduced to compensate for the removal of Canada and Mexico and a preference system identical to that for the Eastern Hemisphere would be established. The system of selecting immigrants through the use of preferences for certain categories of aliens is based on the concept that, so long as demand for immigration to this country exceeds the amount of immigration to be permitted, there should also be a system of selection and preferential treatment for certain categories of immigrants—skilled workers, close relatives, refugees, and so forth. At the present time this is not possible in the Western Hemisphere since the law does not provide for any system of priorities. This bill would place an alien born in the Eastern Hemisphere on the same footing as an alien born in the Western Hemisphere in this respect.

In addition to these major amendments, the bill makes a number of other changes such as raising the limitation on immigration from areas of the world which are not independent countries, and granting the privilege of adjustment of status to permanent resident while in the United States to all aliens born in the Western Hemisphere except those born in contiguous territory or islands adjacent to the United States. These two changes are typical of a number of technical provisions which will make the administration of our immigration system fairer and more humane. Also included in this bill are a number of changes in the deportation provisions of the Immigration Act and to the sections relating to nationality designed to eliminate inconsistencies and inequities in the present law or to bring the law into agreement with recent court decisions in these fields.

A summary of the highlights of the administration bill follows:

ADMINISTRATION OMNIBUS IMMIGRATION BILL—HIGHLIGHTS

1. Applies a uniform preference system to both hemispheres but with separate numerical ceilings (170,000 Eastern, 80,000 Western) plus 35,000 each (and no preference system) for Canada and Mexico—20,000 maximum for all other countries.

2. Permits religious workers (as well as ministers) to enter as special immigrants.

3. Revises the preference system as follows:

First preference: cut from 20% to 10%.

Second preference: adds parents of permanent resident aliens over 21.

Third preference: increased to 15% (from 10%) plus fall down.

Fourth preference: no change.

Fifth preference: cut to 20% (from 24%) and limited to unmarried brothers and sisters.

Sixth preference: raised to 15% (from 10%).

Seventh preference: refugees increased to 10% (from 6%) for both hemispheres.

4. A visa waiver provision (H.R. 14596) for 90-day tourists is incorporated.

5. The Attorney General's discretion to waive grounds of inadmissability for close relatives of U.S. citizens is broadened with other aliens also eligible for waiver if offenses were more than ten years previous.

6. Western Hemisphere aliens, except natives of Canada and Mexico, are permitted to adjust status in the United States.

7. Employers who knowingly employ aliens ineligible to work or fail to inquire as to eligibility are subject to criminal penalties as are non-immigrants who take gainful employment without permission.

8. Naturalization procedures are up-dated and liberalized.

9. The loss-of-nationality provisions of the present law for voting in foreign elections, desertion, and departure to avoid military service are repealed since they have been ruled unconstitutional by the Supreme Court.

10. Cuban refugees who adjust status are excepted from the Western Hemisphere numerical ceiling.

11. Temporary workers in the Virgin Islands are made eligible for permanent residence.

## PROPOSED SELECT COMMITTEE ON AGING

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

Mr. PRYOR of Arkansas. Mr. Speaker, I rise today to introduce, once again, the resolution to create a Select Committee on Aging in the House of Representatives. In doing so, I am pleased to announce both to the U.S. Congress and to the 20 million senior Americans that the addition today of 32 additional cosponsors brings the total number of cosponsors to 222, a majority of the House of Representatives.

Now that a majority of the Members of the House of Representatives have signaled their support for this vital legislation, I hope that we will soon be able to turn our thoughts toward the positive actions which will alleviate the pain and dismay of so many of our elderly citizens.

## EFFECTS OF THE PRESIDENT'S PROGRAM OF LIBERALIZED DEPRECIATION

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

Mr. VANIK. Mr. Speaker, on Monday, January 11, in the face of continued inflation and the heated pressure on the national debt ceiling, the President announced a program of liberalized depreciation which will cost the Treasury an estimated $3½ billion per year. This tax giveaway is the equivalent of a 10-percent reduction in corporate tax rates. By a single stroke of the President's pen, all of the Treasury gains in the Tax Reform Act of 1969 were washed down the drain.

As a result of the President's action in reducing corporate taxes, thousands of profitable American corporations will be eliminated as taxpayers. When the benefits of the foreign tax credit, the depletion allowance, intangible drilling costs, and the President's schedule of depreciation are compounded—they provide a protective shield against taxation. On top of all these gimmicks, the administration apparently intends to press for special tax writeoffs for exporting corporations which could cost the taxpayers another billion dollars per year.

The dramatic thrust of the administration's tax policies is to shift most of the tax burdens of America onto the backs of the average taxpayer. The administration's tax package reflects a bold effort to eventually eliminate corporate taxation. It constitutes an incredible approach to the wrong kind of revenue sharing.

## CALIFORNIA MARINE SANCTUARY ACT

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

Mr. ANDERSON of California. Mr. Speaker, we have seen the tragedy caused by oil spills to our beaches, to our sea life, and to our waterfowl. Steps have been taken by both the Federal and State Governments to protect the local environment, but further steps are needed.

The State of California has created seven marine sanctuaries where the granting of leases for petroleum devel-

opment has been banned. They account for almost a fourth of the entire California coastline. They prohibit oil drilling on an estimated half of the tidelands suspected or known to contain oil deposits.

Our Federal policy must be to support State laws that protect our environment, for without Federal conformity, State laws may be useless. The tragedy that occurred in Santa Barbara in 1969 illustrates the need for Federal conformity, for it did the people of California little good to set aside the State sanctuary when just beyond it the Federal Government proceeded to grant leases for petroleum development.

Mr. Speaker, today I am introducing legislation which will prohibit further leasing for extraction of oil and gas in those portions of the Outer Continental Shelf which are seaward of the California marine sanctuaries.

Presently, only the Santa Barbara sanctuary has seaward leasing operations. This bill will not affect these operations, nor does it terminate any existing lease, nor the right to drill under any existing lease.

This bill restricts the power of the Secretary of the Interior to grant leases for oil and gas extraction which are seaward of the areas which California seeks to protect by establishing sanctuaries within its own jurisdiction.

The California coastline is both a State and National treasure. It is threatened by the development of its oil resources, and until we can extract oil in a safe manner, I believe the legislation I introduce today is vitally needed.

## CONTINUED U.S. CONTROL OF PANAMA CANAL INDISPENSABLE

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

Mr. HALL. Mr. Speaker, it appears that this Nation has become obsessed with the idea of giving up control of the Panama Canal. It is my considered judgment that such action, if accomplished, would contribute greatly toward smoothing the roadbed over which the juggernaught of international communism would travel.

We have given away the island Iwo Jima and plan same for Okinawa—our hard won and most strategic base in the Pacific.

We have given away Wheelus Air Force Base, undoubtedly its aprons will soon become a favored resting place for aircraft bearing the red star and/or hammer and sickle.

Mr. Speaker, I think it is time that the Congress makes it perfectly clear that this Nation has no need for a negotiator. The Congress should make perfectly clear, once and for all: we are there, we intend to remain there, and, in the language of today, the sovereignty of and Panama Canal itself—is unnegotiable. It is time we made crystal clear that this involves U.S. territory, and hence is a constitutional prerogative of the House and entire Congress.

For this reason, I have joined with my colleague from Pennsylvania, Mr. FLOOD, in introducing legislation that would arm the President with the sentiment of the House of Representatives and that of the American people in any future negotiations with the government of Panama over the status of the Canal Zone.

It is essential that this be done so that a reoccurrence of the abortive proposed 1967 treaty does not come back to haunt us. As many may remember this proposed 1967 treaty contained provisions that ceded additional rights of the Canal Zone to Panama, gave Panama joint administration, increased our annual payments to Panama, raised tolls, and forced the United States to share its defense and police powers with Panama. When the text of this treaty was published there was a hue and cry throughout the United States opposing its provisions. At that time about 150 Members of Congress introduced or cosponsored resolutions expressing the sense of the House that it was the desire of the American people that the United States maintain its sovereignty and jurisdiction over the Canal Zone. Public indignation ran so high that the 1967 draft treaty was never sent to the other body for ratification. A similar resolution was introduced in the 91st Congress.

Mr. Speaker, it is now over 4 years later. Much has transpired. A military junta is now ruling Panama. A new administration has taken over the reins here in Washington. On the other hand, much has remained the same. Castro is still preaching and exporting revolution in Latin America. A Communist regime now controls Chile. American property is still being expropriated "south of the border." Many people both here and abroad call for the surrender of American bases and rights throughout the world. The Panamanian Government is aware of this and is now willing to make another attempt to negotiate a new treaty. They know that they have nothing to lose, and everything to gain. They no doubt feel that if they obtain concessions from us as they did in the negotions for the 1967 treaty, they can obtain them again in any new round of negotiations.

I am also confident that the citizenry of this country know and comprehend the strategic importance of the Canal Zone. As a member of the House Committee on Armed Services I was particularly concerned about the possible effect of the 1967 treaty on both the subjects of national security and hemispheric defense. The importance of the Canal Zone as a bastion of our "southern flank" cannot be overrated. Without our control of the Canal Zone the possibility of a potentially hostile regime in Panama denying access of the transferring of our naval forces from ocean to ocean ever grows. The loss of this access could destroy a link in our defense chain and could produce a disaster. It is particularly inappropriate in this time of contingency expectancy around the world.

Mr. Speaker, intertwined with the aspect of national security, is the equally important area of hemisphere defense. The Canal Zone under our control and jurisdiction serves as an outpost thwarting the perverted ambitions of Castro, Moscow, and Peking. Our presence serves as a constant reminder of our determination to stop subversion in Latin America. I ask, would Panamanian control of the canal serve a like purpose? I think the answer is obvious.

Besides military considerations, the commercial considerations must also be examined. A Communist or hostile government could completely close the canal to U.S. shipping. Over 65 percent of all U.S. shipping passing through the canal annually either originates or terminates in U.S. ports. The added shipping costs, as well as the curtailment of shipping would be astronomical in the event this facility was denied our use.

Besides paying the price for increased shipping costs, the U.S. taxpayer could possibily be forced to surrender his aggregate investment of over $5,000,000,000 which would constitute the biggest single "give-away" in recorded history. I cannot envision the American people wishing to write off this huge public asset, without some reasonable and tangible compensation in return.

Mr. Speaker, it is imperative that all who are concerned do everything in their power now, to prevent the surrender of our right to the control of the Panama Canal. We cannot sit idly by and watch the Panama Canal become another Suez. I call upon my colleagues to cosponsor this resolution.

## RESOLUTION NO. 1 OF THE MINNESOTA LEGISLATURE MEMORIALIZING THE DEPARTMENT OF TRANSPORTATION TO INCLUDE MINNEAPOLIS-ST. PAUL AS END POINTS OF THE NATIONAL RAILROAD PASSENGER TRANSPORTATION SYSTEM

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

Mr. NELSEN. Mr. Speaker, it is, indeed, significant that the first resolution adopted this year by the legislature of the State of Minnesota petitions the Secretary of the Department of Transportation to include Minneapolis-St. Paul in the final recommendations for a basic national rail passenger system.

Resolution No. 1 is backed up by a thorough study and a comprehensive justification for the Twin Cities service filed with the Secretary of Transportation by the Minnesota Public Service Commission.

I might point out that the inclusion of the Twin Cities as "End Points" has an impact beyond our State of Minnesota. If these cities are not so designated, it could leave the States to the west of Minnesota on rail lines to Seattle entirely without rail passenger service.

I include Resolution No. 1 of the Minnesota Legislature at this point in my remarks:

RESOLUTION No. 1

(A resolution memorializing the United States Department of Transportation to include Minneapolis-St. Paul, Minnesota,

as end points in the National Railroad Transportation System)

Whereas, Congress passed the Rail Passenger Service Act of 1970; and

Whereas, the National Railroad Passenger Corporation was created under Title III of the Act; and

Whereas, Minneapolis-St. Paul are listed as a proposed intermediate stop; and

Whereas, Minneapolis-St. Paul should be included as end points; now, therefore,

Be it resolved, by the Legislature of the State of Minnesota, that we, the Legislature of the State of Minnesota, respectfully request that the Department of Transportation include Minneapolis-St. Paul as end points in the proposed National Railroad Transportation System;

Be it further resolved, that the Secretary of State of the State of Minnesota send copies of this resolution to the Secretary of the Department of Transportation, and to all members of the Minnesota Congressional Delegation.

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## ESTABLISHMENT OF NATIONAL HEALTH INSURANCE PROGRAM UNDER THE SOCIAL SECURITY SYSTEM

(Mrs. GRIFFITHS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. GRIFFITHS. Mr. Speaker, on January 21, I introduced a bill, H.R. 22, to establish a national health insurance program under the social security system, and to give to middle Americans those health and medical benefits presently being developed for the poor and aged, and which the wealthy already have simply because they can afford to pay for them. I first introduced this bill in February of last year. Several improvements have been made since that time.

This bill would relieve State and local governments of $2.5 billion a year in expenditures for health care. In addition, since this bill would eliminate medicare and medicaid, the $10 billion supporting these programs would become available for the comprehensive national health program.

My bill also would preserve free choice of physicians; preserve traditional professional freedom of practice and methods of payment; and maintain, indeed, utilize the authority of local medical and dental associations and societies.

At the same time, my bill would make it possible for doctors and dentists to bypass time-consuming business administration and bookkeeping functions and permit them to concentrate on the practice of medicine and dentistry. It recognizes that the business of doctors is administering health and medical care. They should not have to be bookkeepers or credit collection agencies.

Mr. Speaker, the soaring inflation of health care prices has literally priced the average wage and salary earner out of the health care market. It is estimated that nine out of 10 Americans are medically indigent in the sense that they face financial ruin should a serious or extended illness strike. During the last decade, health care prices have increased twice as fast as the cost of living. Hospital daily charges have shot up 150 percent in the last 10 years, and in a short time the $100 per day hospital room will be commonplace. In some metropolitan areas, of course, hospital room charges have already reached that level and more.

Total health care expenditures are absorbing an increasing amount of our gross national product. In 1950, total health expenditures of $12.1 billion represented 4.6 percent of gross national profit. In 1969, we spent approximately $60.3 billion on health or 6.7 percent of gross national profit. If health costs are permitted to continue increasing at the present rate, in 30 years we will be spending twice as great a portion of our gross national profit on health as we do now.

In spite of our lavish expenditures on health care, however, we are getting inadequate results and inferior services. According to an official United Nations report: There are 35 other nations where 10-year-old boys can expect to live longer; in 10 other nations 10-year-old girls have a longer life expectancy; and in 13 other nations new-born babies have a better chance of survival. Although our medical technology is the most sophisticated in the world by many standards, neither the benefits of this technology or even necessary health care services are readily obtainable by vast numbers of our citizens.

Unless soaring health care costs are placed under some form of rational budgetary control, there is no relief in sight for the majority of our population from the crushing financial burden of spiraling health prices, and the longer we delay in implementing a comprehensive program to meet the present crisis, the more costly will be the remedy necessary to revive our ailing system of health care delivery. The national health insurance bill I have introduced would place health care expenditures under firm budgetary control, while providing practitioners with genuine financial incentives to improve the quality of health care and the efficiency with which it is delivered. This would be accomplished by utilizing the time-tested method of paying group practice prepayment plans to provide health care services on the basis of approved prospective budgets.

Comprehensive group practice plans are rapidly gaining popularity for their superiority, in terms of quality of care provided and efficiency, over the fragmented methods of solo physicians and specialists working independently. Administrators within the Department of Health, Education, and Welfare already have designed programs to encourage group practice plans. Last September, the president of the American Medical Association, Dr. Walter C. Bornemeier, acting on his own, recommended that the Federal Government provide money for doctors to build group practice clinics in areas where there are shortages of physicians.

The improvements in quality of care and efficiency accomplished by group practice prepayment plans are matters of statistical fact. The President's Commission on Health Manpower, in studying the group practice prepayment plan of the Kaiser Foundation, concluded that the Kaiser plan provided as good or better care than was available in the general community at from 20 to 30 percent less cost. In addition to Kaiser, all other group practice plans have demonstrated the capability of reducing hospitalization and the number of surgical procedures. A recent study of the Federal employees health benefits program showed the group practice plans had only one-half the number of nonmaternity hospital days per 1,000 subscribers, as the alternate coverage. Federal employees have a choice between five different types of coverage, including an indemnity plan and Blue Cross-Blue Shield. Also, the group practice prepayment plans had 42 percent fewer surgical procedures than Blue Cross.

Under the program I have proposed, State or county medical societies, or any qualified group of practitioners, could enter into contracts with the Government to provide comprehensive health care services to their respective patient populations. An individual practitioner could enter the program on his own, but the financial incentives provided under the plan make it more profitable for him to become part of a group practice plan. Hospitals, as well, could contract with the Government to serve the beneficiaries of national health insurance.

The size of the budget received by a hospital, for example, would depend on the number of beneficiaries that elect to make the hospital, their primary point of entry into the health care system. Other factors such as the morbidity rate of the population and the cost of providing services in the area, would be considered in negotiating the contracts. Once a medical society, group practice plan or hospital receives its yearly budget, the group can pay its individual members in any way they choose, either on a fee-for-service, or salary basis.

The budget of a group practice plan or a hospital will be a liberal one, but it will place a ceiling on yearly expenditures. If by improving the quality of health care and the efficiency with which it is delivered, a group or hospital has budget money left over at the end of the year, they will be permitted to retain this amount as a reward for efficiency. The general idea is to make it more profitable for doctors to keep people well than let them get sick enough to require hospitalization. The Government would be required to pay the total cost of hospitalization without limit, but the more money spent on hospital services, the less doctors would have for themselves.

In addition, the national health insurance program I have proposed would move toward restoring the balance between rural and urban areas in the availability of doctor care. In the countryside, over 412,000 people in 115 counties scattered through 23 States do not have access to a physician at all. One out of 50 Americans cannot get a doctor under any circumstance. There is also a doctor imbalance inside our large cities. New York City, for example, has an overall physician-population ratio of 278 doctors per 100,000 residents. Yet the ratio is only 10 doctors per 100,000 residents in poor areas and ghettos.

If my bill should become law, we would witness, I trust, a migration of doctors from the over-doctored areas to the under-doctored areas of the United States,

since the money will be there, whether the area is rural, poor or affluent. Under this program, doctors would be motivated to serve not on the basis of a community's wealth, but on the basis of the people's need for health care in the area, and the physician's own personal inclination as to living arrangements.

Benefits provided under the program consist of virtually every kind of medical service for the diagnosis and treatment of disease, including: physical examinations; physican visists to the home, office and hospital; specialist services including, surgery and psychotherapy; eye care, including eyeglasses and frames; prescription drugs; physical therapy, and rehabilitation. Institutional benefits include hospitalization without limit and home health services including homemaker services, if necessary. Ambulance services are covered by the plan. Children under the age of 15 on the effective date of health benefits will be entitled to comprehensive dental services under the program, and will remain so entitled throughout their lives. Within 5 years after the program becomes operative, persons up to age 25 will receive full dental coverage. All residents of the United States will be eligible beneficiaries of national health insurance except those aliens who have resided in the country less than a year.

The program would be financed within a predetermined budget defined by the revenue raised under the payroll tax provisions of the bill. Employees would pay 1 percent into the health fund on wages up to $15,000, employers would contribute 3.5 percent of total payroll, and the Government would match the employee and employer contribution out of general revenues. It is estimated that if this program had been fully implemented in fiscal year 1970, the total cost would have been $41 billion, or 70 percent of the total personal health care expenses in the United States.

It is obvious, however, that the promise of comprehensive health benefits will be an empty one, unless we create a rational, efficient system of health care delivery, which is readily accessible to each beneficiary.

Two years before benefits begin under national health insurance, a resources development fund will be established to strengthen our resources of health personnel and facilities, and restructure our health care delivery system to meet the increased demand for comprehensive medical services. The $200 million will be appropriated to the fund in its first year of operation, and the following year $400 million will be devoted to the fund. Once benefits begin, up to 5 percent of the trust fund, nearly $2 billion a year, will be set aside for resources development.

A fundamental aspect of the problem of rationalizing the delivery of health care in America can be dealt with by the method I have mentioned of contracting in advance for the services of health care practitioners. As opposed to our current practice of rewarding practitioners in proportion to the seriousness of a patient's malady, the method of paying for services in advance results, in fact, in paying physicians to keep us healthy. In this way, physicians are financially rewarded for implementing techniques which reduce the cost and improve the efficiency of their services, since they are permitted to retain, as a bonus, budget money that is left over at the end of the year. By the same token, they are financially penalized for inefficient or unnecessary practices.

To improve the quality of care, the bill requires hospitals and groups of physicians, as a condition of participation, to develop programs to assure high quality medical services to all beneficiaries, and to establish a mechanism of peer review. To improve our health care delivery system, grant-in-aid amounts would be provided for the planning and development of comprehensive health delivery systems, and subsidized loans would be made available for the initial staffing of these systems. Under Kennedy and Johnson, the Federal Housing Act was amended to provide health facilities for doctors engaged in group practice. I understand, however, that this provision has not been taken advantage of, chiefly because neither the Federal Housing Administration nor the doctors knew how to put it to use.

Unless we move to construct a national plan, 50 individual State plans will be created under medicaid in an attempt to fill the need for national health insurance. The State of New York, as you may be aware, has extended medicaid benefits to persons in a family of four with $5,400 income, exclusive of the cost of getting to work. Since approximately 50 percent of medicaid's financing comes from Federal revenues, you are purchasing health care benefits for New Yorkers that are not available to persons, with comparable incomes, in your own States. We must have a national plan that can be administered fairly to all persons.

Mr. CORMAN. Mr. Speaker, I introduce, for appropriate reference, the Health Security Act on behalf of Mrs. GRIFFITHS, Mr. MOSHER, Mr. REID of New York, and myself, as well as the following Members of the House:

Mr. ANDERSON of California, Mr. ANNUNZIO, Mr. ASHLEY, Mr. BADILLO, Mr. BEGICH, Mr. BERGLAND, Mr. BINGHAM, Mr. BLATNIK, Mr. BOLLING, and Mr. BRADEMAS.

Mr. BURTON, Mr. BYRNE of Pennsylvania, Mr. CARNEY, Mr. CELLER, Mrs. CHISHOLM, Mr. CLAY, Mr. CONYERS, Mr. DANIELS of New Jersey, Mr. DANIELSON, Mr. DELLUMS, and Mr. DIGGS.

Mr. DRINAN, Mr. DULSKI, Mr. ECKHARDT, Mr. EDWARDS of California, Mr. WILLIAM D. FORD, Mr. FRASER, Mr. GREEN of Pennsylvania, Mr. HALPERN, Mr. HARRINGTON, and Mr. HATHAWAY.

Mr. HAWKINS, Mr. HECHLER of West Virginia, Mr. HICKS of Washington, Mr. HOLIFIELD, Mr. HOWARD, Mr. JOHNSON, Mr. KOCH, Mr. MADDEN, Mr. MCCORMACK, Mr. MEEDS and Mr. MIKVA.

Mr. MILLER of California, Mr. MITCHELL, Mr. MORSE and Mr. MOSS.

Mr. NIX, Mr. O'HARA, Mr. O'NEILL, Mr. PEPPER, Mr. PERKINS, Mr. PODELL, Mr. PRICE, Mr. PUCINSKI, Mr. RANGEL, and Mr. REES.

Mr. REUSS, Mr. RONCALIO, Mr. ROYBAL, Mr. RYAN, Mr. ST GERMAIN, Mr. SARBANES, Mr. SEIBERLING, Mr. SISK, Mr. STOKES, and Mrs. SULLIVAN.

Mr. THOMPSON of New Jersey, Mr. UDALL, Mr. VAN DEERLIN, and Mr. VANIK.

The Health Security Act creates a comprehensive national health security program, through a system of national health insurance, which will make health care services available to all residents of the United States. We commend this bill to our colleagues in the Congress for favorable consideration.

The American people today face a crisis in health care of appalling proportions. The American people know that they have a right to quality health care, but they know, too, that for most people the availability and delivery of such care is virtually nonexistent today. We are offering a health security act that will convert that right from fiction to reality.

The program we envision is borrowed from no other nation, though we recognize that we are the last of the major nations to acknowledge our responsibilities in a national policy for comprehensive health care for all our citizens. It discriminates neither in favor of nor against any segment of our population, though we recognize with shame our enormous neglect of those who have most needed and deserved the best health care we could have afforded.

The Health Security Act proposes that we shall use the mechanism of national health insurance as a means of bringing about a rational system for the delivery of personal health services in a manner that is consistent with American needs, and creates an American system of health care for all our people.

Good health is a vital need, personally and nationally. Good health requires good health care. Yet, despite that dedication, great efforts and enormous expenditures, good health care is not actually available to millions of Americans. At the same time, we are using a substantial share of our national economic resources for medical care; we are confronted by costs which are rising steeply, but yet not effecting improvements; the inadequancy of health care resources intensifies; and our rates of sickness, disability, and mortality—already are behind the potentials of modern health care—are getting no better and may be getting worse.

I will not burden you with a repetition of the vital statistics, so often repeated in the public information media and in the professional literature—statistics which show how little progress we have been making in recent decades toward the prevention of illness or of premature mortality, whether measured against our own past or against the vital statistics of other countries.

Nor will I burden you with a recital of what almost every family knows through its own worries and frustrations and disappointments. The average family lives in dread of illness and disability, and for good reason. The path to seeking medical care is confusing, frightening, and expensive. This dilemma is not confined to the poor, the elderly, or the disabled. It is understood just as clearly by the professional worker earning $12,000 a year whose child requires a $30,000 hospitalization—not unusual for an accident or prolonged illness—and who discovers his expensive insurance pays about 60 per-

cent of the bill. It is understood by residents of our 157 rural counties without a single physician. It touches every community in this country.

Nor will I burden you with the recounting of the distress among the providers of health care. We all know the dedication of the health profession, the commendable efforts of the hospitals and other institutions, the support of Federal, State, and local governmental agencies and personnel. And we are familiar with the limitations under which they try to meet the national need for health care, and the technological progress through research and application which has made medical care at its best in the United States second to none in the world. We also know that the best is not adequately available.

The problems of manpower shortages, lack of organization and spiraling costs have been measured and analyzed many times. The problems are well known; it is the purpose of our program to provide realistic solutions. Fortunately, the underlying causes of our health care deficiencies are manageable—though not all at once or without great effort and commitment.

The three causes of crisis underlying all the rest can be simply stated: First, the national shortages of health manpower and institutions; second, rising costs which price medical care beyond reach; and third, inadequacies in the organizational system for the availability and delivery of medical care.

These three basic causes are so intimately interrelated one with another that if we would meet the health care needs of the Nation we must attack simultaneously on all three fronts. We must insure that we have the needed health manpower, hospitals, and other institutions; we must insure the underwriting of the unavoidable costs, while also keeping these costs within reasonable bounds; and we must encourage the development of a system which provides for efficient use of the manpower and institutions and for ready and effective availability of health services to our population.

I would emphasize the importance and the urgency of simultaneous attack on all three. Production of more health manpower or more hospitals or other institutions without improving financing and organization would at best be an exercise in futility toward dealing with needs, or at the worst would invite disastrous problems of costs. Merely trying to solve the problems of steeply rising costs by pouring more purchasing power into the medical care channels will perpetuate a system characterized by consumer impatience, seller's monopoly, inefficiency, lack of accountability—all of which can only lead to further dissipation of resources.

Attempts to deal with the organizational system in isolation have no hope of success as decades of largely futile public and private efforts have demonstrated. Instead, we propose a comprehensive program, balanced and well proportioned, on an evolutionary basis. And we propose that at every point we shall provide for professional and administrative protections and controls to safeguard the essential ingredient of good quality in health care services.

Every discussion of the health care problem is, unavoidably, heavily concentrated on the costs of medical care, which have been climbing twice as fast as other consumer costs. If this trend continues, the Social Security Administration estimates that national expenditures on personal health services will reach $96 to $102 billion by 1974. This is an increase of almost 100 percent over comparable expenditures in 1969 which totaled $52 billion. Manpower shortages and inefficiencies of disorganization lie at the root of current medical inflation. The spiraling costs—now approaching 7 percent of the GNP—will not be slowed down until we take effective measures to increase the supply of manpower and bring order to our delivery system.

In the 4 fiscal years 1966 to 1969, inclusive, the national expenditures for personal health care, exclusive of the net costs to private insurance, went up from $183 to $256 per capita. The most recent Consumer Price Index—CPI for July 1967—shows that medical care prices are still rising at nearly twice the rate for all items in the consumer's market basket.

Despite the massive sale of private health insurance, most of the expenditure for personal health services must still be borne out-of-pocket at the time of illness or as a debt thereafter. The reason is that nearly all private health insurance is partial and limited, covering in the aggregate only about one-third of the private costs and leaving nearly two-thirds to be paid outside the framework of insurance. Private health insurance through more than 1,800 different carriers competing with each other, and through a bewildering array of insurance policies, can do no more than this to ease the burdensome impacts of medical care costs on American families. Nothing less than a national commitment of resources can deal with the need for adequate insurance against the costs of medical care. The health security bill makes this commitment.

It will be readily recognized that the proposed financing, starting with actual levels of expenditure, is not concerned primarily with new costs. On the contrary, the program effects mainly a rechanneling of money already spent, in order to use it more effectively. Health security expenditures would replace large expenditures already being made by people generally, by employers, by voluntary agencies, by the Federal, State, and local governments, and would relieve State and local governments of various expenditures which they are finding burdensome. For instance, for fiscal 1970, the Medi-Cal program cost my own State of California $485 million. Had the Health Security Act been operative in 1970, the estimated savings to California in this program would have been $291.4 million. Since local property tax pays part of the State's Medi-Cal bill, the savings to homeowners would have been substantial. In addition, the program would have saved the State of California the $1 million it contributed to the premium costs of private heath insurance policies for State employees in fiscal 1970.

In fiscal 1970, the estimated cost of the program would have been $41 billion, or 70 percent of the total personal health care expenses in the United States. None of the $41 billion in expenditures under the health security program represents "new" money. Rather, this amount of money is already being spent by individuals, employers, and governments for health care. The $41 billion actually expended in fiscal year 1970 consisted of $29.5 billion in private out-of-pocket payments and private health insurance payments, $11.5 billion in payments by Federal, State, and local governments. Under the new program, however, the same amount of money will provide more health services for more people by revitalizing the existing health delivery system and reducing the inflation in the cost of health care.

Mr. Speaker, at this point I would like to outline briefly the major aspects of the health security program:

First, the health security program does not envisage a national health service in which Government owns the facilities, employs the personnel, and manages the finances. On the contrary, it intends a partnership of the public and private sectors: Governmental financing and administrative management; joined with private provision of the personal health services through private practitioners, institutions, and other providers;

Second, the health security program would be effected through a process of gradualism, moving on an evolutionary course from what we have and where we are toward the goals we would attain; and

Third, the more or less comprehensive health services to be covered by the health security program would be financed on a budget basis, with reasoned provision of necessary funds from the pool of national resources, and with containment of hitherto unlimited expenditure demands on the national resources, and with containment of the hitherto unlimited expenditure demands on the national economy.

Under the Health Security Act, every resident of the United States would be eligible to receive covered benefits beginning with the middle of the program's third year of operation. Eligibility would not require either an individual contribution history or any means test.

The benefits are intended to embrace the entire range of personal health services required for personal health, including services for the prevention and early detection of disease, for the care and treatment of illness, and for physical rehabilitation. With only four exceptions, there are no restrictions on needed services, no cutoff points, no coinsurance, no deductibles, and no waiting periods. The four exceptions are dictated by inadequacies in existing resources or in management potentials, with respect to skilled, nursing home care, psychiatric care, dental care—this benefits starts with those who are under age 15, and extends to other gradually—and covered medicines and appliances.

The financial and administrative arrangements are designed to move the

medical care system toward organized programs of health services, utilizing teams of professional, technical, and supporting personnel. Earmarked funds would be available to support the most rapid practicable development toward this goal through a resources development fund which would become operative 2 years before benefits begin. Priorities in the initial tool-up fund would support education, training, group practice development and other health care delivery system improvements. In the 2 years, the operation of such a fund could provide systems for the health care needs of between 6 and 8 million people. After benefits become available, the resources development fund would become a permanent ongoing part of the program.

Equally important are the financial, professional, and other incentives built into the program which are designed to move the health care delivery system toward organized programs of patient care. As alternatives to the prevalent solo practice, fee-for-service methods the incentives will encourage preventive care and the early diagnosis of disease.

Federal law would supersede State statutes which restrict or impede the development of group practice operation. Thus, the program would undertake to do what it can toward assuring the availability of covered health services and not merely contributing further strains on overburdened resources.

Providers would be compensated in full, agreeing not to charge individuals for covered services. Hospitals and other institutional providers would be paid on the basis of approved prospective budgets. Independent practitioners—physicians, dentists, podiatrists, and optometrists—may be paid by various methods which they may elect: By fee for service or by capitation payments, or in some cases retainers or stipends, and by combination methods. Comprehensive health service organizations may be paid by capitation or by a combination of this method and methods applicable to payment to hospital and other institutional services. Other independent providers—for example, pathology, laboratories, radiology services, pharmacies, providers of appliances—would be paid by methods adapted to their special characteristics.

The health security program includes various provisions to safeguard quality of care. The program would establish national standards for participating individual and institutional providers. Independent practitioners would be eligible to participate upon meeting licensure and continuing education requirements.

Specialty services would be covered if, upon referral, they are performed by qualified persons. Hospitals and other institutions would be eligible for participation if they meet national standards somewhat more exacting than in medicare, and establish required utilization review and affiliation arrangements.

With respect to the problems of health manpower shortages, health security intends to supplement established Government programs. It would give incentive and continuing support to comprehensive group practice organizations for the efficient use of personnel in short supply and for the progressive broadening of services. It would provide support funds for education and training programs for personnel especially needed for covered services, and support stipends to students and trainess—especially for those disadvantaged by poverty, membership in minority groups, and so forth. It would also provide special financial and other supports for the location of needed health personnel in both urban and rural shortage areas.

Various Federal health programs would be superseded, in whole or in part, by health security. Since all persons, including those 65 and over, would be covered by the program, medicare under the social security system would be terminated. Federal aid to the State for medicaid would also be terminated except to the extent that, and for so long as, services under that program are broader than under health security. As with medicaid, so also with other Federal programs which may be broader than health security. However, our bill does not undertake to revise the provisions for personal health services under the Veterans' Administration, temporary disability, or workmen's compensation programs. It does direct to the Secretary of Health, Edcation , and Welfare and the Administration of Veterans' Affairs to study the feasibility and desirability of coordinating these and other Federal health benefit programs with health security benefits.

The administration of the health security program is designed to concern itself with the availability of services, the observance of high quality standards, and the containment of costs within reasonable boundaries. Policy and regulations would be established by a five-member Board, appointed by the President and confirmed by the Senate to serve 5-year, overlapping terms. The Board would serve under the Secretary of Health, Education, and Welfare and no more than three members would be chosen from any one political party. The Secretary and the Board would be required to coordinate the operation of the program with other health related programs of the Government. A statutory National Advisory Council would participate with the Board on general policy, the formulation of regulations, and the allocation of funds. Its members having 5-year rotating terms and including representatives of providers and of consumers—the latter in majority. Administration would be effected through the Department's regional offices and would be mainly operational in health service areas, with advisory councils on matters of administration at each such level. Local offices would have the responsibility of serving as ombudsmen for the consumer in the health system and of investigating complaints regarding the administration of the program made by consumers or providers in their area. Through its regulations, the Board would guide performance under the program; it would coordinate various activities with the State and regional planning agencies; it would provide an accounting of activities to the Congress and it would engage in studies and projects for evaluation and for progressive improvements of operations.

The financial operations of the program would be managed through a health security trust fund—similar to the social security trust fund. One-half of the income for the fund would come from Federal general revenue with the other half coming from taxing individual income up to $15,000 annually, employers' payrolls and non-earned income. Each year, the Board—with the participation of the Advisory Council—would make an advance estimate of the amount available for expenditure—to pay for services, for program development, and for administration—and would make allocations to the several regions. These allocations would be subdivided among categories of services and designated for the health service areas, with participation by the advisory councils. Advance estimates, constituting the program budgets, would be subject to adjustments, as may become necessary, in accordance with guidelines in the act. The allocations to regions and to service areas would be guided initially by the latest available data on current levels of expenditures; thereafter they would be guided by the program's own experiences in making expenditures and by evidences of need toward meeting the program's obligations and objectives equitably throughout the Nation.

Thus, Mr. Speaker, the Health Security Act we submit to the Congress and to the people of the United States differs from all previous proposals for national health insurance. It is not just another proposal for insurance. It is not merely an extension of medicare by stages to everyone. It is not an ill-conceived open-ended design for pumping more dollars into a chronically strained "nonsystem." It is not simply a bigger categorical program for the production of manpower and facilities without creating a system to employ them.

Our program will build for the residents of this country a rational system of national health security. It will not require an increased expenditure of funds, but will instead allow citizens to pay for their medical security during their income producing years in accordance with their level of earnings. The funds which we as a people can afford to provide will finance and budget the essential costs of good medical care. Simultaneously we will strengthen our capacity to deliver health services, and make good health care available without financial hardship for all families and individuals in the Nation.

We take cognizance of the fact that organized medicine shares our concern that American faces a crisis in health care. We know that our goals are the same—to provide adequate health care services for all Americans. We would hope and expect organized medicine to make a substantial contribution in setting up the mechanism for the health security program so that its long years of experience and the expertise of its members would be available for the effective functioning of the program. As lay groups, the various advisory boards and advisory councils established under the Health Security Act would, I am sure, want to rely heavily on the cooperation and advice of organized medicine so as

to insure that the highest possible quality of medical care would be available to everyone and that an equitable distribution of available funds would be maintained.

We expect that the introduction of the bill and consideration of its companion that is being introduced in the Senate will spark the most intensive public debate on this subject in 20 years. We are aware that there are several legislative proposals for national health insurance before the Congress. But we hope that in the course of public discussion and congressional debate the all-inclusive provisions of the Health Security Act will be contrasted to the piecemeal approaches of the other proposals. And we hope, too, that our colleagues realizing the seriousness of the health crisis in America will not delay in enacting this measure during the 92d Congress thereby insuring, for the first time in U.S. history, health security for all Americans.

## GENERAL LEAVE

Mrs. GRIFFITHS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my speech, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentlewoman from Michigan?

There was no objection.

## BANNING U.S. AIR OR SEA COMBAT SUPPORT FOR ANY MILITARY OPERATIONS IN CAMBODIA

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

Mr. BINGHAM. I am today reintroducing with additional cosponsors the legislation I introduced last week amending the compromise Cooper-Church provision adopted in the closing days of the 91st Congress so as to ban any "U.S. air or sea combat support for any military operations in Cambodia." This brings to 69 the total number of Members who have cosponsored this measure.

Reintroduction of this legislation today occurs amid renewed reports from Southeast Asia that the administration is violating both its own policy assurances with regard to the U.S. role in Cambodia, and the intent of the Congress in approving the compromise Cooper-Church language as part of the Special Foreign Assistance Act of 1971. Today's New York Times reports that U.S. military officials in Southeast Asia have worked out a plan by which U.S. military personnel will oversee the delivery and use of military aid to Cambodian troops without assuming the role of "advisers." Such a plan is an exercise in "doublethink" and a clear violation of the spirit and intent, if not the letter, of the Cooper-Church policy.

The argument made by U.S. officials that this program is made necessary by the rapid increase of U.S. military assistance for Cambodia is a perfect illustration of the same cycle of entanglement that we experienced in South Vietnam. It was anticipation of just such entangling developments that prompted some of us in the House to vote against this special military aid to Cambodia. The clear intent of Cooper-Church was to prevent us from repeating the mistakes we made in South Vietnam. That overriding intent was never compromised. Yet, the administration is now again following the same misguided logic, the same path of deepening involvement, in Cambodia that we have lived to regret in South Vietnam.

Reports from Southeast Asia this morning also indicate that American combat forces, carrying weapons and wearing combat boots but otherwise in civilian clothes, have been engaged in operations in Cambodia to rescue helicopters damaged in recent Communist attacks. How will this step be explained away?

Mr. Speaker, we must make clear to the administration, if it is not clear already, that the Cooper-Church language enacted by Congress must be interpreted and observed as a strict ban on direct or indirect U.S. combat support for military operations in Cambodia. That is the intent and purpose of my amendment to Cooper-Church. I strongly urge prompt hearings in the House on this measure so that the House may take prompt action on it before it is too late.

## HEW AND SOCIAL SECURITY ARE CHEATING MILLIONS OF MEDICARE PATIENTS BY PAYING ONLY 50 PERCENT OF REASONABLE COSTS INSTEAD OF 80 PERCENT

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

Mr. STRATTON. Mr. Speaker, I take this time this morning to bring to the attention of Members the fact that for some months now the U.S. Department of Health, Education, and Welfare and the Social Security Administration have been seriously shortchanging millions of American senior citizens on medicare rolls, in violation of law, without any public admission or explanation, and with widespread hardship and confusion among one group of citizens least able to defend themselves from this kind of fiscal sleight-of-hand.

It has come to my attention that since last summer Federal medicare officials have been paying medicare clients enrolled under the voluntary doctors plan, and also under the hospital plan, apparently, only 50 percent of the cost of their doctor bills instead of the 80 percent legally mandated in the medicare law. What is more, they have done this without any public announcement or publicity, without any advance notice to medicare clients and without any rational explanation.

In fact the whole shortchanging operation has been carried out with a degree of secrecy and surreptitiousness that would put even the CIA to shame. Last January 5 I wrote a detailed letter to Secretary Richardson to ask for a full explanation of what was going on, and to this day I have received nothing in writing from either the Secretary or anyone in the Department that would even admit the action that has been under way, let alone give me the legal authority by which they claim to have justified their action.

Unofficially and over the phone I have been told by subordinate officials that last summer the Department instituted a new, and obviously very quiet policy of reimbursing doctors services under which the year 1968 was arbitrarily selected to determine what "reasonable" charges amounted to, rather than fixing them on the basis of current cost-of-living figures.

Now where they get the authority to do this, where they get the legal right to make senior citizens, already more heavily hit by inflation than anybody else, bear the full burden of inflation in the medicare field I am still, 3 weeks after my letter to Secretary Richardson, at a loss to understand. But the practical effect of what the Department has done has been to cheat millions of medicare patients out of 30 percent of the money which Congress authorized them back in 1965 to receive, and which they had a right to expect when they first signed up for the voluntary reimbursement program.

I can only conclude that the Department of Health, Education, and Welfare is trying to balance its internal budget out of the hides of retired American citizens whom it was created primarily to help.

Presumably the Department is also trying to shift the blame for this cruel and underhanded action onto the doctors themselves. But if HEW is aware of what has been happening to our economy in the past 2 or 3 years, or if HEW has done anything at all to order a freeze on doctors' fees under medicare, or a rollback in fee increases, the record is thunderously silent on both points.

Obviously this policy cannot be tolerated and the practice must be brought to a halt. I am presently in the process of drafting legislation designed to do exactly that.

Mr. Speaker, early in January, after I had addressed my letter to Secretary Richardson, there was some nationwide press coverage of the questions I had raised with the Secretary. In response to these published reports I have received many letters from around the country substantiating the charges I had heard, and listing individual cases in point. Under leave to extend my remarks I include a sampling of some of these letters. Also I include a letter to the Washington Post of November 16, 1970, which prompted my original letter to the Secretary, a copy of that letter, and the Department's replies to me to date.

The material follows:

MEDICARE PERCENTAGES

Recently my father sent to Medicare his current doctor bills amounting to approximately $100. The check he received from Medicare, which was supposed to cover 80 per cent of medical bills, was for a little more than $50, instead of about $80 which he expected.

He called the accounting office of the clinic where he receives medical care. He was told

they had been getting numerous complaints of the same type.

He then telephoned long distance to the Richmond office which handles Medicare for his area. He was informed that orders had come from the Social Security Administration to pay 80 per cent of the rates which were in effect in 1968 instead of 80 per cent of the actual bill at 1970 rates, beginning in July, 1970. In effect, instead of paying 80 per cent of medical bills, Medicare is now paying only 50 per cent.

Social Security gives as an excuse for this policy their effort to induce the doctors to cut their rates. This measure has no effect whatsoever on doctors. A great many of them are probably unaware that this practice is going on. Besides, they still get their money—from the patients rather than from Social Security. The people who are penalized by it are those least able to afford it—the old people on limited fixed incomes. It merely means that these poor old folks are not receiving the benefits they had been led to believe they were entitled to, and were counting on.

As far as I can determine by inquiring of a number of people, this matter has not been given any publicity. None of them had heard it on a news broadcast or read it in a newspaper. In fact, even the people who work at the Social Security-Medicare information office had never heard of it until I called them back to inform them about it after I had talked to someone in the Medicare claims department.

It is obvious that those responsible for this action did not want the general public to know what they were doing. Why was it kept so quiet?

Naturally I do not relish the idea of having more of my salary withheld for social security. However, I do think the people who are still working and earning money are the ones who can better afford it. But in an election year what politician would suggest such a thing? It would be much better strategy to make the poor, sick, retired people pay—without prior notice of this added expense.

FRANCES A. BROWNE.

ARLINGTON.

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CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
*Washington, D.C., January 5, 1971.*

Hon. ELLIOT L. RICHARDSON,
*Secretary, Department of Health, Education, and Welfare, Washington, D.C.*

DEAR MR. SECRETARY: There came to my attention the other day a rather startling report included in a letter to the editor of the Washington Post with respect to current operations of Medicare, which I am bringing to your attention and which I believe requires immediate and much fuller clarification.

According to this letter, a copy of which is enclosed, the Social Security Administration has ordered its regional offices to repay Medicare accounts, beginning July 1970, at 50 percent of the total bill rather than 80 percent.

Such action would appear to me to be not only contrary to the law but will obviously place very severe hardships on thousands of needy older citizens.

I would appreciate it if you could tell me whether this account is true, and if so why this order was issued.

Furthermore, I would like to know who issued the order, under what rules or regulations or legal authority it was issued, and in particular I would like to know whether, as the enclosed letter suggests, a deliberate effort has been made by the Social Security Administration, to keep this change of policy secret from the American public.

I would also like to know, in view of the recent announcement that Medicare premiums will rise effective July 1971, just what the significance of this action will be for the future operation of the Medicare system. I will be interested in your reply.

Sincerely yours,

SAMUEL S. STRATTON,
*Member of Congress.*

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DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
*January, 8, 1971.*

Hon. SAMUEL STRATTON,
*House of Representatives,*
*Washington, D.C.*

DEAR MR. STRATTON: The Secretary has referred your January 5 letter requesting information regarding the current operation of Medicare, to the appropriate office.

A reply will be forwarded to you as soon as possible.

Sincerely,

JERRY W. POOLE,
*Deputy Assistant Secretary for Congressional Liaison.*

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THE SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
*Washington, D.C., January 14, 1971.*

Hon. SAMUEL S. STRATTON,
*House of Representatives,*
*Washington, D.C.*

DEAR MR. STRATTON: Thank you for your letter of January 5 concerning the method used in determining medical insurance payments under Medicare.

I have asked Robert M. Ball, Commissioner of Social Security, to look into the specific questions you raised. Commissioner Ball will furnish me a report and I will be in touch with you again as soon as I receive it.

With best regards,

Sincerely,

ELLIOT L. RICHARDSON,
*Secretary.*

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PHILADELPHIA, PA.,
*January 1, 1971.*

Hon. SAMUEL STRATTON,
*U.S. House of Representatives,*
*Washington, D.C.:*

I am deeply grateful to you for calling public attention to this article appearing in the Philadelphia daily news. Thank you.

Sincerely,

——— ———.

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MEDICARE PATIENTS BEING SHORTCHANGED?

Is the Social Security Administration secretly refunding only 50 percent of Medicare charges instead of the legally required 80 percent?

That's the highly pertinent question Rep. Samuel Stratton (D., N.Y.) has bluntly put up to HEW Secretary Elliot Richardson.

In a letter to the latter, Stratton states he had read a "startling report" that the Social Security Administration quietly ordered its regional offices to repay Medicare accounts, beginning July 1970, at 50 percent of the total bill rather than 80 percent.

"Such action would not only be contrary to the law," Stratton told Richardson in a letter, "but will obviously place very severe hardships on thousands of needy older citizens. I would appreciate your promptly advising me whether this information is true, and if so why this order was isssued."

Particularly cited by Stratton is the apparent secrecy surrounding the matter. He noted there has been no official statement about it one way or the other.

"I would like to know who issued this order," wrote Stratton, "under what rules or regulations or legal authority it was issued, and in particular I would like to know whether a deliberate effort has been made by the Social Security Administration to keep this change of policy secret from the American public."

Also raised by Stratton is whether the reputed drastic cut in Medicare refunds is in any way connected with the already announced increase in Medicare premiums.

"I also want to know," Stratton told Secretary Richardson, "just what the significance of this action will be for the future operation of the Medicare system in view of the recent announcement that Medicare premiums will rise effective July 1971."

There has been no comment so far about this widely important matter from either Richardson or the Social Security Administration.

Stratton is a former mayor of Schenectady, N.Y., a twice-decorated Navy veteran, an honor graduate of Harvard and trustees of Eisenhower College, Seneca Falls, N.Y., and a ranking member of the powerful House Armed Services Committee.

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FORT LAUDERDALE, FLA.,
*January 16, 1971.*

Hon. SAMUEL STRATTON,
*New York State Representative,*
*Rayburn Building,*
*Washington, D.C.*

DEAR SIR: After reading Allen and Goldsmith's article appearing, Jan. 14, in our local paper (photostat enclosed) I am taking the liberty of writing this letter. It takes a man of stature to question doings, actions and double talk of the administration now in power in Washington. There is no question of your sincerity, a man who has served his country so well. I suspect you will be in the dog house with the administration. But I can assure you that you have won the respect and admiration of millions of your fellow Americans.

In reference to Medicare there is no question that shenanagans are going on and that the senior citizens are being hurt. No doubt you have plenty of proof of what is going on and I wish to add proof of my own experience with Medicare and therefore enclosing photostat of my Medicare Benefit Report. Note that the medical charges submitted total $108.00 and that I was allowed $75.00 and received $60.00. To the Medicare Benefit Report I am attaching a note explaining how it was handled and what the charges are about. I have in my possession copies of doctors bills involving these charges. I do hope your inquiry will be given proper consideration but I suspect that you will only get answers that will explain nothing but further confuse the issue.

Regardless of the results, please add my name to the millions of your respectful admirers wishing you a continued successful career.

Sincerely,

——— ———.

(P.S. I hope you forgive me but I wish to give you a brief outline of myself. I am 76 years old, served with the 28th Aero Squadron Pursuit during the 1st World War. The 28th Aero Pursuit is one of the four American Aero Squadrons that took over LaFayette Escadrille personnel and identification after it was disbanded. I enlisted in New York City, was stationed at Fort Slocum for awhile then shipped to Kelly Field Texas to train.)

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MISSOURI VALLEY, IOWA,
*January 19, 1971.*

Representative SAMUEL STRATTON.

DEAR SIR: Upon receiving our daily paper we read an article by Robert S. Allen and John A. Goldsmith about Medicare refunds that we pay from our R.R. pension and our Govt. pays the same amount, which we have a bill unpaid from our Medicare of 1969. We have wrote our Senator Harold Hughes but on reading this and your reaction to this would like to tell you our experience. At first the Travelers Ins. Co. which is our agent, I sent in a bill my Dr. which is treating me for pernicious anemia, for which he gives me shots for and the bill in full for medicine $107.00 by a itemized statement for which they found just $23.00 which they applied to my $50.00 deductible and left $84.00 they would not allowed and wrote me so. Then I

tried to explain but to no success so I wrote our R.R. union after a while they found they could allow 1 of these shots per month for which it all added up to their amount deductible and they sent me a check for their balance and of the big sum $7.20 for which I still have until we find out if is their way of paying the just claims as they get their money and will not settle.

As we sent our Senator all of the just claims and read this in our paper I wanted you to hear our side of this too. Thanks.

SARASOTA, FLA.

Representative SAM STRATTON,
*House of Representatives,*
*Washington, D.C.*

DEAR REPRESENTATIVE STRATTON: We appreciate your recent inquiries into medicare's alleged inequities (as reported in an Editorial by Robert S. Allen and John Goldsmith, published in The Sarasota Herald Tribune of 1–17–71).

Also, the January edition of the AARP Magazine gave some definite figures and names of those not having received correct remuneration from medicare.

Now—please—we would like to see openly published HEW's answer to your very definite questioning as put forth in your letter to Secretary Elliot Richardson!

Is this not possible?

Thank you for your interest in honesty, and the welfare of our senior citizens.

Very sincerely yours,

———— ————.

ROME, N.Y.,
*January 19, 1971.*

Representative SAMUEL STRATTON,
*House of Representatives,*
*Albany, N.Y.*

DEAR SIR: In your questions to HEW which I read in the Rome Sentinel of Jan. 16th, I think you have stirred up a 'mare's nest", and I am glad you did, for they are questions about Medicare and SS which I have wanted to ask of someone, myself, someone who would not make reasonable-sounding excuses.

I'm beginning to think Medicare is a big fraud; if I had to go to the hospital today, and it isn't an impossibility for one in my condition, I wouldn't have the $60 "deductible". It would be a mere trifle to someone who has an ample income. I've had no Medicare refund for three months, and I need it. Besides it has been reduced, and the reason given for "disallowing" part of my doctor's bill, reducing it from $48 to $32 is given as excess mileage, which is ridiculous, considering the fact that his patient-load is much heavier, his paper work is impossible for one assistant to cope with, due to the number of poor souls who never before could afford adequate medical care, thus necessitating extra office assistants.

I understand a doctor's "deductible" is to be raised to pacify him to some extent, but who pays it? The penniless patient who finds it impossible to pay the first "deductible" of $60 to hospital. It's "give with one hand and take away with the other."

Another thing which doesn't sound right to me, is, the professional status of the "investigators" who call on doctors to check which patients are receiving too much care; are they trained to be proficient in overruling a doctor's recommendation as to diagnosis, treatment and medication? Suppose they should make a wrong decision against the doctor's warning and the patient dies; Where would the fault lie? Who has the right or training, or good judgement to select these investigators?

There are many who would like some answers, so keep up the good work.

Sincerely,

———— ————.

LA FLORESTA TRAILER COURT,
AJIJIC, JALISCO, MEXICO,
*January 20, 1971.*

Hon. SAMUEL STRATTON,
*Washington, D.C.*

DEAR CONGRESSMAN STRATTON: Yesterday in The News, Mexico City, was an article "Inside Washington" by Robert S. Allen and John A. Goldsmith that states that Medicare was intructed to pay only 50% of the charges instead of the 80% it is supposed to pay.

From the enclosed letter which was written but not sent you will note we are complaining because $20.00 should have been allowed, 80% of which is $16.00 but we were sent a check for $5.60.

This whole kit and check are being sent you. I think they are in line with what you need in your argument with HEW.

We expect to be at the above address in Mexico until about April 1.

Yours very truly,

———— ————.

(P.S. This was for my wife. It is hard to get the E.G. from the check or Equitable breakdown.)

DEERFIELD BEACH, FLA.,
*January 16, 1971.*

Representati' ♭ SAMUEL STRATTON,
*House Armed Services Committee,*
*Washington, D.C.*

DEAR SIR: I am so happy to see that someone has at long last questioned the Medicare payments. More power to you!

On one bill I submitted for my husband from Dr. E. Cayia for $100.00 they paid $50.40. On another one from Dr. Daniel Peschio for $88.00 they paid $64.00. If you would like copies I can obtain them from Medicare showing their payments.

The boost to come on July 1st is entirely out of order and unnecessary. Why do they not freeze Doctors fees!? Their fees have skyrocketed! The doctors know what Medicare pays and they top that bill with the charge a patient not on medicare would normally pay so the medicare patient as well as medicare pay double. It is shameful! The doctors fees should be rolled back and then frozen.

The elderly are truly the forgotten people . . . even though they helped to build our great country.

Thank you!

Very truly yours,

———— ————.

GARDEN GROVE, CALIF.,
*January 16, 1971.*

Hon. SAMUEL STRATTON,
*House of Representatives,*
*Washington, D.C.*

DEAR SIRS: I read with interest an article in our local newspaper in which you were stated to have asked the Social Security Administration if they were secretly refunding only 50% of Medicare charges instead of the legally required 80%. The article was written by Robert S. Allen and John A. Goldsmith.

I have had experience with Medicare this past year. My husband passed away July 30, 1970. Did you know that they do not pay 80% of the charges? For example, on July 2, 1970 a Dr. injected radioactive material into my husband. The charge for this service was $321.00. He sent the necessary papers into Occidental Life Insurance Company who is the carrier for this region. In late October he received a check from them for the amount of $80.00. He thought that was a very small amount, he said that it didn't even pay for the medicine which was used. Naturally, the remaining amount had to be paid by my family and myself. I wrote to Occidental requesting a review of the case and December 24, 1970, the Dr. received an additional check from them for $120.00. This made the total amount they paid $200.00. This is not 80%. Nor did they pay 80% of the other medical costs, the hospital bill was paid after the deductible was taken care of, but the carrier of this insurance pays only what they say is the amount that should be charged. I have all the papers to prove this.

I just thought you should know.

Very truly yours,

———— ————.

OXNARD, CALIF.,
*January 17, 1971.*

Hon. SAMUEL STRATTON,
*House of Representatives,*
*Washington, D.C.*

DEAR SIR: Enclosed is a clipping from our local paper here in Oxnard, California I feel sure, because of your interest and comments on this subject that this report to you will be of interest, also I'm hopeful that a letter from you to Occidental Life Insurance Company of California, the Medicare representative here, will be of benefit to me and to others in my predicament at the same time making the Medicare program aware of your interest.

The editorial struck "home" in two ways. First it brings home a fact for me, thinking in these later years that I'd be taken care of not only through my New York State retirement from Cornell in Ithaca, but my Social Security and Medicare.

The cut-back by Medicare is a reality—for example: January 2, 1970 (prior to July 1970) Dr. in Ventura, California, an ophthalmologist discovered through an eye examination that I had excessively high cholesterol count, impairing my vision.

Dr. Santa Barbara examined me and consequently I had numerous tests and examinations in The Sansum Medical Clinic, where it was also discovered a mole growing somewhere back of my right eye, I must return next month to let them see the extent of the growth pattern.

As you can see, Medicare paid the Dr. statement but have ignored the Sansum statement, possibly deeming it a routine check-up, in spite of the fact that Dr. wrote to them explaining the situation.

I am enclosing the paid portion of Dr. bill showing that I have met the $50.00 deductible requirements for 1970 and the still unpaid Sansum bill. I do have NYS Blue Cross and Blue Shield waiting for Medicare to act.

It made me feel good to know that someone was watching out for our interests and that you will find time in your busy schedule to write to this insurance company that is representing Medicare out here. Thank you.

Sincerely,

———— ————.

WHITMORE LAKE, MICH.,
*January 14, 1971.*

Representative SAMUEL STRATTON,
*Washington, D.C.*

DEAR SIR: I can answer your question if the Social Sec. Adm. is refunding only 50% of Medicare charges. They did in my case but it was closer to 45%.

This nefarious imposition on the aged is done by the devious method of allowing less than the fee charged the patient by the doctor. This on the pretext that the doctor's fee was more than the standard fee in the area.

There is no doubt that this standard fee is purely arbitrary as in my case one doctor was the only one in town, so whatever his charge it must be the standard.

In another doctor's fee which they whittled down to $7 from $15. I had no choice of either a doctor or control of the fee as I was admitted to emergency in the middle

of the night in the hospital available for such services. This fee must have been standard.

I protested the cut in my medicare allowance at the local S.S. Office. They adopted a very neutral attitude and referred to the Medicare Division as "they" as though they weren't part and parcel of it.

They condescended to type out a protest form for me, but made it quite plain that this wasn't their baby and I was on my own.

Are local S.S. and Medicare offices autonomous, leaving a poor individual to fight it out with some "big daddy" miles away via the mail? I still have a little gumption to fight it out but how about thousands who are at the mercy of an arrogant bureaucratic juggernaut imposing arbitrary decisions on the weak and defenseless.

Sincerely,

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NOKOMIS, FLA.,
*January 17, 1971.*

U.S. Representative SAMUEL STRATTON,
*House Office Building,*
*Washington, D.C.*

DEAR CONGRESSMAN STRATTON: I have just read of your highly pertinent question to HEW Secretary Elliot Richardson:

"That the Social Security Administration quietly ordered its regional offices to repay Medicare accounts at 50% of the total bill rather than 80%. Why—?

In other words they are using 1968 reasonable charge level ignoring rising costs of doctor fees. This brings the percentage payments down to 50% not 80% as the law requires.

American Association of Retired Persons News Bulletin Vol. 11, No. 12 of January 1971 carried these same facts.

All Recipients certainly thank you as one Congressman who has the "Guts" to stand up for them and their rights.

All success, Congressman Stratton.

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FORT LAUDERDALE, FLA.,
*January 14, 1971.*

Representative SAMUEL STRATTON,
*House of Representatives,*
*Washington, D.C.*

DEAR SIR: I read today in the Fort Lauderdale News of your letter directed to Social Security Administration relative to a directive whereby payment of medicare benefits would be reduced to 50% as of July 1, 1971.

I thank God you have the courage of your convictions and wish we had more such men.

To try and be helpful regarding medicare I wrote Senators Lawton Chiles, Senator Spessard Holland, Senator Edward M. Kennedy and Senator Adlai E. Stevenson relative to a social security problem on December 31, 1970.

I feel that you should be aware of another method that Social Security personnel circumvent the intent of the law and am enclosing a copy of the letter to the senators as mentioned above. If you are not aware of the problem the information may help you in your determination to do what is right.

Thank you so much.

Very truly yours,

——— ———.

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SANTA ANA, CALIF.,
*January 17, 1971.*

Representative SAMUEL STRATTON,
*Washington, D.C.*

DEAR CONGRESSMAN STRATTON: I read an article in our city Newspaper titled: "Is Medicare Holding Out On The Aged?"

This lead me to write to you direct as I for one through a recent experience know there is something very wrong with the Medicare payments.

Having been in the hospital with heart and a light stroke, I had occasion to use Medicare to pay that bill and now am still under my doctors care.

I was under the impression that when entering the hospital that I should pay the first 52 or 54 dollars but out of my money I paid $107.00. I was informed that was because there was extra cardiograms, but I thought that was to be taken care of through Medicare.

Now that I am at home but still under a doctors care I have sent in his and other medical bills to the Occidental Life Ins. Co. of Los Angeles and to date they haven't paid 80% of the total of the doctors bills. They have cut down my doctors figures to what they say Medicare allows, then have perhaps taken 80% of the cut down figures. My doctor is an honest man and I can't understand why Medicare doesn't pay 80% of his and other totals bills. That is what I understand Medicare would pay when I took out Medicare.

Having to pay so much out of my meager savings and the Soc. Sec. I get surely works hardships on not only me but probably many other older people.

I certainly admire your stand on the Medicare issue for we older ones certainly need someone to look out for our needs.

Most of us have been productive individuals and want very much to take care of our obligations without having to depend on our children, if any, or what you might call "handouts" from the government. Having believed in Medicare when it first came out I'm sure we all felt like we were on our own to some extent.

If we can't depend on Medicare paying what it is supposed to where else can we look?

Thank you for any help you can give "the oldsters."

Sincerely,

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LOGANSPORT, LA.,
*January 16, 1971.*

Hon. SAMUEL STRATTON,
*House of Representatives,*
*Washington, D.C.*

DEAR SIR: A column in the Shreveport Times of this date carried a story of your questioning the HEW about insufficient payments on Medicare bills.

For your information, for the year of 1969 each $5.00 charge for laboratory was credited as 4.10 and marked "more than the allowable charge." Thusly, we were cheated out of 18 per cent of the laboratory charges.

For the year of 1970, one doctor's charge of $5.00 for a shot was reduced to $3.00 allowable and a heart specialist's bill of $7.00 was reduced to six dollars. The laboratory charges of $5.00 per visit was reduced to a measly three dollars. The outcome was that I filed for $58.00 in Lab and doctor bills and received notice that I had met $49.00 of the deductable for 1970.

We pay more every year and receive less.

When Medicare came along the Group Policy for health and accident given freely by the company when I retired, was cancelled. Now I must depend on the damn bureaucrats whether I want to or not. The Company insurance did pay off while Medicare has much too much "More than the allowable charge."

I hope the above may be of some help.

Sincerely,

——— ———.

## NATIONAL NUMBERS DRAWINGS—A SENSIBLE SOURCE OF NEEDED REVENUE

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

Mr. WYMAN. Mr. Speaker, this country is operating at a deficit that increases every year. There are not enough revenues to finance the public's need for additional governmental programs and services. The need for additional revenue is urgent at this hour lest the fires of inflation be further fed by more and more short-term borrowing.

To have new programs and to meet these deficits we need new sources of revenue. One source that people would contribute to with a smile would be a national numbers drawing and I am today introducing a bill to establish a national commission to conduct such national drawings every 30 days or more frequently as this becomes possible through electronic equipment and technology.

No longer can it be said with even a scintilla of credibility that national numbers drawing is immoral or offends the public conscience. Honestly and efficiently conducted it can contribute millions to fighting crime and helping social programs.

People are playing the numbers in the United States to the tune of billions of dollars each year. Most of this is illicit traffic contributing to and financing organized crime.

If we can operate an honest drawing system in such a way as to be tamperproof, the proceeds from which give it a better pay than an illicit numbers bet, the public will bet national and not with the underworld. This country should have the benefits that can flow from the added revenues available in this way.

Under my bill, 40 percent of the take of each pool must be paid out in prize money. Prize money is exempt from Federal, State, or local tax.

Talk about revenue sharing—my bill provides that all States shall share 5 percent of the net take from each drawing on a basis of population. It also provides that States electing to participate by allowing the sale of drawing stamps in post offices within their borders will take an additional 10 percent of the net on a weighted sales basis.

This means millions of dollars of additional revenue to the several States with virtually no administrative cost whatsoever. In time, when computers can be hooked into the line, I would expect that anyone wanting to bet a treasury balance number or a Federal drawing will be able to do so merely by calling a National Lottery Commission number identifying himself and ordering a number.

Mr. Speaker, I can think of no more efficient, effective, and also pleasant way to fight inflation through increasing national revenue. The proceeds of my bill are required to go in part to fight crime and in part to finance programs in health, education, and welfare.

Many, many other countries in the world—perhaps even a majority—derive a portion of their revenues from national lotteries. Why should not we do the same

Amounts received by the Government from this source may vary from month to month or year to year. They will not be stable for reasons obvious, but so what? There will be millions, probably

even billions, coming to the Government helping to pay your taxes and my taxes and the crushing financial burden of this country instead of fattening the pockets of the Mafia, the Cosa Nostra, or the local gambling czars.

Mr. Speaker, I urge prompt and favorable consideration of this legislation in the public interest. The bill provides:

A bill making it a Federal crime to engage in number wagering except in national drawings the proceeds of which shall be apportioned among the Law Enforcement Assistance Administration, the Department of Health, Education, and Welfare, and such States as may elect to participate therein

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That chapter 95 of title 18 of the United States Code (relating to racketeering) is amended by adding at the end thereof the following section:

"§ 1955. Engaging in numbers games.

"(a) Whoever in the United States conducts, assists in conducting, places a wager in or receives a wager placed in, or otherwise engages in any numbers, policy, bolita, or similar game shall be fined not more than $5,000 or imprisoned for not more than one year, or both.

"(b) This section and section 1953 shall not apply to any national lottery conducted by the National Lottery Commission."

SEC. 2. (a) There is hereby established a National Lottery Commission (hereinafter in this Act referred to as the "Commission") to be composed of three members to be appointed by the President, by and with the advice and consent of the Senate. For administrative purposes, the Commission shall be treated as part of the Alcohol, Tobacco, and Firearms Division of the Internal Revenue Service.

(b) Each member of the Commission shall receive compensation at the annual rate of $40,000.

(c) The term of office of members shall be five years. A member shall be eligible for reappointment once but not a second time.

(d) Any vacancy in the Commission shall be filled in the same manner as the original appointments to the Commisison. Vacancies in the Commission, so long as there are two members in office, shall not impair the powers of the Commission to execute its functions under this Act, and two of the members in office shall constitute a quorum.

(e) Members of the Commission shall have had prior experience and training in law enforcement and demonstrated exemplary records in positions of public trust and responsibility either State or Federal.

(f) Not more than two members of the Commission in office at any time shall be members of the same political party.

(g) The Commission shall prescribe such rules and regulations, and employ such personnel, as may be necessary in the exercise of its functions under this Act.

SEC. 3. The National Lottery Commission shall conduct a national lottery at least once each month. It shall conduct a national lottery more frequently if it deems fit, including daily as electronic technology permits.

SEC. 4. (a) The Bureau of Engraving and Printing in the Department of the Treasury shall print numbers on stamps in sheets of 100. The Bureau shall use the latest means to prevent the ability to counterfeit such stamps.

(b) The Commission shall distribute these sheets to the post offices located throughout the United States either in participating States or in exclusively Federal areas. While post offices shall be the primary outlets for each distribution of stamps, the Commission may from time to time provide for additional outlets for such distributions.

(c) The price of each numbered stamp shall be established by the Commission but shall be not less than 25 cents.

(d) Stamps may be sold, for cash only, by the post offices (or other outlets) to any adult applying therefor, either singly or in quantity and may be resold by original and subsequent purchasers. Stamps in any multiple of 100 shall be sold by post offices at a discount of 10 percent. No official identification or other form of accreditation may be required of any person purchasing or reselling such stamps.

(e) The stamps shall be bearer stamps and shall be honored for prize money by presentation by the bearer thereof.

(f) The Commission shall reimburse the Post Office Department for such additional administrative expenses as it may incur by reason of the enactment of this Act.

SEC. 5. (a) In the case of any lottery the pay-out for the winning numbers shall not be less than 40 percent of the net proceeds of that lottery less the amounts payable under section 6. Such pay-out shall be distributed as follows:

(1) one winning number shall receive one-half of one percent of the net proceeds; and

(2) other winning numbers shall share equally in 39½ percent of the net proceeds.

(b) Illustrative example: If the net proceeds (that is, the gross receipts less administrative expenses authorized by this Act) of any drawing (whether monthly or more frequent) are $100,000,000, the pay-out to individual winners will be $40,000,000 distributed as follows:

(1) one individual winner will receive $500,000, and

(2) 7,900 individual winners will receive $5,000 each.

(c) Any amount received by an individual by reason of holding a winning number in a national lottery conducted under this Act shall be exempt from all taxation, Federal, State, or local.

(d) Any individual holding a winning number may establish his entitlement by presenting the winning number to any post office at which stamps for such lottery were available for sale. Upon presentation, the postmaster or other person in charge of such outlet shall certify that the individual has presented that number; and, after certification by the National Lottery Commission that it is a winning number and the amount of the winnings, the number shall be transmitted to the Commission for issuance of its draft in payment therefor.

(e) Prize money remaining unclaimed thirty days following the drawing shall be held by the Commission in escrow account for one year thereafter. Prize money unclaimed on the four hundredth day following the drawing shall escheat to the general funds of the United States Treasury.

SEC. 6 (a) Any of the several States may elect not to participate in such national lotteries by so certifying to the Commission on or before the ninetieth day after the date of the enactment of this Act. Any State which does not so elect and certify shall be a participating State.

(b) On or before the tenth day after the close of each calendar month the Commission shall distribute among the several participating States 5 per centum of the net proceeds of any national lottery for which the drawing was held during such month. The share of each participating State in any such distribution shall be determined on the relation of its population to the population of all participating States.

(c) On or before the tenth day after the close of each lottery participating States shall each receive an additional distribution in an amount equal to 10 per centum of the proceeds to any national lottery from the sale of such stamps within the borders of that State.

(d) For purposes of this Act, the term "State" includes the District of Columbia and any territory or trust government of the United States.

SEC. 7. The net proceeds of national lotteries in excess of amounts needed for the pay-outs to holders of winning numbers provided by section 5 and for the distributions to participating States provided by section 6 shall be deposited in the Treasury of the United States and shall be credited as follows:

(1) the first $100,000,000 so deposited in each calendar year shall be credited to the account of the Law Enforcement Assistance Administration for use by that Administration cooperatively with the several States (whether or not such States are participating States within the meaning of section 6) in fighting crime, and

(2) the remaining amount so deposited in each calendar year shall be credited to the account of the Department of Health, Education, and Welfare for use by that Department to assist in the financing of such programs concerned with health, education, and welfare as may be entrusted to its administrative responsibility by the Congress from time to time.

SEC. 8 (a) Chapter 61 of title 18 of the United States Code (relating to lotteries) is amended by adding at the end thereof the following new sections:

"§ 1307. National lotteries.

"Sections 1301 to 1304, inclusive, of this chapter shall not apply with respect to any national lottery conducted by the National Lottery Commission.

"Whoever forges or counterfeits any stamp made for purposes of a national lottery conducted by the National Lottery Commission; or

"Whoever alters any number on such a stamp; or

"Whoever robs, purloins, or steals such a stamp; or

"Whoever offers for sale or sells any such forged, counterfeited, altered, or stolen stamp, knowing it to be such; or

"Whoever presents any such forged, counterfeited, altered, or stolen stamp to any person engaged in carrying out a national lottery with intent to defraud the United States or any participant in any such lottery—

"Shall be fined not more than $50,000 or imprisoned for not more than 10 years, or both.

"§ 1308. Sale of national lottery stamps at outlets in non-participating States prohibited.

"(a) Whoever offers for sale or sells any national lottery stamp within the borders of a State which has elected not to participate in national lotteries and has certified such election within the time prescribed by law shall be fined not more than $5,000 or imprisoned for not more than 1 year, or both."

(b) Section 4005 of title 39 of the United States Code is amended by adding at the end thereof the following new subsection:

"(d) This section shall not apply to any stamp made for purposes of a national lottery conducted by the National Lottery Commission or to any other matter related to such a national lottery; and nothing in this section, section 4001, or any other provision of law shall be construed to make such matter nonmailable."

SEC. 9. (a) This Act and the amendments made thereby shall apply notwithstanding any other provision of law.

(b) Any law of the United States which is inconsistent with this Act or any amendment made thereby is, to the extent of such inconsistency, hereby repealed.

(c) This Act and the amendments made thereby preempt any law of any State in conflict therewith, and no law of any State shall authorize any similar drawing: *Provided, however,* That nothing in this Act or

the amendments made thereby shall be construed to invalidate existing State laws permitting the conduct and operation of sweepstakes related to parimutuel racing.

(d) If any provision of this Act (including any amendment made thereby), or the application of any such provision to any person or circumstances, is held invalid, the remaining such provisions, or the application of such remaining provisions to other persons or circumstances, shall not be affected thereby.

SEC. 10. This Act shall take effect on the day on which this Act is enacted. The first 3 members of the National Lottery Commission shall take office not later than 60 days after such date of enactment.

## REPORT ON THE STATUS OF THE RAILWAY LABOR DISPUTE

The SPEAKER. Under a previous order of the House, the gentleman from Washington (Mr. ADAMS) is recognized for 1 hour.

Mr. ADAMS. Mr. Speaker, today a number of us on the Interstate and Foreign Commerce Committee have taken this special order so that each Member of the House of Representatives will have an up-to-date report on the status of the railway labor dispute between the United Transportation Union, the Brotherhood of Railway, Airline & Steamship Clerks, the Brotherhood of Maintenance of Way Employees, Hotel & Restaurant Employees & Bartenders International Union; and the carriers represented by the National Railway Labor Conference.

We also want to solicit any suggestions that you may have regarding a possible solution.

The Interstate and Foreign Commerce Committee has not as yet been organized under the rules of the House and therefore no hearings have been held on this matter. It is necessary to take this special order because we are rapidly approaching the March 1 deadline established by Public Law 91–541. Even more rapidly, we are approaching the February 15 deadline for submission to the Congress by the President of any proposals he may have for settlement of this dispute.

The most recent information which we have is that the parties have not settled their dispute, although a certain amount of bargaining has taken place. The chairman of the Interstate and Foreign Commerce Committee has been asked to convene the committee as soon as possible to receive a status report from the parties and later to act on any proposals that are made for settlement of the dispute.

I am not optimistic that this will be settled by the parties because the history of these disputes in the last 3 years has been to have the matter finally settled by ad hoc legislation. I am not here today to advocate a particular solution to this matter. I would simply present for your consideration some of the proposals that have been suggested.

You will remember that President Johnson submitted a proposal in 1967 that was referred to as mediation to finality. This proposal was opposed by a number of people as being a type of compulsory arbitration. It was, however, finally enacted as Public Law 90–54 and resulted in an ad hoc solution to that dispute.

Another proposal was to create a labor court which would finally arbitrate solutions when the parties could not agree. Another proposal was the so-called arsenal-of-weapons approach. This would give to the President a series of powers which he could invoke if the parties could not settle their dispute. This contemplated a change in the Railroad Labor Act to provide for a cooling off period, a suggested solution by a mediation panel, and the submission of a final offer by each side. If these steps were unsuccessful, the parties would have a short period of time in which to bargain while the President was considering his course of action. The President's course of action could include such things as an injunction against the unions, a partial or complete seizure of the railroads involved, an impounding of the profits to await the outcome of the bargaining, and a freeze of any changes in the position of either of the parties such as a prevention of any mergers, declaration of dividends, increase in executive salaries or other corporate activity by management while the employees were prevented from striving by an injunction.

In the recent debate on this matter, another proposal providing for a selective strike was suggested by the gentleman from Texas (Mr. ECKHARDT). This proposal contemplates a breakup of national bargaining units into smaller individual units so that a national emergency would not arise every time a dispute occurred within the railroad industry. It would limit the stoppage of rail service in the country as a whole or in any one region to no more than 40 percent and would provide for the carriage of essential goods. He will explain this in greater detail in a few minutes.

The "artificial strike" is very similar to the arsenal-of-weapons seizure provision included in the proposal. In an artificial strike, both labor and management would be prevented from either proceeding with a strike or locking out their employees so that the railroads would continue to function. The Government, however, would impound any potential benefits under the wage package and would also impound any profits obtained by the railroad so that until the parties had settled, there would be pressure on each of the parties to the dispute to bring them to the bargaining table. The degree to which the Government would apply economic sanctions to the parties has been debated, with proposals ranging all the way from an impounding of a portion of the wages paid to the men and freezing all dividends and executive salaries of the railroads, and impounding all profits earned during the period of the artificial strike.

The final proposal that this Member knows about is to have the Government operate the railroads during an emergency, and apply a series of restrictions on the right to strike and to remove control of the railroads from the hands of private industry. Under this proposal, the Government would run the railroads during the period of national emergency in order to carry essential goods, with the obvious hardships on both the men who are striking and on management.

I would be most pleased to receive any comments or suggestions from the Members as to other possible alternatives or an indication of which proposal, they believe, is the best solution.

This Member, for one, does not propose, as he has done so many times in the past, to have to stand before this body in the closing minutes before a railroad strike and determine some type of legislation. That is why we have asked for this special order today, so that the Members may comment and so that everyone will know the deadline rapidly approaches.

Unfortunately, we will not have the committees organized in time so that we can have as full hearings as we might otherwise, but at least this special order today will start things moving, and then the hearings will start.

Now I should like to yield to the gentleman from Texas (Mr. PICKLE) for the comments that he may wish to make on the matter of what should be done with the railway dispute.

I want to state that the gentleman from Texas (Mr. PICKLE) has seen this coming for as many as 5 years and regularly introduced legislation to try to settle the matter. He has been on the floor every time we have had one of these disputes. He has pointed out to the Members that another one will be coming. I might state before the special order is over I will indicate the status of the other railroad disputes which are pending in addition to this one so that the Members will understand during the course of this year we will have a number of these coming before us.

I now yield to the gentleman from Texas.

Mr. PICKLE. I thank the gentleman from Washington for yielding.

I commend him for reserving this time so that we might talk about this subject. He has been a very active member of the Subcommittee on Transportation and very active on the full committee.

He and I and other members of the committee do not look with any pleasure at the prospect of again considering legislation on an ad hoc basis or, indeed, on any other basis. Perhaps we will reach a solution this time. Before I enter into my general remarks I would like to point out that there are 2 precious weeks left before the President is to submit his report on the status of this strike.

A lot of good things could happen for both management and labor if the parties are able to get together within these next 2 weeks. On the 15th of February we can expect the President to submit to us the exact status with recommendations, and the President may perhaps take us and/or labor-management to task. So I would say to the President and to the executive department this is the time for some good old healthy jawboning negotiations. I would hope the executive department in the next 2 weeks would call in the interested parties and with all of the force and power at their command try to get them to enter into meaningful negotiations.

This has not been the procedure that the administration attempted in the last 2 years. Who knows whether this is the right approach, but we are facing another crisis and need help from every source available to get the job done. The next 2 weeks is the time for labor and management to realize that they benefit more than anyone by getting together and trying to come up with an answer to the problem. It is not enough for labor to say that we cannot negotiate because some limited work rules might be involved. It is not enough for management to say that we have already participated in a raise and will do nothing more. "Let Congress settle it," they may say. This is not a constructive position. So I say the next 2 weeks is the time when both those in the executive department and labor and management could get together and get their sides lined up.

On top of that, I believe now is the time for us, as members of this committee, which the gentleman is doing today by calling this special order, to serve notice to the executive department and to labor and management that we will not be idle on the job. The time has come to take some action in the field of strikes, in the field of transportation, and they can expect action by the Congress this year.

Mr. Speaker, I am asking permission to extend my remarks at this point in the RECORD because I do not think we need to go into detail on this, but if the gentleman will yield further, I would like to make a few points and submit the balance for the RECORD. I want to make those preliminary remarks.

Will the gentleman yield me 5 or 10 more minutes?

Mr. ADAMS. I yield the gentleman such time as he may use.

Mr. PICKLE. Mr. Speaker, we are hopefully witnessing the first step of an idea whose time has come. We have set the machinery in motion by this body discussing a long-range solution to disputes between labor and management in the field of public transportation. Hopefully, we will get a solution to this, because we have a real need for clear thinking. There will be no congressional heroes if we do not arrive at a final solution to this. No matter what happens, action is needed to finally consummate this.

Either labor or management or both will be troubled with the final settlement. Regardless of the pitfalls, I hope it is the 92d Congress which finally comes to grips with a long-term solution.

I firmly believe, Mr. Speaker, that it should not be the role of Congress to serve as mediators in specific labor disputes. But that is exactly what we did in the railroad fireman's strike of 1963, and the airline strike of 1966 and the railroad shopcraft strike of 1967. Two times within the last year, we faced similar straits. And we may be forced into the same kind of situation on March 1.

Mr. Speaker, the antiquated procedures we now have for dealing with transportation disputes between labor and management have not encouraged the kind of bargaining conducive to reaching a settlement. In all too many cases, at least recently, the framework of present laws has not led to voluntary agreement, but rather has led to more and more of the serious disputes falling on the Congress as arbitrators.

I repeat, the Congress should not be the mediators in these disputes.

By bringing in the Congress, either labor or management—or both—are guilty of foot-dragging operations which have become an emotional handicap to continuing the free collective bargaining process.

This ad hoc, one-shot solution is not the best way to handle this difficult and complicated situation. There is no valid reason why the President and the Congress should always have to pull something out of the air to deal with one dispute after another.

The problem is larger than either the interests of labor or management.

The problem, Mr. Speaker, affects the American public.

The problem affects the American defense.

The problem affects the American economy, so I call on the Congress to take some action on this matter and I am resubmitting and introducing today a bill which has been called the "arsenal of weapons approach."

I have written, I might say to the gentleman in the well, to the various labor law professors throughout the United States once and I am doing it again and shall continue asking for the comments. I am sending it to management and labor asking for their comments as well as the executive department to see if we can reach any settlement.

I want to say to the House that I am not wedded to the specific outlines of the arsenal of weapons approach, but I think it might be the fairest of all, because it will keep the parties bargaining and will give it finally to one person, primarily the President, the widest possible range of alternatives for dealing with serious disputes which threaten strangulation of the transportation industry.

It may be that we will want to strengthen the seizure provision that the gentleman mentioned or it may be we will incorporate it in some form of last resort, although I would hope that it might be the decision of the parties rather than the Executive or the Congress, because the Congress I do not believe wants to take the last step and, in effect, mediate or write the contract.

Therefore, Mr. Speaker, I am reintroducing this bill and although I may reintroduce a clean bill later pending receipt of the various recommendations, I want the House to know that once again, as I have for the last 5 years, introduced this bill. I do not think anyone wants to do anything that would damage collective bargaining.

I am also mindful of the fact that labor is not happy with anything that in their opinion would hamper their negotiations in dealing with the subject because they feel that any action represents an inroad to that approach, but when a system is not working to its best performance, we must find a better way in which to deal with it. That is why I think we have all got to come together in order to find a solution to this problem.

Mr. Speaker, I conclude my remarks by calling on the executive department to exercise some good old healthy jawboning in negotiating between the parties. I call upon both parties to get together in meaningful negotiations within the next few weeks.

Mr. Speaker, I do not think anyone in this House would look with favor upon the fact that the President makes a strong recommendation or takes the various parties to task for failing to get together. There is time during which to do it. However, it is my opinion that we ought to serve notice and that we expect some meaningful negotiations within the next 2 weeks.

Mr. Speaker, I greatly appreciate the gentleman in the well taking this special order because I think it is needed.

Mr. ADAMS. Mr. Speaker, I thank the gentleman for his comments.

As a member of the Subcommittee on Transportation, which handles this type of legislation, the gentleman from Texas (Mr. PICKLE) has done an excellent job in trying to point out to the Members of the House and to the public generally the great difficulties which this House will face prior to March 1 in trying to solve this matter.

I think everyone should recognize that the transportation industry is in a peculiar situation with regard to collective bargaining in that it is basically a highly regulated industry, and at the same time when it stops on a nationwide basis the public is injured prior to any economic effect being felt by either of the two parties who are involved, labor or management. Therefore, a great deal of thought and of course action I think has to take place in this field within the next month or else the Congress will continue to be involved in the business of settling these disputes.

Mr. Speaker, I would now like to turn to the gentleman from Texas (Mr. ECKHARDT) who, as a member of the Committee on Interstate and Foreign Commerce, has been deeply involved in this matter, and who, probably more than any other Member, had more innovative ideas to suggest to us as to how this might be handled. I hope that today the gentleman will have an opportunity to expand on these ideas.

So, Mr. Speaker, I now yield to the gentleman from Texas (Mr. ECKHARDT).

Mr. ECKHARDT. Mr. Speaker, I thank the gentleman from Washington, who is a member of the Subcommittee on Transportation. I know that the gentleman from Washington (Mr. ADAMS) has been concerned with this problem for a long time, and that he has done basic work in the field and has always insisted that the type of compromise that we have used from time to time to conclude a railroad strike is certainly far from adequate.

I know that the gentleman in the position that he has taken entirely agrees with the philosophy of the gentleman from Texas (Mr. PICKLE), our colleague on the committee, who has likewise recognized this and has done yeoman service in the field of attempting to create a means by which this continual compromising can be handled by some type

of legislation that will prevent the pressure which always builds us up to a deadline and then builds us up to the threat of a nationwide strike, and then results in the Congress making temporary solutions to the problems with sometimes rather drastic remedies.

I thank the gentleman for his work in this regard, and I believe the gentleman deserves the highest commendation in that work.

Mr. Speaker, let me now say a word with regard to the solutions that we have finally adopted in various resolutions in this House.

It absolutely astounded me—in considering the resolution we passed the last time—it absolutely astounded me that there was in fact precedent for the Congress writing a contract for the parties—and of course that is what we did. We wrote a contract with respect to a period of time during which no strike would be permitted. We granted wages and conditions over a period of time as an act by the Congress. In other words, we put ourselves in the position, without having engaged actually in the negotiations, of offering and accepting our own offer and putting into effect those conditions.

Now, I am not here to condemn the act of Congress in that regard. I think that, considering the emergency situation which existed, some type of compromise of that type was called for. I merely come before this body to point out how drastic that approach is because it is a last-minute approach.

Now, we would never dream in this Hall of drafting conditions of employment and wages for bargaining parties in any other area, or under any less provocation that existed in this body at the time we passed the bill temporarily resolving the strike.

It seems to me, therefore, that there is the strongest reason why we should in the next several weeks try to draft some legislation, or try to prepare even temporary legislation, which will result in the kind of bargaining pressures that prevent Congress from having to enter in and contract as if Congress were acting in lieu of the parties to the dispute.

I introduced late in the last session a bill which seemed to me to restore to the bargaining in the railway industry some of the free collective bargaining pressures which exist in other industries.

Now that bill, quite admittedly, was introduced quite late—because of the conditions which existed at that time. I intend early in this session, as a matter of fact within a week, to introduce a like measure.

This bill was H.R. 19922, and I submit it is in truth a modest proposal—not a modest proposal in the terms of Jonathan Swift—but a truly modest proposal.

It seems to me that Congress has acted best, and our entire parliamentary system of government which has developed in the United States and in England before us—has developed best when it operates pragmatically—when it takes one step at a time and when it acts in the true spirit of the common law. Therefore, this proposal is not drastic and is not sweeping. It does not put into effect any provisions for compulsory arbitration. As a matter of fact, it may not ultimately solve the problem. But at least it will restore those pressures on the bargaining parties which have solved these problems in other industries in the country.

Frequently, we consider the railroad industry or think of the railroad industry and debate about it on this floor as if it were peculiar, with respect to tieing up the entire economy if it should cease. Well, I submit that it is not peculiar. The same could be true, for instance, of communications, in which there is free collective bargaining and in which there is even more of a monopoly.

The same is true with respect to basic steel and the auto industry.

In the transportation field today, there are far more persons who are carried by buses and airplanes than railroads. Of course, there are the trucks, the water carriers and the airlines that carry a good deal of freight. So there is nothing particularly sacrosanct about a railroad. There is no reason why they should not be treated in the same manner as many other industries, if we can devise a way by which there will be pressures placed upon the bargaining parties to come to an agreement.

There is one thing that is a little bit different about labor control as related to railroads than that which exists in other industries. That is that historically the Railway Labor Act developed far ahead of the Labor Management Relations Act. Therefore, that act provides for processes or procedures which have been found to tend to lead to the type of confrontation between all railway labor and all railroads, which result in the threat of a nationwide strike.

Therefore, it would seem to me that we need to look into the provisions of the Labor Railway Act and see what can be changed in order to prevent the situation that exists in this industry, somewhat peculiarly, as compared to other industries. In order to understand what the situation has been that we have been confronted with for emergency consideration, we need to look into a few cases. The Federal District Courts for the District of Columbia have conceived of the act as requiring that when bargaining commences on a nationwide basis, or when it is converted into a nationwide type of bargaining, after individual openers with individual railroads, that thereafter it constitutes a violation of the Railway Labor Act to strike against individual railroads in which contracts have been opened, even though the contracts have been between unions and the individual railroads.

Of course, if this ruling be ultimately upheld, and even short of its being ultimately upheld, it is pressure on the present negotiations, and the nationwide strike is the only means of union suasion that can lead to an agreement from the union standpoint.

We all know that there is always an onus that must be borne by the moving party in a railway dispute or in any dispute. Actually, of course, what we really have, in fact, is two parties that cannot come to an agreement. Times and costs of living have changed. The two parties have to renegotiate a contract. The union ordinarily, particularly in these inflationary times, wants higher wages. The company, on the other hand, feels that it must resist higher wages under certain conditions, and the two parties are just like any other traders. They are trying to come to an agreement, each one urging his point of view as strongly as he can. But because the employees are in effect the moving party, we frequently find the reaction on the side of the public that they are threatening the closing down of railroads over a given period of time.

In truth and in fact and in all fairness both sides threaten the closing down of the railroads over a period of time. The main thing that we must devise as Members of the Congress is a means by which each of these parties will continue to have an inducement to come to an agreement. Under the present terms of the Railway Act, the parties go through a long period of negotiations, at the end of which the union is open to strike. But under the decisions that I have referred to they may not strike selectively. You may even have situations in which there is no disagreement between most carriers on a given point and the union. But there may be a disagreement between some major carriers and the unions. Therefore, total agreement may not be reached as in the case involving the maintenance of crafts some time ago.

The courts have held that the selective strike is illegal, and I cite the decision in the case of Alton & Southern Railway Co. against International Association of Machinists, the situation that I just described, on January 31, 1970, in which the district court of the District of Columbia enjoined a strike for violation of the Railway Labor Act. Judge Corcoran issued his preliminary injunction against the strike on March 21, 1970, and the case is now in the Court of Appeals of the U.S. District Court for the District of Columbia.

Another case is Burlington Northern against United Transportation Union, which involved a temporary restraining order against the strike on July 7, 1970.

The last case is Delaware & Hudson Railway against United Transportation Union, in which Judge Corcoran issued a temporary restraining order enjoining a selective strike on September 14, 1970.

All cases are now in the U.S. District Court of the District of Columbia, and there has been no final decision on the question of whether or not a selective strike is legal.

The bill H.R. 19922 proposed this. It proposed first that a selective strike, where there had been proper opening with respect to the individual railroad and where it was otherwise legal under the act, shall be legal. It is my opinion that it is legal now, though in urging this opinion I must state that the opinion is in conflict with the District Court of the District of Columbia to the present time. I see nothing in the act which provides that it is illegal to strike against a contracting party—contracting in a given contract—where the union and that party are still in dispute after the matter has been properly opened and after the period provided in the Rail-

way Labor Act has run through. But the court has said it is illegal.

Of course, under the Railway Labor Relations Act as an analogy, the courts have permitted in some instances bargaining which had been nationwide and in which a selective strike was attempted, the courts and the board have permitted lockouts on the part of other employers within the multiemployer group as a retaliation against a strike against one of the employers.

So in order to be certain that the strike may continue to be local and selective, H.R. 19922 provides that the selective strike is legal and that it is illegal for the employer to spread that strike throughout companies which are not at that time struck.

There are some technical problems with respect to drafting such a bill. We must not only provide that, but we must also in some way revise some of the provisions respecting the opening of certain issues. When the railway unions open a contract against an employer or several employers, they make a proposal. The company makes a counterproposal. These proposals run through negotiations until the final terminal date, and at that point either party may urge its original proposals and may strive for the original proposals. If the company suggests a reopening and if the company makes an original proposal to change working conditions, it may do so today under existing law unilaterally, whether agreement is reached or not at the conclusion of the period of time for bargaining. Although the union, of course, cannot put into effect its proposals unilaterally, it can strike to force the company to do so. That is the quid pro quo between the company and the unions.

However, there has been a source of difficulty, and that is if the union opens an agreement and makes proposals and the company makes counterproposals resulting in lowered working conditions under existing law, the employers have insisted that at the termination of this period where there is no ultimate agreement and the union is open to strike, the company may unilaterally put into effect its counterproposals.

I believe this process is probably illegal under the present act, but at any rate, whether it is illegal or not illegal, it is extremely conducive to labor unrest, so H.R. 19922 provides that the company in its quid pro quo for the power to strike may only put into effect original proposals not its counterproposals that have been used as a sort of retaliatory weapon against the original proposals.

The bill also provides safeguards with respect to the public interest. It gives absolute authority to the Department of Transportation, after consultation with the Secretary of Defense and the Secretary of Labor, to establish certain materials and certain service which is to be considered indispensable and shall not be in any way interfered with by the strike.

For instance, material going for use for the national defense—say in connection with the Vietnam war—could not be refused to be handled, and those persons who had always worked for the railroad, or other persons if they would not do it, would carry those materials. The strike could not interfere with such essential transportation.

And it is not limited to national defense, but covers all those things which are essential and so determined by the Department of Transportation to be required to be hauled. It would be illegal to consort to interfere with such hauling.

Furthermore, if a selective strike is attempted it must be against not more than three carriers in one of the eastern, the western, or the southeastern regions, and it must not be against carriers with an aggregate revenue in ton-miles transported by all carriers in any one region who are concurrently struck to exceed 40 percent of the total revenue ton-miles transported by all carriers in such region in such year.

So, in conclusion, this proposal is a modest proposal and it is a pragmatic one. It simply would restore to the railroad industry that same type of collective bargaining, that same type of union suasion, which exists in every other industry. It would permit the union to strike against that employer with which it felt its dispute had gotten to the point where a strike was the only solution.

It would not compel in those circumstances a nationwide strike. It might not solve the whole question, but I believe it would go a long way toward restoring the normal pressures that make strikes, for instance, against Chrysler or against Ford or against General Motors result in a bargaining pattern—not a bargaining pattern dictated by the union but a bargaining pattern which the parties understand will ultimately have to be met or else there will be pressures which will be injurious both to a vast number of employees and the entire industry.

Let us try this proposal. If it does not work we may have to go to something like a new arsenal of weapons or some ultimate arbitration of the decision which is compulsory. But it seems to me we should at least give collective bargaining a try first.

Mr. ADAMS. I thank the gentleman for his contribution. I believe it is a very significant one.

I might mention one of the problems in the present dispute the gentleman did not touch on but which is covered by his proposal. It is the fact that when one multiplies the number of people, the unions and the carriers involved in any particular dispute, this multiplies the number of problems which must be solved all at once. In the particular dispute before us one set of unions has one set of problems with one set of railroads and another set of unions has another set of problems with another set of railroads, and the more one builds up one big package the more it becomes apparent that one cannot break that down into small enough pieces so that one can settle it, and it gives us an all or nothing proposition. I thank the gentleman for his participation.

I might also state to the membership we had scheduled for Thursday of this week—and it will now be put over until Friday, because the House will not be back until Friday—a discussion of the Penn Central dispute which will be before this House during the month of March. Once again, many of us on this committee do not want to come before the House and try to come up with some interim solution.

I have no proposal to say to you as to what we should or should not do. We will offer an opportunity at that time for all Members to make their comments as to whether or not the Government should do a particular thing with, to, or about the Penn Central or perhaps whether we should do nothing and the Penn Central should go into a state of collapse. However, that problem is before us.

I appreciate the patience of the membership. We have not brought this before you just to talk but, in effect, to issue a warning and statement to everybody that the time is running and it will soon be upon us.

Mr. VAN DEERLIN. Mr. Speaker, my colleagues on the Commerce Committee are performing a useful service in reserving this time today for a discussion of the problem of railroad labor disputes. So far, this problem seems to have been insoluble, at least insofar as Congress is concerned. Time and again, in recent years, we have come galloping to the rescue with legislation whipped together at the last minute to head off a threatened national rail strike.

I think the recurrent nature of these crises has demonstrated the futility of attempts at enforced settlements.

I voted last month against House Joint Resolution 1413, which imposed a moratorium of nearly 3 months on the right to strike of the railroad brotherhoods. I intend to vote against all similar proposals in the future.

The process of collective bargaining cannot be both voluntary and federally dictated. We in this body, sooner or later, are going to have to settle on one approach or the other. We cannot continue to have it both ways. I for one am permanently committed to the principle and practice of voluntary settlements of labor disputes—wherever they occur.

## GENERAL LEAVE

Mr. ADAMS. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on the subject matter of this special order.

The SPEAKER pro tempore (Mr. FLOWERS). Is there objection to the request of the gentleman from Washington?

There was no objection.

## THE PRESIDENT'S REVENUE-SHARING PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. MILLS) is recognized for 60 minutes.

Mr. MILLS. Mr. Speaker, the President announced in his state of the Union message that one of his six goals is the adoption of a revenue-sharing program. Although I do not have the details of the program, I understand that it is a

$16 billion program, of which $5 billion represents the general revenue-sharing program along the lines previously presented, where funds are distributed to the States on a no-strings-attached basis. The remaining $11 billion may be referred to as revenue sharing, but in reality it is a series of block grants for six areas: law enforcement, elementary and secondary education, rural development, urban development, manpower training, and transportation. Of this $11 billion, $10 billion would be a reallocation of amounts provided under present law for specific programs in the six areas I have referred to, and $1 billion represents new money. This means, if I understand it correctly, that the same $10 billion will be available for the six areas as provided under prior law, but presumably with fewer Federal restrictions. The new money in this area is the $1 billion additional.

In very general terms, therefore, I think the program should be viewed as $6 billion of additional money, of which $5 billion is shared under a revenue-sharing formula and $1 billion is added to the block grants. In the case of $10 billion of existing programs, apparently some restrictions are removed and the funds may be distributed somewhat differently than under prior law. We do not know how these funds are to be distributed. The major change, of course, is the $5 billion of revenue sharing and it is this to which I am directing my remarks at this time. Any meaningful discussions of the changes in the $11 billion of block grants must await further information.

Even before the President's statement relative to his goal for revenue sharing, it was difficult to pick up a paper without finding an article by someone as to why we must have revenue sharing. Although I have said relatively little on the subject, what I have said—and some of the things I have not said—have been aired widely. I thought it might be useful if I were to comment on the topic generally, recognizing however, that with a topic having so many facets, my comments at this time will necessarily be fragmentary.

Let me start by saying that I fully recognize that a significant number of urban areas are faced with very serious fiscal problems. Perhaps this is also true of some States as well, although there is some uncertainty on this.

I think it is clear that government taken as a whole—at all levels—must find answers to these serious fiscal situations. I recognize also that the Federal Government through the proliferation of grants-in-aid programs—without considering the fiscal impact of these programs on State and local revenues—has contributed to the problem. I think it is clear, however, that the root causes of the problem go much deeper than this. It is not the purpose of my comments today to dwell upon this aspect of the problem, but I think it is clear that increasing urbanism, and the complexities which it has brought to our society, is the chief culprit in this regard. I suspect, however, that the disorder of State and local financing is not far behind.

We see so many articles written on the need for revenue sharing that we are likely to lose our perspective with respect to the problem. The Federal Government has not been unaware of the fiscal problems of State and local governments in recent years despite what many of the articles we see in the press these days suggest. The Federal budget for the fiscal year 1971 shows that in 1959, Federal aid to State and local governments amounted to $6.7 billion.

The 1971 estimate shows this growing to something like $27½ billion. This represents a growth from 7 percent to nearly 14 percent of total Federal outlays. If outlays for defense, space, and international programs are set aside, this is a growth from 16 percent to 23 percent of total Federal domestic outlays—a not inconsequential proportion of Federal domestic spending. Federal aid also is significant even relative to the growth which has occurred in State and local revenues. In 1959, Federal aid to State and local governments was equal to 13½ percent of their total revenue. By 1970 it is estimated that it grew to slightly over 18 percent of their current revenues.

It seems to me that we are faced with a concerted campaign to force the Federal Government willy-nilly into a revenue-sharing program. It seems to me that the more rational way of acting when we are faced with a problem is first to analyze it carefully, then to outline possible alternative solutions, next to evaluate the strengths and weaknesses of the different possible answers to the problem, and finally to make a choice based upon as careful a weighing of these considerations as possible.

While we have heard a great deal about the need of the States and localities for revenue sharing, we have heard very little about why revenue sharing is the best answer to the problem. I thought it might be interesting for us today to explore as best we can the reasons why many view revenue sharing as the desired solution.

Certainly one of the effects of revenue sharing is a redistribution of income among the States. I say this because every dollar of revenue shared most obviously has to come from some source, and all of these sources originate in the 50 States. Of course, these resources are not the governments of the States or localities, but rather the people of the States or localities. I recognize that to the officials involved, this may be an important distinction. But the people of the various States may have a different point of view. I think it is time we explore these redistributional effects to see whether or not they correspond appropriately with the objectives of revenue sharing.

There are, of course, uncertainties in any analysis of this type. Some, for example, believe that the revenue share will displace Federal expenditures which might otherwise be made but even if this were true, it would be difficult to know what kinds of expenditures they will displace. While I wish that if we had revenue sharing, it would displace other expenditures, I cannot in reality believe that this will be the case. I suspect that if we are to have revenue sharing, it is more likely to take the form of additional spending. This might initially represent increased borrowing but in the long run the debt can only be paid for by additional taxes—probably, either income taxes or some form of sales tax, such as the value added tax that we have been hearing so much about recently.

I thought it might be interesting if we were to explore, under these different assumptions, which States would receive more under revenue sharing than they would pay and which would receive less. Unfortunately, our statistical material on this subject is rudimentary. Because of this, I have asked the staffs to do what they can, and to work with other Government agencies, in trying to improve this material. I think improvements can be made in the data but even with these improvements, we still will not have the exact information we need. This is true because if expenditures are to be displaced, we cannot tell now which expenditures these will be. They represent future decisions of budget officials, the agencies, and the Congress. If, as I think is more likely, revenue sharing is paid for by increased taxes, here too there are future decisions to be made. The decisions still remaining for the future include the questions as to whether there will be increases in income taxes—and what will be the distribution among the various income classes of these increases—or whether there will be some form of sales tax—which again can vary widely as to distributional impact according to the nature of future decisions.

Despite what I have said as to the uncertainties as to the distribution of the burden of revenue sharing, I believe some exploration of this today—as incomplete as our data may be—is useful. Because without some analysis in this direction, we will be making changes in our fiscal and economic structures without any realization of their impact.

Let us assume first that other Government expenditures are cut back—or not made—in order to provide the funds for revenue sharing. Since we cannot tell exactly which expenditures will be reduced—or not made—let us assume for purposes of illustration that all expenditures are cut back proportionately. If this is true and we were to enact the revenue sharing formula proposed last year by the administration, we would find the people of some States losing substantially and those of other States gaining substantially. The Legislative Reference Service of the Library of Congress for the period 1965 to 1967 attempted to trace Federal expenditures to the point at which they were made. This study is currently being updated but the figures now available probably do not depart too much from what the new distribution will show. Based upon these expenditures figures and the administration revenue sharing formula for the States presented last year, we find that some States would lose under revenue sharing very substantially. If these data are correct, the 15 big losers would be: Alaska, District of Columbia, Connecticut, Virginia, Hawaii, Maryland, Rhode Island, Missouri, Kansas, Texas, California, Montana, Georgia, North Dakota, and South Carolina.

The 15 States which would gain the most under this type of a redistribution and under the assumption of an expenditure cutback are: Wisconsin, Michigan, Oregon, New York, Minnesota, Idaho, Mississippi, Indiana, West Virginia, Louisiana, Iowa, Nevada, Arkansas, Vermont and Pennsylvania.

Under these assumptions, States like Alaska could lose twice as much from revenue sharing as they would gain. States like Wisconsin might gain under revenue sharing close to half as much more than they would lose.

States with large defense or civilian installations under this type of redistribution of expenditure programs would tend to lose and those where such installations are small, would tend to gain. In any event, it is not clear that such a redistribution of revenues would serve any real purpose in meeting the problems of today. Despite the presence of New York and Pennsylvania among the States which would benefit, most of those in this group are the less urbanized States.

Another alternative, still assuming that revenue sharing displaces expenditures, is that categorical aid programs will be reduced by the amount of the revenue sharing. We have already seen that $10 billion of the proposed block grants are a replacement of categorical aid programs, but we cannot tell whether there are, or will be, further reductions in categorical aid to offset the proposed revenue sharing. If this occurs, of course, the State and local governments in the aggregate will be no better off than they were before, although obviously some would benefit and others would be hurt. Let me give you the lineup of the 15 States that would be hurt the most if revenue sharing displaces categorical aid: Alaska, District of Columbia, West Virginia, Vermont, Montana, Oklahoma, New Mexico, Kentucky, Wyoming, Arkansas, Mississippi, Alabama, Rhode Island, South Dakota, and Utah.

The 15 States which would be helped the most if we substituted revenue sharing for categorical aid programs would be: Wisconsin, Florida, Indiana, Michigan, Iowa, Maryland, Delaware, Nebraska, New Jersey, Oregon, Minnesota, Kansas, Washington, Virginia, and North Dakota.

This is indeed a curious lineup. There is no rational justification for such a division of the States among gainers and losers. Indeed, among the States that would benefit the most are those with relatively less serious welfare problems and relatively high per capita incomes; while among the States that would be losers are those with very serious welfare problems and with relatively low per capita incomes. It is difficult to say what purpose is served if we bring about this kind of a redistribution of income.

Let me turn now to what I believe would be the most likely result if we were to have revenue sharing; namely, that it would require additional taxes at the Federal level. Distributions based on income and sales are still being prepared but I have at hand distributions of the existing Federal tax burdens as prepared by the Legislative Reference Service for the period 1965 to 1967 and by Tax Foundation for the fiscal year 1970. While these distributions differ in detail, interestingly enough they show a high degree of correlation as to the States which would be helped and the States which would be hurt if revenue sharing along the lines the administration proposed last year is paid for out of additional taxes distributed in the same manner as the present tax burden. The tabulation based upon Legislative Reference Service data shows that the States which would be hurt the most are: Delaware, Connecticut, Illinois, District of Columbia, New Jersey, Ohio, Pennsylvania, Missouri, New Hampshire, Massachusetts, Rhode Island, New York, Maryland, Indiana, and Michigan.

It shows those which would be helped the most to be: Mississippi, North Dakota, New Mexico, Louisiana, South Dakota, Alabama, Arkansas, Idaho, Arizona, South Carolina, Wyoming, Hawaii, Kentucky, Utah, and Alaska.

This is quite an interesting lineup of States. It suggests that the distributional effects of revenue sharing would hurt most the urban States where we hear the most about the need for revenue sharing. You will recall that in my list of those which would be injured the most were Illinois, Ohio, Pennsylvania, and New York, while the States which would benefit the most are those with less density of population. It seems to me that this actually is the reverse of facing up to the urban problem that we have been hearing about.

These data, preliminary though they are, have raised a great many questions in my mind, and I hope yours, as to whether the distributional effects of revenue sharing really meet the problems with which we are faced today.

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

Mr. MILLS. I am glad to yield to the gentleman.

Mr. ULLMAN. Mr. Speaker, I think the distinguished chairman of the Committee on Ways and Means is making a most significant statement I want to commend the gentleman for bringing this to the attention of the Members, and I want to say here that I hope all of the Members of this body will study carefully what the gentleman is saying because the impact of revenue sharing on taxpayers of the various States is not what a lot of Members think it is going to be. As a matter of fact, if revenue sharing should require more taxes, as the chairman has pointed out it is the urban States which are hurt the most. It is opposite to the basic philosophy of those who say they need revenue sharing.

Mr. Speaker, I commend the chairman of the Committee on Ways and Means for the statement he is making and I commend it to all Members.

Mr. MILLS. I thank my colleague, the gentleman from Oregon.

I yield to the gentleman from Maryland.

Mr. LONG of Maryland. I, too, wish to commend the gentleman from Arkansas on his brilliant answer to what has struck me as some shallow thinking. In my own State, those who have been advocating revenue sharing had better ponder what the gentleman is pointing out. All along I have felt that the State of Maryland would be hurt in toto by a revenue-sharing proposal.

In order to help, let us say, the city of Baltimore, the people in the rest of the State of Maryland would have to dig more deeply into their pockets than they would if they would undertake to solve their own problems without revenue sharing, since they would not only have to help Baltimore, but also the States that would enjoy a net gain at the expense of Maryland.

Mr. MILLS. Even the people in the area surrounding the city of Baltimore would not get back what they would have to put into the program by digging deeper into their pockets for money to send to Washington.

Mr. BURKE of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. I wish to associate myself with the remarks of the distinguished chairman of the House Ways and Means Committee. I think he is making a great contribution here today in bringing this matter before the public so we can put the spotlight of public attention on it. There have been many stories written throughout the country that would create the false illusion that Federal-State revenue sharing would solve all their problems, when in some cases it might result in encouraging loose and wasteful spending. It might cause a savings, say, of $100 on real estate taxes of someone who owns his own home, but that person might find out later that he would have to pay $300 more to the Internal Revenue because he has saved the $100. These are things that I believe should come out in the open. The chairman is making a great contribution here today. I do not believe we have any man in this country who is better qualified to discuss Federal-State revenue sharing than our good chairman.

Mr. MILLS. I thank the gentleman from Massachusetts.

Let me turn now to a second advantage claimed for revenue sharing. In various ways, it is suggested that the Federal tax system is a more efficient tax structure than the States and often it is claimed that it is better because it is based to a larger extent upon the income tax—which is a better measure of ability to pay than the sales and property taxes on which the States and localities depend to an important extent. It is also pointed out that the income tax grows more than the property and sales taxes as the economy grows.

To the extent that the superiority of the federal system is based on the fact that it depends on the income tax rather than property and sales taxes, it seems to me that the States too are free to impose greater tax burdens by using the income tax if they consider this desirable. Most States have recognized this and I think you will find that much of the growth in State revenues in recent years is attributable to income tax increases. All but 14 States, in fact, now have an individual income tax and in a significant

number of cases where the State does not have an income tax, many of its localities do.

I recognize that the income tax in the hands of a larger government, such as the Federal Government, may be a more efficient revenue device than in the hands of smaller governmental units. There are what the economists call economies of scale; that is, savings in collection devices which can be made more readily by the larger governmental units.

In this connection, the Federal Government has taken a number of steps in recent years which make it possible for the States to share in some of the economies of scale on the part of the Federal Government. I think this is a factor in an increasing number of States making their income tax base the same, or nearly the same, as the Federal base, and in some cases in actually making their tax a percentage of the Federal tax. The degree of cooperation of the Internal Revenue Service in helping the States find those cases where the proper amount of taxes is not being paid is already a major collection device used by State and local governments. I am sure improvements can be made in this area.

It is also possible to explore the possibility of collecting the State tax at the same time, and in the same mailing, as the Federal tax. In such a case, the State taxes collected by the Federal Government would be turned back to the State Governments, but the State governments would maintain their full right to impose their own tax rates. Whether this is a good idea or something the States would want, I am not certain. But it is certainly one possibility we could explore if the States believe this would improve the efficiency of the State tax systems.

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

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

Mr. LONG of Maryland. Mr. Speaker, the gentleman has made it occur to me, that we now have built-in revenue sharing, in that when any State raises its taxes, a taxpayer of that State automatically gets a deduction from his individual Federal income tax with the result that the Federal Government automatically takes in less revenue.

Mr. MILLS. That is right. As usual the gentleman has anticipated what I was about to say on the next page.

Another reason sometimes given for levying and collecting taxes by the Federal Government for the States and local governments to spend is the competitive problem among States in imposing high tax rates. It is sometimes suggested that States are inhibited in imposing higher income taxes by the fact that if the rates become too high, wealthy persons will move to other States where the rates are lower.

I think the importance of this point can be overemphasized. States which maintain low tax burdens in some respects may be attractive to wealthy taxpayers but they also tend to provide lower levels of services and this can detract from them particularly from the standpoint of employers who are also concerned with the welfare of their employees.

In addition, it is impossible to deal with this problem to the extent it is a serious problem by providing credits of various types against Federal taxes for the imposition of State or local taxes. While I am inclined to think that devices of this type present difficulties, certainly if this competitive problem is a serious factor, credits are an alternative we can consider.

I believe, however, that there is an answer to this problem of interstate competition. When people talk about the Federal Government having preempted the income tax by getting there first and imposing the higher rates of tax, I find that I agree with the statement made by Gov. Nelson Rockefeller, of New York, on Federal-State-local fiscal relationships before the Tax Institute of America in 1967. At that time he said:

> As far as the State saying that the Federal government has preempted the best tax fields, in my opinion this is a complete misrepresentation of the facts. When we raised our income tax to its present rates, which are almost as high as any State in the country—and a progressive tax at that—a taxpayer could deduct the money he paid under the State income tax from his Federal income tax. Thus, the Federal government hasn't entirely preempted the income tax field, because we can still obtain some of our State revenue by cutting into the Federal receipts. This works, though, only when a legislator and a governor take the necessary action.

Mr. Speaker, this statement by Governor Rockefeller highlights an advantage of the States in imposing an income tax which the Federal Government does not have; namely, the fact that State and local income taxes are deductible in computing the Federal tax, the point we were just discussing. The reverse, of course, is not true. Federal taxes are generally not deductible in computing State or local taxes.

The effect of this is that when a State increases its income tax part of the revenue raised by the State government in reality is not paid by the taxpayer since he is making smaller tax payments to the Federal Government. This is an important and often overlooked advantage to the States in the field of income taxes. It seems to me that it may well outweigh the competitive factor referred to previously.

The third factor accounting for the popularity of revenue sharing by State and local officials is that it is so much easier not to have to face up to the responsibility of raising taxes to cover increases in expenditure programs. We who have the responsibility of raising taxes at the Federal level recognize the difficulty of raising taxes and often wish, as the Congress increases expenditure programs at the Federal level, it were possible to avoid making commensurate increases in taxes. As a result, I can understand why it is not pleasant for State and local government officials to take the responsibility for covering their expenditure increases with higher taxes.

It is, undoubtedly, feelings of this type which caused the Advisory Commission on Intergovernmental Relations in a recent publication, after referring to advantages of the Federal tax system, to go on and say that these "enable the Congress to raise far more revenue at far less political risk than can all of the State and local officials combined," or again, in another part of the same publication, when expressing opposition to a Federal tax cut which would leave additional funds available for State and local tax increases, making the following statement:

> Such a policy would place governors and mayors in the untenable political position of wresting from the citizenry the tax reduction granted by the Federal authorities. National policymakers would reap all the political credit for granting tax reduction while State and local policymakers would be denounced for short circuiting this beneficent Federal policy.

Still elsewhere in the same document, references are made to taxpayer resistance as tax rates are pushed higher. We, at the Federal level, also recognize this resistance to higher tax rates and we see no reason why this type of restraint should not be shared with State and local governments.

What worries me most about not imposing taxes at the same level of government responsible for the expenditures is that this means there is no balancing of priorities between taxing and spending. In saying this, I do not mean that expenditures should not increase, but rather that if they are to increase, there should be an evaluation of these expenditure programs, not only one with another, but also with the effect of tax reductions or, if not tax reductions, at least with the prospect of forgoing tax increases.

I should say I am not merely worried about the $5 billion or so which the administration currently would schedule for revenue sharing; rather, my concern is that once this road is begun, where does it end? Obviously, from the standpoint of State and local governments, nothing could be nicer than having no-strings-attached funds for which they bear no responsibility for raising. As a result, once the $5 billion or so is obtained in this manner, what could be more natural than at some future time to demand in the strongest terms possible, further increases in funds available.

Would this stop at $7½ billion, would it stop at $10 billion, would it stop at $20 billion, or would it go to $100 billion before they finished their requests?

In my view, we already have too little restraint on spending programs at the present time. If the revenue-sharing machine is to be cranked up, I fear we will lose much of what restraint we now have. I am not at all sure that this was not really the intent of some of the originators of the idea of revenue sharing. For example, let me quote from a recent article by Mr. Joseph Pechman who is often referred to as one of the authors of this proposal.

> In present circumstances, Federal fiscal assistance should flow directly into State and local government treasuries to avoid use of the Federal funds for tax reduction.

In pointing out what I believe are the three principal reasons why revenue sharing is advocated, I have also expressed my view as to one of the major problems in going the revenue-sharing route; namely, that to do so means there is no examination of the priorities in

spending increases versus tax increases. But there is another major flaw in revenue sharing that needs to be brought out in the open and discussed freely.

If the purpose of revenue sharing is to meet the needs of our economy today, then revenue sharing is a poor and wasteful means of attaining these ends. Why do I say that it is wasteful? Because under any of the formulas that have been developed so far, substantial funds are given to States and localities where there is little or no need, as well as to those where there is need.

Let us examine the formula the administration proposes for allocating funds from the Federal Government to the 50 States. I understand at the State level the formula proposed this year is the same as that proposed previously. The formula, first of all, is on a per capita basis multiplied by a fraction in which the numerator is the revenue raised by the State and local governments and the denominator is the personal income level of the State and local governments. In many respects this is not too bad a formula in that the income level reflects the relative ability of the States to raise revenue, while the revenue which they already raised is a way of expressing their effort to raise the needed funds. However, the only attempt to measure need in such a formula is the reference to population; yet we all know that the number of people in a given area is a poor measure of need since this varies widely on a per capita basis. As a result, the revenue-sharing formula advocated by the administration is wasteful in that it shares revenue with States with little relative need, as well as with those where there is a substantial need.

The formula, which I understand is being proposed for the distribution of the funds among the localities of the various States, has still more problems in it. This formula would divide the money going to the localities on the basis of the proportion of the local revenue raised by each locality. This formula contains serious defects. If the revenues are divided on the basis of the revenues raised locally, this means that those localities which are the wealthiest and best able to raise revenue will receive the largest shares of the Federal revenue. Essentially the same problem exists with respect to the formula used in determining how the funds are to be divided between the States and localities.

On the other hand, if the sharing were to be based on the relative expenditures of each locality—another formula which I understand has been considered—the formula then would become a positive inducement for a spending spree. It would give the most funds to the localities which spend the most, regardless of their need. Either of these formulas—that based on revenues and proposed by the administration, or that based on expenditures—or a combination of them, ignore need and the relative ability of the communities to raise revenue. Instead, they tend to help the richer communities or those which are the freest spenders.

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

Mr. MILLS. I shall be glad to now yield to the gentleman from Maryland.

Mr. LONG of Maryland. I would like to ask the gentleman whether under the revenue-sharing plan being proposed by the Federal Government, the Federal Government would have complete authority to say what formula any particular State would use in allocating the revenues?

Mr. MILLS. I think that is fundamentally correct. The general rule as I understand it, would contain a formula for distribution in the localities within the State. In some material I have just received, however, there is reference to an incentive formula. It is my impression however, that this does not change the basic rule very much.

Mr. LONG of Maryland. Would it be a mere inducement or an absolute requirement?

Mr. MILLS. It is my understanding that the moneys would be distributed under a formula which is based on the revenues each locality raises.

Mr. LONG of Maryland. The gentleman has indicated that, under at least one formula being considered, is one, "to him who hath shall be given."

Mr. MILLS. Yes. The other possible formula would provide "to whosoever already spends much, there shall be given more to spend."

In making these comments about the formulas the administration proposes for use in revenue sharing, I do not mean to be critical. I recognize the limitations within which they must work. Statistical data frequently are not available to develop the types of standards which they might like to have for distributing the revenues. Even more important, the tax systems and conditions are so diverse from State to State and from locality to locality within each State, plus the problem of dealing with overlapping local government jurisdictions, that I believe there is considerable question as to whether it is possible to come up with any distribution formula which will be fair and yet distribute the funds according to need and relative effort of the various tax jurisdictions throughout the country. In a much more limited area, looking only to distributions for education, this seems to be borne out by the comments of two research specialists of the Federal Reserve Bank of Boston, Mr. Steven J. Weiss and Mr. Robert W. Eisenmenger, who said the following:

> We found, however, that there simply is no way to measure the tax base and tax effort of each and every school district. The differing tax structures within each State and the varying distributions of functional and financial responsibilities of States, counties, townships, and special districts make it impossible to evaluate—across State boundaries—the relative needs of individual districts.

Think how much more difficult the problem is when we try and take into account the differing needs in the whole spectrum of State and local expenditure programs.

Of course, these difficulties in State and local financing can be dealt with by means other than revenue sharing.

The proponents of the proposal imply that revenue sharing is the only way. It has become a magical solution to so many people who have their hand out wanting something from the Government. This philosophy is beyond me. Today, I am merely trying to get them to stop and think what they are asking the Congress to hand out. If they will analyze it and look into it, they will find that their purposes can be served in so many different ways and to a more satisfactory degree than by revenue sharing.

It seems to me that when we have a proposal which is obviously defective at the very least we should not rush it without examining the alternatives.

Revenue sharing basically is the distribution of Federal revenues to States and localities under distribution formulas but on a no-strings-attached basis as far as use of the funds is concerned. Block grants, which the administration has also espoused, differ from revenue sharing in this respect in the sense that the broad general purpose for which the funds are to be spent is specified by the Federal Government. Block grants share most of the same problems as revenue sharing, although, in this case, there is at least some indication that the funds will be spent for purposes where there are recognized needs. It seems to me that if more funds are to be needed by States and localities, these are not the only ways of accomplishing these results.

Others have suggested that we should make an effort to aid the States and localities in improving their own tax systems.

As I indicated earlier, this can be done by permitting the States and localities, if they use the Federal tax base, also to make use of the Federal tax collection system. Under this arrangement the States will still be responsible for imposing the taxes and setting their own rate structure. The increased efficiency in collecting State taxes, which this might bring about, should free up substantial additional revenue for State and local governments.

Others have suggested that credits should be allowed for State income taxes which are imposed. This is proposed as a way of removing the competitive problem, which some believe States are faced with when they increase their income taxes. I have doubts as to the desirability of trying to direct the States and localities in developing their tax structure, but at least this alternative should also be explored before we take the leap to revenue sharing.

Another, and perhaps a more fruitful method of dealing with the program, is to review the categorical aid programs, which we have at the present time as law, with the intent of both simplifying them and making them available on a broader basis. This would make it unnecessary for the States and localities to go into programs which they believe are undesirable merely to obtain the Federal funds, since the same Federal funds might also be available for other programs which they believe their State and localities need much more.

In this same area, it is also possible to aid the States and local governments fiscally by changing the grant-in-aid formulas so that a larger portion of the

total is borne by the Federal Government. And, frankly, this is what I think Congress ought to do. This, in effect, is what we have been doing already in our consideration of the welfare programs that passed the House last year, but failed in final enactment. I believe this alone would do much to take the financial pressures off of the States and localities.

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

Mr. MILLS. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. Mr. Speaker, I first wish to commend the gentleman in the well for analyzing a proposal which has caused so much confusion. I think there is such a misconception of what the revenue-sharing program will do that I believe what the chairman is stating today will clear the air to a large extent.

Now, Mr. Speaker, I have this question to ask the gentleman in the well:

Under the proposal how would a small State like Hawaii fare?

Mr. MILLS. Earlier in my remarks I pointed out how 30 States would fare under each of three different concepts. In each case I pointed out the 15 States that would gain the most, and the 15 that would lose the most. First, I pointed out that if we were to cut back all Government expenditure programs proportionately in order to provide the funds for revenue sharing——

Mr. MATSUNAGA. Mr. Speaker, I would apologize to the gentleman for not being on the floor at that time.

Mr. MILLS. Hawaii, for example, would be among the 15 big losers if that is done.

Second, if you use another type of cutting back on expenditures—by reducing categorical aid programs, then Hawaii would not be among either the 15 big gainers or the 15 big losers.

It happens that among those that would be hurt are some States that I doubt could very well stand to be hurt, such as Utah, South Dakota, Alabama, Mississippi, Arkansas, Wyoming, Kentucky, New Mexico, Oklahoma, Maryland, Vermont, and West Virginia.

Finally, I looked to see who would be hurt or helped the most if we have to levy taxes equal to the amount that we gave back in revenue sharing, and in this case Hawaii would be one of the 15 States that would be helped the most.

But, actually, on this basis, if taxes are increased, you are generally helping the States with a lower density of population and you are hurting the States like Massachusetts, New York, Michigan, Illinois, Ohio, and Pennsylvania which are States of greater population density and where the problems of urbanism exist to a greater extent than they do in the less populous areas.

Mr. MATSUNAGA. So whether a State like Hawaii would gain or lose depends on the formula that is used?

Mr. MILLS. No, it depends on the decisions—the decisions that the Congress would make, on down the road, as to how it would handle the payment of this $5 billion to the States on a no-strings-attached basis. Would we level off other expenditures, or would we raise taxes or what would we do to keep revenue sharing from continuing to cause the Federal Government from going deeper in the red all the time? When the figures for revenue sharing rise to $7½ billion or $15 billion or $20 billion and $100 billion on down the road, we would have to do something about it. I think the most likely possibility is that we would have to provide more taxes at that point.

Mr. MATSUNAGA. I thank the gentleman.

Mr. MILLS. So that any way these funds are provided, it looks to me that some States are going to be hurt and some States are going to be helped. There is quite a mixed picture among those States to be hurt and among those States to be helped. If you look at any one of the assumptions on making up the replacement of the revenue, it becomes clear that not everybody is helped.

I think the administration was kind enough to come up with the information last year about how the cities in all congressional districts, and certainly in mine, would prosper under revenue sharing. They were told exactly how much they would get under the revenue sharing program, but they did not tell how much might be taken away in the exchange. They did not even suggest to the people that they might have to pay more taxes. All they said was that they would send $10 million to one community here and $1 million to another community there. We all know the communities need money. But in this case they were led to believe that Uncle Sam would just be acting like Santa Claus—just a little prematurely, somewhat before Christmas.

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

Mr. MILLS. I yield to the gentleman.

Mr. GONZALEZ. Mr. Speaker, I thank the distinguished chairman of the Committee on Ways and Means, the gentleman from Arkansas, not only for yielding but for taking this time to inform the House in such an educational way about this matter. I do have one little question, if it will not impose upon the gentleman.

Mr. MILLS. I am glad to yield to the gentleman.

Mr. GONZALEZ. The gentleman mentioned how it might look for the State of Hawaii, but how would it look for Texas under those figures the gentleman has?

Mr. MILLS. The State of Texas is among the 15 States that would be hurt the most in one of these calculations. This develops because if you cut spending across the board—including defense as well as everything else—Texas, which is important in our total defense position, would be worse off, even with the shared revenue, due to the loss in its share of general expenditures.

Mr. GONZALEZ. Do you think we would be safeguarded by the new Secretary of the Treasury?

Mr. MILLS. I do not know what his position is. I assume he will have views but I know my friend, the gentleman from Texas you are referring to, well enough to know that he not only disagrees with the gentleman from Arkansas occasionally and he might even disagree with a fellow Texan.

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

Mr. MILLS. I yield to the gentleman.

Mr. EDMONDSON. Mr. Speaker, I want to express my personal appreciation to the distinguished chairman of the Committee on Ways and Means for putting in perspective this issue which the President has defined as his fifth great goal—the revenue sharing proposal.

I think the gentleman from Arkansas has brought home to the House what in time will become apparent to the American people, and that is that it is not the most responsible way to conduct business, to go about a procedure with a blank check revenue sharing proposal that the President has advanced.

It would be a blank-check revenue-sharing proposition that the President has advanced.

Mr. MILLS. If the gentleman will pardon my interruption, any president is a man who has many problems and too little time to analyze anything that comes to him. But it is surprising to me, that the President would buy this idea developed by Dr. Walter Heller and Dr. Joe Pechman.

They did not sell it to the last administration. I think the President would have been better advised to have had some of his advisers develop some other alternative, rather than to buy this particular plan.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield further?

Mr. MILLS. I am glad to yield to the gentleman from Oklahoma.

Mr. EDMONDSON. The distinguished Chairman has emphasized the point that the power to tax is a very important power of government at any level, and it must be coupled with responsibility for the spending of the money.

Mr. MILLS. I know that if you would put me at the head of a municipality and give me all the money I want, and I did not have the responsibility of coming to Congress and asking for a tax increase, there would be no limit in what I would want to spend, and there would be no limit on what I would waste in the process.

But I did not want to talk about that. What I wanted to do today was to analyze the arguments that are made in favor of the program to see just how far they fall short of their stated goals.

Mr. EDMONDSON. I think the chairman has done an outstanding job.

Mr. MILLS. I thank the gentleman.

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

Mr. MILLS. I am glad to yield to the gentleman from Maryland.

Mr. LONG of Maryland. I think that the gentleman has inadvertently suggested that revenue sharing is a "liberal" proposal. On the contrary, the very fine analysis of the gentleman has made it clear that revenue sharing does not make economic sense, either as a "liberal" or as a "conservative" proposal.

Mr. MILLS. Or a middle-of-the-road program even.

Mr. LONG of Maryland. That is correct.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. I appreciate the gentleman's yielding. I merely wish to indicate that it has not been only Joe Pechman and Walter Heller who have been proponents of revenue sharing. If my memory serves me correctly, I think our former colleague, the present Secretary of Defense, Melvin Laird, first introduced a measure which he called a revenue-sharing proposal in 1958.

Mr. MILLS. It was not this same idea. If you would talk with him, I think he would tell you that he did not get his idea from Walter Heller and Joe Pechman.

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

Mr. MILLS. I am glad to yield to the gentleman from Florida.

Mr. FUQUA. Mr. Speaker, I appreciate the gentleman's yielding to me. I would merely like to say that I wholeheartedly concur in his arguments about the so-called revenue-sharing plan. With the responsibility to spend money must also go to the responsibility to raise the money. Any time you vary from that practice you are getting into serious areas of irresponsibility.

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

Mr. MILLS. I yield to the gentleman from Iowa.

Mr. GROSS. Speaking of advisers on this subject, why not congressional advisers, conservative congressional advisers, be they Democratic or Republican?

Mr. MILLS. I am going to leave that to you, because I do not make any suggestions even to a Democratic President. I do not often advise.

Let me return to my statement.

Actually, if we were to reconsider the grant-in-aid programs in the areas of education, welfare, hospitals and health, we would be dealing with the areas which account for nearly 60 percent of the State and local government expenditures. Certainly changing the formulas so that the Federal share is increased somewhat in the case of programs of this type would do as much, if not more, than developing a new Federal revenue-sharing program to be superimposed on top of the existing grant-in-aid programs.

Finally, to put this problem in perspective. I would like to stress that there are few thing that could help the States and localities as much as a responsible fiscal policy which would help contain inflation and provide for a stable price level. We are told that one of the problems of State and local financing is that each time the price level goes up, the financial costs of State and local governments are increased more than their tax receipts. The moral of this, I think, is quite clear. Federal expenditures must be kept at reasonable levels and proposals for additional spending including revenue sharing should be scrutinized carefully in light of their possible inflationary impact.

Let me close by again stressing that bad as the fiscal problems of the State and local governments are, it is not clear that they are any worse than the fiscal problems faced by the Federal Government. In a recent article, the economists, Mr. Richard A. Musgrave and Mr. Mitchell Polinsky, estimate that by 1975 State and local expenditures will be $191 billion after allowing for the increased workload due to rising population and for quality improvement at past rates. In this article, revenue in 1975, including Federal aid, expanding at normal rates is estimated at $174 billion, leaving a deficit of $17 billion. The authors go on to say that of this, $11 billion will be covered by normal borrowing, leaving a gap of $6 billion. They point out that this could be met by a 5-percent increase in tax rates at the State-local level; an increase which they suggest seems well within the reach of State-local governments given their past record of rate increases.

On the other hand, we are currently faced with very substantial deficits at the Federal level of possibly as much as $15 billion, which are likely to continue at least until we approach full employment levels. It seems to me that this at least should flash a caution light for us to go slow with these proposals for giving away Federal revenues.

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## SPECULATION, FRAUD, AND BANKING PRACTICES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 10 minutes.

Mr. GONZALEZ. Mr. Speaker, in recent days, the citizens of Texas have been shocked to learn that certain banks gave huge unsecured loans to prominent officials in the State to finance speculative stock ventures. One bank has been so heavily involved in such loans and other questionable practices that its directors have had to order it closed.

But the fact is that it is nothing new for banks to finance speculative stock buying. Indeed huge amounts of capital have been diverted from legitimate and productive ends to finance the acquisition of stocks and the purchase of banks; all of this is money that might have otherwise gone into the hands of businesses which had need for it, or for home builders and buyers, who have been desperately short of cash for years.

In 1967, the Committee on Banking and Currency described how within a 2-year period 900 banks changed hands—that is one out of every 14 in the United States—and how in more than half those cases the new owners had invested less than 1 percent of their own money—better than 90 percent of the purchase money came from bank loans.

The committee at that time noted that banks in a 2-year period had loaned $206 million to people who were buying the stocks of other banks. Those investors put up only $30 million of their own money, and for that they got 424 banks having assets of $3.4 billion. Quoting the committee report on this odious practice:

> The attractiveness to speculators, promoters and worse, of the virtually unlimited "leverage" possibilities of bank buying on credit is obvious.

Well, time has passed, but nothing has changed.

Just a few days ago word came that an attempt was underway to buy the Groos National Bank of San Antonio. The stock was being bought up at prices ranging up to three times its current trading value, and it was being financed through a loan from a Houston bank, the Bank of the Southwest. This bank has in previous times financed stock purchases in banks.

It turns out that the would-be purchaser of the Groos Bank was unable to buy control of the bank. He spent perhaps $5 million in funds that were probably mostly borrowed—90 percent if he ran true to the usual form in these cases. It also turns out that this purchaser seems to have a criminal record, and that it may take a special waiver from regulatory agencies to permit him to sit on the board of the Groos Bank.

Speculation of the wildest kind, speculation financed by banks to raid other banks, is not just a nightmare but a reality. It has been going on a long time. In the past, these stock raids were mostly from city banks to buy up rural or small town banks; but now it appears that the big banks are after the not-so-big banks—and using depositor funds to finance the speculation.

Quoting the 1967 Banking Committee report:

> It is impossible to defend the diversion of bank credit for such a purpose.

It is even less possible to defend the diversion of bank credit to make huge, unsecured loans to public officials to finance the purchase of speculative stocks. Yet in Texas, one bank gave loans that must amount to well over a million dollars to finance purchase of insurance company stocks and other stocks that were also controlled by the bank's owners. These loans apparently went to finance manipulation of the stock prices. It was easy—unsecured loans went to friends of the bank owners, who then bought stock in companies the bank management obligingly steered them to—companies the same management also controlled. The stock would be forced up in price, and everyone got out the richer.

What is this but a replay of the stock pools in the stock market before we had a Securities and Exchange Commission? What is this other than the rankest kind of speculation? Moreover, in this case what was it other than an attempt to bedazzle, befriend, and perhaps ensnare public officials of the State of Texas?

No one could defend the practices of the Sharpstown Bank, and that bank is closed. No one has been hurt but the depositors, who hopefully will be protected by Federal insurance. But the scandal remains.

How is it that great banks like the Bank of the Southwest, and little banks like the Sharpstown Bank, can divert huge amounts of capital away from sound and productive loans and into huge speculative wheeling and dealing loans—loans to manipulate unregistered stocks, and loans to buy up banks?

Mr. Speaker, the recent events in Texa are so odious that no one can go nea them without holding his nose.

I believe that the Securities and Exchange Commission was right to clamp down on the fraud and manipulation that was so evidently being financed by the Sharpstown Bank.

Now, I believe that the Federal Deposit Insurance Corporation and the Comptroller of the Currency should also investigate to see how it is that banks make these speculative loans, and how they finance the reckless acquisition of other banks, the pyramiding of resources, the manipulation of precious resources for no sound reason at all—no reason other than greed.

I believe that we have allowed too much time to pass since the Banking Committee's 1967 report on bank stock loans. I believe that we must investigate the practices thoroughly and take whatever action necessary to see that they are not repeated. Banks have a public responsibility. They are not the playthings of speculators, but the engine that must finance our entire economy. The destruction of sound banking practices by these latter-day Goulds has gone too far already; it has corrupted the public officials of Texas; it has concentrated bank ownership and sometimes placed in questionable hands; and it has diverted bank credit away from productive uses and into wholly frivolous and downright dangerous speculation. It is time to stop this kind of wheeling and dealing.

## CONQUEST OF CANCER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. HAMILTON) is recognized for 15 minutes.

Mr. HAMILTON. Mr. Speaker, today I introduce a bill which will enable this Nation to eliminate its second most deadly disease: cancer.

To accomplish this, a National Cancer Authority would replace the present inadequately funded research centers which are now dispersed under various agencies and where several groups are often doing identical work.

Bringing this far-reaching program into effect requires a doubling of the amount now being spent on cancer research to $400 million for this year, and gradually increasing it to $1 billion a year by 1976.

### THE EXTENT OF CANCER

An examination of the grim statistics about cancer provides ample justification for this expenditure. Of this country's 204 million people, 51 million will develop cancer and 34 million of this group will eventually die of this disease. Death from cancer comes once every 2 minutes, and one-half of these victims are under 65. In causing 16 percent of the Nation's deaths, it is exceeded only by heart disease. Furthermore, the incidence of cancer is increasing, due partly to the greater number of citizens who reach more advanced ages where cancer strikes more frequently, and also due to the sharp increase in lung cancer, attributable to air pollution and cigarette smoking.

### THE PROGRESS AND THE NEED

The rate of cure has been improved from one out of every five victims in 1930 to one out of three today. The ratio could be further decreased to one out of two, but only with proper funding and efficient administration, neither of which are availbale at this time. Government spending last year provides an illustration of the funding problem. Although cancer killed eight times as many people in 1970 as have been killed in Vietnam in the past 6 years, the Government spent an average of $410 per person on defense—$125 of that amount on Vietnam alone—and only 89 cents per person on cancer. Clearly, a reappraisal of priorities is in order.

Money is required for further development in the three vital fields of cancer research: prevention, detection, and treatment. Without proper funding, the program cannot succeed. The requested sum is small in comparison to the vast amounts spent annually on other projects and will be immeasurably rewarding in terms of human lives eventually saved by a coordinated program for cancer research.

The first area of research, cancer prevention, has already proved to be encouraging. While working to discover factors which cause or promote cancer, scientists are also attempting to eliminate them from the environment. Recent discoveries have included the linkage of air pollution and excessive smoking with lung cancer, long exposure to radiation with thyroid cancer and leukemia, and overexposure to ultraviolet light with skin cancer.

Progress has also been made in cancer detection. Early detection of cancer, using such methods as the pap test, chest X-rays, and exfoliate cytology, allows for earlier therapy and, therefore, a better chance for cure of the cancer patient.

Funds are also needed for the establishment of more effective use of the present methods of treatment as well as for development of new treatment techniques. While surgery must take place before the cancer has spread beyond tissues which can be removed, it offers a good chance for cure in many cases. Radiation treatment, which destroys cells by injuring their capacity to divide, can retard the growth of cancer, which normally proliferates in an uncontrolled manner. This method is usually very effective, but also very expensive. The use of chemotherapy to control cancer is an emerging area of cancer treatment which, though still requiring much study, has been found to cure several types of the disease in both localized and highly disseminated cases. Scientists are experimenting with new drugs and combinations of several drugs in this quickly developing field.

Combinations of methods of surgery, radiation, and chemotherapy can be used to cure a patient.

### NATIONAL PANEL OF CANCER CONSULTANTS

Recognizing the need for reform in cancer research, the Senate voted overwhelmingly, in Resolution 376 on April 27, 1970, to establish a panel of 13 scientists and 13 laymen to investigate and report on methods necessary to facilitate the conquest of cancer. The panel included many of the Nation's leading medical scientists specializing in cancer studies as well as several distinguished figures from the business community. Following an 8-month study, the panel submitted its report to the Senate Labor and Public Welfare Committee, calling for a comprehensive national organization which would direct a systematic attack on cancer and for adequate Federal funding for this program.

As a result, a bill was presented by Senator Yarborough to the U.S. Senate on December 4, 1970, based on the panel's recommendations.

The panel's concept of a national organization, which it named the National Cancer Authority, was incorporated into the bill. The bill I introduce is identical.

### RECOMMENDATIONS

What the report specified, and my bill proposes: First, the establishment of a National Cancer Authority as an independent governmental agency, directly responsible to the White House. It would be directed by an Administrator and Deputy Administrator, appointed by the President and approved by the Senate; and, second, the National Cancer Authority would take over the functions of the National Cancer Institute and be charged with the duties of conducting research by utilizing existing facilities, establishing additional cancer centers, and coordinating the efforts of all scientists with optimum communication and centralized information banks. The cancer centers would be concerned primarily with research, rather than care of the Nation's cancer patients.

The panel further recommended the creation of a National Cancer Advisory Board, composed of 18 members appointed by the President and approved by the Senate. Half of the Board members would be doctors and scientists and the remainder would be laymen. The Board would advise and assist the Cancer Authority, and make a yearly report on the Authority to the President and Congress.

Rather than merely suggesting the creation of a National Cancer Authority, this bill clearly defines its functions and outlines its administrative system. Furthermore, no portions of the funds are predesignated for specific purposes. The Authority will be free to consider all the alternatives for dispensing its budget and choose appropriate amounts for each project.

Mr. Speaker, we can, if we will, eliminate the menace of cancer. This bill gives us the means to do so.

## NATIONAL ECONOMIC CONVERSION COMMISSION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. MORSE) is recognized for 5 minutes.

Mr. MORSE. Mr. Speaker, one of our most crucial challenges at this present session of Congress is the urgent need to come to grips with the problems of economic transition faced by a vital sector of our economy. Cutbacks in Federal spending on defense and space have been predictable for some time, but the failure to prepare for their consequences in an orderly and logical way has resulted in a

critical situation which demands immediate attention and effective remedy. In Massachusetts alone, over 10,000 highly trained scientists and engineers are presently without jobs. These people represent a vast reservoir of talent and ingenuity, whose preservation and encouragement is vital to our national strategic posture. Their plight is thus more than just a humanitarian problem. Its alleviation is vital to our very national security over the next 10 to 15 years.

It was back in 1963 that I first urged that Government and industry begin to prepare for the inevitable results of reduced Government spending in the defense and space fields. The following year I introduced legislation to establish a National Economic Conversion Commission to study and plan for an orderly and gradual move away from economic dependence on military and space contracts. In a speech at Northeastern University that same year, I pointed out that—

> While reduced levels of spending in these areas pose real problems for our economy, by the same token it provides us with the opportunity to make technological gains we could not have dreamed of earlier.

I said 6 years ago:

> We can and must begin now, if we are to realize the enormous potential for growth.

The past year has witnessed the realization of these early predictions of impending difficulties. It has also been an intensification in our search for solutions. In a letter to Mr. George P. Shultz on January 19 of this year, I noted some of the initiatives I have taken in cooperation with a group of scientists and engineers in my district to make meaningful progress toward easing the hardships of transition for industries, organizations and individuals hurt by defense and space cutbacks. Together, we have explored a wide variety of plans to encourage diversification into areas of expanding national concern, such as purification of the environment, medical research and education. We have worked on projects to provide meaningful jobs in local government, explored possibilities for employment abroad, examined schemes to establish technology exchanges and encourage venture capital, urged Federal agencies to set aside more funds for research, and sought to set up programs for placing unemployed scientists in organizations which are expanding, such as the Environmental Protection Agency. We have also put steps in motion to establish an association of unemployed scientists, engineers and other technically trained people to serve as a clearinghouse for employment possibilities in Massachusetts.

I have also reintroduced an expanded and revised national economic conversion bill in the present Congress and discussed the need for more Federal action with a wide variety of officials in the executive branch. In this connection, I was encouraged to read in the Washington Post last Monday an article which reported that the administration plans to increase spending on research and development in the new budget, a course which I had urged in my letter to Mr. Shultz.

I deeply hope that the prediction in the article will be borne out, and I look forward to examining the budget carefully to see whether the measures proposed are adequate to the task and responsive to the urgent need for Government action.

The text of my letter to Mr. Shultz and the text of the article in the Washington Post follow:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
*Washington, D.C., January 19, 1971.*

Mr. GEORGE P. SHULTZ,
*Director, Office of Management and Budget, The White House, Washington, D.C.*

DEAR MR. SHULTZ: During the past year I have been consulting intensively with scientists and engineers in my District concerning measures to alleviate the serious unemployment problem caused by cutbacks in defense spending. The situation has become especially acute in Massachusetts, where it is estimated that at least 10,000 highly-qualified scientists and engineers are presently out of work.

Working jointly with these scientists and engineers, we have taken a number of intiatives designed to ease the hardship caused by job losses in defense industries. We have worked on plans to use some of the idle talent in local government, explored a wide variety of conversion possibilities for defense-oriented industries, examined opportunities for employment abroad, and proposed the establishment of an Association of unemployed scientists, engineers and other technically trained people to serve as a clearing house for employment possibilities.

The measures we have been able to take thus far, however, are only palliatives. What is needed, I believe, is a large budgetary commitment to research and development in non-defense areas such as the environment, medical research, urban problems and education, which would seek to use the talented people now out of work in a useful and constructive way. In accordance with the President's expressed desire to encourage more responsibility at local government levels, funds might be earmarked for organizations such as the newly-formed Massachusetts Science and Technology Foundation, which is seeking financial support for an imaginative proposal to establish a technology exchange in Massachusetts.

In general, I believe that funds in support of research will be most productive if they are project-oriented and committed in sufficient amount to permit contracting organizations to plan their efforts over several years to achieve specific objectives in accordance with a systems-analysis approach. I am deeply concerned that, if the present unemployment of scientists and engineers is allowed to continue, their plight will have a discouraging effect on college students now planning their careers and result in the decline of our scientific and technological resources. This would have a decidedly adverse effect on our national strategic posture over the next 10 to 15 years.

In recent days I have discussed these matters with a wide variety of officials in the White House and other offices of the Executive Branch. There seems to be universal agreement that the situation is serious and in need of prompt and effective remedy.

Since the President's forthcoming budget will be of crucial importance in efforts to cope with this situation, I would be most grateful for your views and would appreciate knowing in particular of any special measures taken in the budget to address the problem of unemployed scientists and engineers.

With best regards, I am

Sincerely,

F. BRADFORD MORSE,
*Member of Congress.*

NIXON TO INCREASE BUDGET FOR SCIENCE

(By Victor Cohn)

The lean years for science—the drop in research caused by tight federal science allotments of the past five years—may be bottoming out.

The Nixon administration's fiscal 1972 budget, due within days, will contain increases in research funds, especially funds for colleges, regarded as "impossible" by many federal science officials only weeks ago.

The increase in all federally financed research and development, including everything from basic laboratory work to weapons to medical electronics, will be about 8 per cent.

The increase in research at colleges and universities will be 9 per cent by one prediction, 12 per cent by another. In either case, one informed scientist said, it will be "considerable," more than compensating for the years' inflation.

All these increases may be attributed in large part it is reported, to the feeling of presidential aide George P. Shultz that the country badly needs more research and development to help revive its sagging industrial productivity.

Economist Shultz, director of the President's Office of Management and Budget, is said to believe that productivity and prosperity are linked closely in a technologically advanced society to job-creating advances like the transistor and computers.

Also responsible, it is felt, are strong representations made by presidential science adviser Edward M. David Jr. and his predecessor, Dr. Lee A. DuBridge, who retired last August.

Concern over some 50,000 unemployed scientists and engineers and successful salesmanship by the science community are also involved. For at least three years many scientists have been saying that research and training funds were failing to keep up with inflation and, in the words of Dr. Philip Handler, president of the National Academy of Sciences, that the country's research apparatus was "falling into shambles."

The increases are made possible, of course, by the administration's new economy-spurring deficit policy. In one official's words, "a lot of money is going to be available."

But for fiscal 1971, too, the administration budgeted an academic research increase of more than 7 per cent, though total research and development funding dropped.

In total, Mr. Nixon's supporters are sure to say now that scientists and others have been wrong when they claimed science's influence was small in this administration, or that this President did not believe in science.

Specifically, for fiscal 1972:

Total research and development obligations will be about $17 billion, up $1.2 billion from fiscal 1971's planned $15.8 billion. The 1971 figure was down $600 million from 1970's.

Total academic science obligations will be in the area of $1.7 billion or $1.8 billion, if not much more.

Funds for one agency alone—the long puny but now fast-growing National Science Foundation—will jump by well over $100 million, from this year's $513 million to $622 million (after a 1971 increase of nearly $100 million).

Credit for the 1971 increase went largely to NSF's vigorous current director, Dr. William McElroy; to DuBridge and to former Democratic Rep. Emilio Q. Daddario of Connecticut and Sen. Edward M. Kennedy (D-Mass.), authorization subcommittee heads.

Not every branch of science and technology will benefit. The budget will show David's strong influence here in establishing a close relationship with the office of the budget in setting priorities.

The National Aeronautics and Space Administration will slip apparently from 1971's

$3.27 billion to $3.2 billion, not enough to move ahead swiftly on all facets of manned and unmanned flight.

There will be little new construction anyplace, either of buildings or of instruments like radio-telescopes.

There will be increases in research on the environment. Medical research and life sciences will, in general, do well because David has been stressing the need for health research and development to back up the President's expected health initiatives.

There will also be a fat "extra $110 million"—in the unexpected promise of the President's State of the Union message—"to launch an intensive campaign to find a cure for cancer."

This cause was pushed in Congress last year by Sen. Ralph M. Yarborough (D-Tex.), though it did not keep him from being defeated.

Its acceptance is so new in this administration that on the night of the President's message officials of the National Institutes of Health still did not know just how soon it would become available or how federal health agencies would spend it.

## SECRETARY STANS WAS RIGHT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. BROWN) is recognized for 5 minutes.

Mr. BROWN of Michigan. Mr. Speaker, I wish to draw attention to evidence now available of significant progress in returning the economy to a condition of stability and normal growth. Most of our recent economic statistics have been distorted by the 2½-month automobile strike, though this distortion is not always recognized.

The financial sector of the economy, however, has not been distorted in a major way by the automobile strike, and it is this sector from which we have received very significant news in recent months. Financial flows are once again moving smoothly through the system, in particular to the long-starved housing sector. Most important, perhaps, interest rates have been dropping sharply.

We heard much complaint in this body when interest rates were rising as a result of the uncontrolled inflationary policies pursued from 1965 to 1968. Now, however, when interest rates are coming down rapidly, signaling success in the administration's game plan, we hear little about it. Many are willing to complain when interest costs are rising, but few are willing even to acknowledge the accomplishment when they come down.

I recall in particular the lack of belief that greeted the prediction by the Secretary of Commerce last September that interest rates would fall sharply. On September 3, Secretary Stans said:

> We will see 6 percent interest rates again, and perhaps not too far off.

At that time, there were not many who were willing to accept the idea that interest rates would be coming down. I remember the gentleman from Texas, chairman of the Banking and Currency Committee, complaining many times about the rates banks were charging.

Yet, today, only 4 months later, Secretary Stans' predictions have been borne out. The rate at which commercial banks lend to their prime customers has been reduced to 6 percent. A year ago it was 8½ percent and early last September it was 8 percent. Corporate bonds, which were being issued at rates well above 9 percent last spring, are now going for close to 7 percent. Rates on municipal and Treasury securities have come down accordingly. The Treasury bill rate, which was at 8 percent a year ago, has plummeted to 4.2 percent, well below the Secretary's 6-percent figure.

Mortgage rates, perhaps the most significant interest rate to the American family, have started down. The FHA reduced its ceiling rate from 8½ percent to 8 percent on December 1, and a further reduction to 7½ percent was made in mid-January. Reflecting these easier monetary conditions, housing starts are booming; last January the seasonally adjusted annual rate was below 1 million units, whereas the rate this December approaches the 2 million mark.

Mr. Speaker, these developments indicate that the administration's game plan is having the desired effect of eliminating high inflation and high interest rates and returning the economy to its normal condition of vigorous growth with stability. The Secretary of Commerce is to be congratulated for his perspicacious forecast, and the entire Nixon economic team deserves our thanks for pursuing sensible and effective economic policies.

## TAKE PRIDE IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. MILLER) is recognized for 5 minutes.

Mr. MILLER of Ohio. Mr. Speaker, today we should take note of America's great accomplishments and in so doing renew our faith and confidence in ourselves as individuals and as a nation. A poor Scottish immigrant, Andrew Carnegie, came to the United States in the 1850's and supported his family as a telegraph boy. Shortly after the Civil War, he entered the steel industry and 15 years later he reached the top of the ladder. At his death Carnegie had become the richest man in the world and had given 90 percent of his wealth away. He founded over 2,800 libraries and established various institutes, endowment funds, and great modern foundations. Carnegie said:

> The wealth that came to me, to administer as a sacred trust for the good of my fellow men is to continue to benefit humanity.

## EMERGENCY SCHOOL AID ACT OF 1971

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. BELL) is recognized for 5 minutes.

Mr. BELL. Mr. Speaker, I am pleased to introduce today the Emergency School Aid Act of 1971. This bill, which the President has indicated is of the highest priority, is essentially similar to H.R. 19446, of which I was an author during the last session of Congress. That bill passed the House of Representatives on December 21, 1970, but unfortunately no action was taken by the Senate before the close of the 91st Congress. It is my hope that we can give early consideration to this bill in this session, so that school districts across the Nation can receive the assistance they so desperately need.

The bill I am introducing today authorizes the appropriation of a total of $1.5 billion over a 2-year period. In addition, funds appropriated for one fiscal year can be carried over for expenditure in the following fiscal year.

Eighty percent of the sums appropriated would be allotted among the States on the basis of their relative populations of children who are Negro, American Indian, Spanish-surnamed Americans, or members of other minority groups as determined by the Secretary of Health, Education, and Welfare. I would like to point out that this bill treats all areas of the country alike in its distributional formula. The "double counting" provision that was included in the administration's bill of a year ago has been dropped. This will assure that no single area of the country receives a disproportionate amount of the funds appropriated for this legislation.

The remaining 20 percent of the appropriation would be reserved to the Secretary of Health, Education, and Welfare. From this amount he would be able to support model desegregation programs.

The bill provides for three categories of eligibility for local educational agencies:

Those desegregating under legal order or pursuant to an HEW-approved plan under title VI of the Civil Rights Act of 1964;

Those voluntarily seeking to integrate all the racially isolated schools in a school district; and

Those seeking to eliminate or reduce racial isolation in one or more schools in a district, or to prevent such isolation from occurring.

Eligible local educational agencies would submit their desegregation plans and requests for assistance to the Secretary of Health, Education, and Welfare. He, in turn, would apply statutory criteria in evaluating the relative merits of a district's plan, as compared with those plans of other local educational agencies in the same State.

The bill recognizes that desegregation costs money. In many cases, to achieve successful desegregation or reduction or prevention of racial isolation, a school district will have to undertake new and expensive programs. It is the purpose of the Emergency School Aid Act to provide assistance to districts which do undertake such programs. For this reason, permissible uses of Federal funds range across the educational spectrum:

Remedial and other services to meet the special needs of children in desegregating schools;

Provision of additional professional or other staff members and training and retraining of staff for desegregating schools;

Comprehensive guidance, counseling, and other personal services for children involved in desegregation;

Development and employment of special new instructional techniques and materials;

Innovative interracial educational programs or projects involving point participation of minority and nonminority group children, including extracurricular activities and cooperative arrangements between schools in the same or different school districts;

Repair or minor remodeling of existing school facilities, and the lease or purchase of mobile classroom units;

Provision of transportation services for students when voluntarily undertaken by the school district;

Community activities, including public education efforts, in support of a desegregation plan;

Special administrative activities, such as the rescheduling of students or teachers, or the provision of information to parents of members of the general public;

Planning and evaluation activities; and

Other specially designed programs or projects meeting the purpose of the act.

Obviously, the bill gives local school officials the widest possible latitude in designing programs to meet the special needs of their particular school district. The only restrictions on supportable programs are that they require additional funds, above and beyond the normal expenditures of the school district, and that they be directly related to desegregation or the elimination, reduction, or prevention of racial isolation.

Concern has been expressed both by Members of this body and by outside groups that funds under this bill might be misused, thereby promoting the continuation of segregation rather than achieving actual desegregation. To prevent such distortion of congressional intent, the bill I introduced last year and the bill I am introducing today contain a list of specific assurances of nondiscriminatory behavior which a local educational agency must include in its application for assistance. The Secretary cannot fund the request of a school district which does not provide such assurances.

The need for immediate action on this legislation cannot be understated. A year ago educators testified before the General Subcommittee on Education concerning their urgent need for additional assistance to meet the extra costs of desegregation. Their needs are even more urgent today.

The major education organizations have recognized the existence of an emergency. The Legislative Conference of National Organizations, representing the American Association of School Administrators, the Council of Chief State School Officers, the National Association of State Boards of Education, the National Congress of Parents and Teachers, the National Education Association, and the National School Boards Association, placed assistance for desegregating school districts high on their list of priorities in their January 12 statement of proposal for education legislation. In this statement, they urged the Congress to pass legislation recognizing the additional costs entailed by court-ordered or voluntary desegregation. The bill I am introducing today recognizes these additional costs and provides substantial Federal assistance in meeting them.

The problems of segregation, desegregation, and resegregation are among the most serious facing our country today. We expect our schools to lead in meeting the problems. This legislation would give them the assistance they must have if they are to be successful. I urge the earliest possible consideration of the Emergency School Aid Act of 1971.

I am inserting the text and a section-by-section analysis of the bill which is cosponsored by my esteemed colleague on the Committee on Education and Labor, AUGUSTUS F. HAWKINS:

EMERGENCY SCHOOL AID ACT OF 1971

A bill to assist school districts to meet special problems incident to desegregation, and to the elimination, reduction, or prevention of racial isolation, in elementary and secondary schools, and for other purposes

*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 "Emergency School Aid Act of 1971".

PURPOSE

SEC. 2. The purpose of this Act is to provide financial assistance—

(a) to meet the special needs incident to the elimination of racial segregation and discrimination among students and faculty in elementary and secondary schools, and

(b) to encourage the voluntary elimination, reduction, or prevention of racial isolation in elementary and secondary schools with substantial proportions of minority group students.

APPROPRIATIONS

SEC. (a) There are authorized to be appropriated for carrying out this Act not in excess of $500,000,000 for the fiscal year ending June 30, 1971, and not in excess of $1,000,000,000 for the succeeding fiscal year.

(b) Funds so appropriated shall remain available for obligation for one fiscal year beyond that for which they are appropriated.

ALLOTMENTS AMONG STATES

SEC. 4. (a) From the sums appropriated pursuant to section 3 for carrying out this Act for any fiscal year, the Secretary shall allot an amount equal to 80 per centum among the States by allotting to each State $100,000 plus an amount which bears the same ratio to the balance of such 80 per centum of such sums as the aggregate number of children enrolled in schools in the State who are Negroes, American Indians, Spanish-surnamed Americans, or members of other racial minority groups as determined by the Secretary, bears to the number of such children in all of the States. The remainder of such sums may be expended by the Secretary as he may find necessary or appropriate (but only for activities described in section 6 and in accordance with the other provisions of this Act) for grants or contracts to carry out the purpose of this Act. The number of such children in each State and in all of the States shall be determined by the Secretary on the basis of the most recent available data satisfactory to him.

(b) (1) The amount by which any allotment to a State for a fiscal year under subsection (a) exceeds the amount which the Secretary determines will be required for such fiscal year for programs or projects within such State shall be available for reallotment to other States in proportion to the original allotments to such States under subsection (a) for that year but with such proportionate amount for any such other States being reduced to the extent it exceeds the sum the Secretary estimates such State needs and will be able to use for such year; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amounts reallotted to a State under this subsection during a fiscal year shall be deemed part of its allotment under subsection (a) for such year.

(2) In order to afford ample opportunity for all eligible applicants in a State to submit applications for assistance under this Act, the Secretary shall not fix a date for reallotment pursuant to this subsection, of any portion of any allotment to a State for a fiscal year which date is earlier than sixty days prior to the end of such fiscal year.

(3) Notwithstanding the provisions of paragraph (1) of this subsection, no portion of any allotment to a State for a fiscal year shall be available for reallotment pursuant to this subsection unless the Secretary determines that the applications for assistance under this Act which have been filed by eligible applicants in that State for which a portion of such allotment has not been reserved (but which would necessitate use of that portion) are applications which do not meet the requirements of this Act, as set forth in sections 6, 7, and 8, or which set forth programs or projects of such insufficient promise for achieving the purpose of this Act that their approval is not warranted.

ELIGIBILITY FOR FINANCIAL ASSISTANCE

SEC. 5. (a) The Secretary shall provide financial assistance by grant upon application therefor approved in accordance with section 7 to a local educational agency—

(1) which is implementing a plan—

(A) which has been undertaken pursuant to a final order issued by a court of the United States, or a court of any State and which requires the desegregation of racially segregated students or faculty in the elementary and secondary schools of such agency, or otherwise requires the elimination or reduction of racial isolation in such schools; or

(B) which has been approved by the Secretary as adequate under title VI of the Civil Rights Act of 1964 for the desegregation of racially segregated students or faculty in such schools;

(2) which, without having been required to do so, has adopted and is implementing, or will, if assistance is made available to it under this Act, adopt and implement, a plan for the complete elimination of racial isolation in all the racially isolated schools in the school district of such agency; or

(3) which has adopted and is implementing, or will, if assistance is made available to it under this Act, adopt and implement, a plan—

(A) to eliminate or reduce racial isolation in one or more of the racially isolated schools in the school district of such agency,

(B) to reduce the total number of Negro, American Indian, of Spanish-surnamed American children, or children of other racial minority groups as determined by the Secretary, who are in racially isolated schools in such district,

(C) to prevent racial isolation reasonably likely to occur (in the absence of assistance under this Act) in any school in such district in which school at least 10 per centum, but not more than 50 per centum, of the enrollment consists of such children, or

(D) to enroll and educate in schools which are not racially isolated, Negro, American Indian, or Spanish-surnamed American children, or children of other racial minority groups as determined by the Secretary, who would not otherwise be eligible for enrollment because of nonresidence in the school district of such agency, where such enrollment would make a significant contribution toward reducing racial isolation.

(b) In cases in which the Secretary finds that it would effectively carry out the pur-

pose of this Act, he may assist by grant or contract any public or private nonprofit agency, institution, or organization (other than a local educational agency) to carry out programs or projects designed to support the development or implementation of a plan described in subsection (a).

AUTHORIZED ACTIVITIES

SEC. 6. Financial assistance under this Act shall be available for programs or projects which would not otherwise be funded and which involves activities designed to carry out the purpose of this Act, including—

(1) remedial and other services to meet the special needs of children (including gifted and talented children) in schools which are affected by a plan described in section 5 or a program described in section 9(b), when such services are deemed necessary to the success of such plan or program;

(2) the provision of additional professional or other staff members (including staff members specially trained in problems incident to desegregation or the elimination, reduction, or prevention of racial isolation) and the training and retraining of staff for such schools;

(3) comprehensive guidance, counseling, and other personal services for such children;

(4) development and employment of new instructional techniques and materials designed to meet the needs of such children;

(5) innovative interracial educational programs or projects involving the joint participation of Negro, American Indian, or Spanish-surnamed American children, or children of other racial minority groups as determined by the Secretary, and other children attending different schools, including extracurricular activities and cooperative exchanges or other arrangements between schools within the same or different school districts;

(6) repair or minor remodeling or alteration of existing school facilities (including the acquisition, installation, modernization, or replacement of equipment) and the lease or purchase of mobile classroom units or other mobile educational facilities;

(7) the provision of transportation services for students, except that, funds appropriated under the authority of this Act shall not be used to establish or maintain the transportation of students to achieve racial balance, unless funds are voluntarily requested for that purpose by the local educational agency;

(8) community activities, including public education efforts, in support of a plan described in section 5 or a program described in section 9 (b);

(9) special administrative activities, such as the rescheduling of students or teachers, or the provision of information to parents and other members of the general public, incident to the implementation of a plan described in section 5 or a program described in section 9(b);

(10) planning and evaluation activities; and

(11) other specially designed programs or projects which meet the purpose of this Act.

CRITERIA FOR APPROVAL

SEC. 7. (a) In approving applications submitted under this Act (except for those submitted under section 9(b)), the Secretary shall only apply the following criteria:

(1) the need for assistance, taking into account such factors as—

(A) the extent of racial isolation (including the number of racially isolated children and the relative concentration of such children) in the school district to be served as compared to other school districts in the State,

(B) the financial need of such school district as compared to other school districts in the State,

(C) the expense and difficulty of effectively carrying out a plan described in section 5 in such school district as compared to other school districts in the State, and

(D) the degree to which measurable deficiencies in the quality of public education afforded in such school district exceed those of other school districts within the State;

(2) the degree to which the plan described in section 5, and the program or project to be assisted, are likely to effect a decrease in racial isolation in racially isolated schools, or in the case of applications submitted under section 5(a)(3)(C), the degree to which the plan described in section 5, and the program or project, are likely to prevent racial isolation from occurring or increasing (in the absence of assistance under this Act);

(3) the degree to which the plan described in section 5 is sufficiently comprehensive to offer reasonable assurance that it will achieve the purpose of this Act;

(4) the degree to which the program or project to be assisted affords promise of achieving the purpose of this Act;

(5) that (except in the case of an application submitted under section 9(a)) the amount necessary to carry out effectively the program or project does not exceed the amount available for assistance in the State under this Act in relation to the other applications from the State pending before him; and

(6) the degree to which the plan described in section 5 involves to the fullest extent practicable the total educational resources, both public and private, of the community to be served.

(b) The Secretary shall not give less favorable consideration to the application of a local educational agency which has voluntarily adopted a plan qualified for assistance under this Act (due only to the voluntary nature of the action) than to the application of a local educational agency which has been legally required to adopt such a plan.

ASSURANCES

SEC. 8. (a) An application submitted for approval under section 7 shall contain such information as the Secretary may prescribe and shall contain assurances that—

(1) the appropriate State educational agency has been given reasonable opportunity to offer recommendations to the applicant and to submit comments to the Secretary;

(2) in the case of an application by a local educational agency, to the extent consistent with the number of children, teachers, and other educational staffs in the school district of such agency enrolled or employed in private nonprofit elementary and secondary schools whose participation would assist in achieving the purpose of this Act, such agency (after consultation with the appropriate private school officials) has made provisions for their participation on an equitable basis;

(3) the applicant has adopted effective procedures, including provisions for such objective measurements of educational and other change to be effected by this Act as the Secretary may require, for the continuing evaluation of programs or projects under this Act, including their effectiveness in achieving clearly stated program goals, their impact on related programs or projects and upon the community served, and their structure and mechanisms for the delivery of services, and including, where appropriate, comparisons with proper control groups composed of persons who have not participated in such programs or projects;

(4) in the case of an application by a local educational agency, the applicant (A) has not, subsequent to the commencement of its 1969–1970 school year, unlawfully donated, leased, sold, or otherwise disposed of real or personal property or services to a nonpublic elementary or secondary school or school system practicing discrimination on the basis of race, color, or national origin, or has rescinded such transaction (or received consideration in lieu thereof) in accordance with regulations of the Secretary; (B) has not unlawfully donated, leased, sold, or otherwise disposed of real or personal property or services to such a nonpublic school or school system where such transaction has produced a substantial decrease in the assets available for public education in the school district of such agency, or has rescinded such transaction (or received consideration in lieu thereof) in accordance with regulations of the Secretary; and (C) will not donate, lease, sell, or otherwise dispose of real or personal property or services to any such nonpublic school or school system;

(5) in the case of an application by a local educational agency, the applicant has not reduced its fiscal effort for the provision of free public education for children in attendance at the schools of such agency for the fiscal year for which assistance is sought under this Act to less than that of the second preceding fiscal year;

(6) the applicant is not reasonably able to provide, out of non-Federal sources, the assistance for which the application is made;

(7) the applicant will provide such other information as the Secretary may require to carry out the purpose of this Act;

(8) in the case of an application by a local educational agency, the plan with respect to which such agency is seeking assistance (as specified in section 5(a)(1)) does not involve freedom of choice as a means of desegregation, unless the Secretary determines that freedom of choice has achieved, or will achieve, the complete elimination of a dual school system in the school district of such agency;

(9) the current expenditure per pupil (as defined in section 11(a)) which such agency makes from revenues derived from its local sources for the academic year for which assistance under this Act will be made available to such agency is not less than the current expenditure per pupil which such agency made from such revenues for (A) the academic year preceding the academic year during which the implementation of a plan described in section 5 was commenced, or (B) the third academic year preceding the academic year for which such assistance will be made available, whichever is later;

(10) staff members of the applicant who work directly with children, and professional staff of such applicant who are employed on the administrative level, will be hired, assigned, promoted, paid, demoted, dismissed or otherwise treated without regard to their membership in a minority group, except that no assignment pursuant to a court order or a plan approved under title VI of the Civil Rights Act of 1964 will be considered as being in violation of this subsection;

(11) for each academic year for which assistance is made available to the applicant under this Act, it has taken or is in the process of taking all practicable steps to avail itself of all assistance for which it is determined to be eligible under any program administered by the Commissioner of Education; and

(12) no practices or procedures, including testing, will be employed by the applicant in the assignment of children to classes, or otherwise in carrying out curricular or extracurricular activities, within the schools of such applicant in such a manner as (A) to result in the discriminatory isolation of Negro, American Indian, Spanish-surnamed American children, or children who are members of other racial minority groups as determined by the Secretary, in such classes or with respect to such activities, or (B) to discriminate against such children on the basis of their being members of any such minority group.

(b) The Secretary shall not finally disapprove in whole or in part any application

for funds submitted by a local educational agency eligible under section 5 without first notifying the local educational agency of the specific reasons for his disapproval as contained in section 7 of subsection (a) above and without affording the agency a reasonable time to modify its application.

(c) The Secretary may, from time to time, set dates by which applications shall be filed.

(d) In the case of an application by a combination of local educational agencies for jointly carrying out a program or project under this Act, at least one such agency shall be an agency described in section 5(a) or section 9 and any one or more such agencies joining in such application may be authorized to administer such program or project.

SPECIAL PROGRAMS

SEC. 9. (a) From the funds available to him under the second sentence of section 4(a) the Secretary is authorized to make grants to eligible local educational agencies to carry out model or demonstration programs related to the purpose of this Act if in the Secretary's judgment these programs make a special contribution to the development of methods, techniques, or programs designed to eliminate racial segregation or to eliminate, reduce, or prevent racial isolation in elementary and secondary schools.

(b) From the funds available to him under the second sentence of section 4(a) the Secretary is also authorized to make grants to local educational agencies to carry out programs for children who are from environments where the dominant language is other than English (such as French-speaking and Oriental children) and who, (1) as a result of limited English-speaking ability, are educationally deprived, (2) have needs similar to other children participating in programs or projects assisted under this Act, and (3) attend a school in which they constitute more than 50 per centum of the enrollment.

PAYMENTS

SEC. 10. (a) Upon his approval of an application for assistance under this Act, the Secretary shall reserve from the applicable allotment (including any applicable reallotment) available therefore the amount fixed for such application.

(b) The Secretary shall pay to the applicant such reserved amount, in advance or by way of reimbursement, and in such installments consistent with established practice, as he may determine.

(c)(1) In the case of an application to be funded under the first sentence of section 4(a) which is submitted by a local educational agency which is located in a State in which no State agency is authorized by law to provide, or in the case in which there is a substantial failure by a local educational agency approved for a program or project under this Act to provide, for effective participation on an equitable basis in programs or projects authorized under this Act by children enrolled in, or by teachers or other educational staff of, any one or more private nonprofit elementary or secondary schools located in the school district of such agency, the Secretary shall arrange for the provision, on an equitable basis, of such programs or projects and shall pay the costs thereof for any fiscal year out of that State's allotment. The Secretary may arrange for such programs through contracts with institutions of higher education, or other competent nonprofit institutions or organizations.

(2) In determining the amount to be withheld from any State's allotment for the provision of such programs or projects, the Secretary shall take into account the number of children and teachers and other educational staff who are excluded from participation therein, and who, except for such exclusion, might reasonably have been expected to participate.

(d) After making a grant or contract under this Act, the Secretary shall notify the appropriate State educational agency of the name of the approved applicant and of the amount approved.

(e) The amount of financial assistance to a local educational agency under this Act may not exceed those net additional costs which are determined by the Secretary, in accordance with regulations prescribed by him, to be the result of the implementation of a plan under section 5(a).

DEFINITIONS

SEC. 11. As used in this Act, except when otherwise specified—

(a) The term "current expenditures per pupil" for a local educational agency means (1) the expenditures for free public education, including expenditures for administration, instruction, attendance and health services, pupil transportation services, operation and maintenance of plant, fixed charges, and net expenditures to cover deficits for food services and student body activities, but not including expenditures for community services, capital outlay, and debt service, or any expenditures made from funds granted under such Federal program of assistance as the Secretary may prescribe, divided by (2) the number of children in average daily attendance to whom such agency provided free public education during the year for which the computation is made.

(b) The term "equipment" includes machinery, utilities, and built-in equipment and any necessary enclosures or structures to house them, and includes all other items necessary for the provision of education services, such as instructional equipment and necessary furniture, printed, published, and audiovisual instructional materials, and other related material.

(c) The term "gifted and talented children" means, in accordance with objective criteria prescribed by the Secretary, children who have outstanding intellectual ability or creative talent.

(d) The term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control, or direction, of public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools, or a combination of local educational agencies; and includes any other public institution or agency having administrative control and direction of a public elementary or secondary school; and where responsibility for the control and direction of the activities in such schools which are to be assisted under this Act is vested in an agency subordinate to such a board or other authority, the Secretary may consider such subordinate agency as a local educational agency for purposes of this Act.

(e) The term "nonprofit" as applied to an agency, organization, or institution means an agency, organization, or institution owned or operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(f) The terms "racially isolated school" and "racial isolation" in reference to a school mean a school and condition, respectively, in which Negro, American Indian, or Spanish-surnamed American children, or children who are members of other racial minority groups as determined by the Secretary, constitute more than 50 per centum of the enrollment of a school.

(g) The terms "elementary and secondary school" and "school" mean a school which provides elementary or secondary education, as determined under State law, except that it does not include any education provided beyond grade 12.

(h) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(i) The term "State" means one of the fifty States or the District of Columbia.

(j) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law for this purpose.

EVALUATION

SEC. 12. Such portion as the Secretary may determine, but not more than 1 per centum, of any appropriation under this Act for any fiscal year shall be available to him for evaluation (directly or by grants or contracts) of the programs and projects authorized by this Act, and in the case of allotments from any such appropriation, the amount available for allotment shall be reduced accordingly.

JOINT FUNDING

SEC. 13. Pursuant to regulations prescribed by the President, where funds are advanced by the Department of Health, Education, and Welfare and one or more other Federal agencies for any project or activity funded in whole or in part under this Act, any one Federal agency may be designated to act for all in administering the funds advanced. In such cases, any such agency may waive any technical grant or contract requirement (as defined by regulations) which is inconsistent with the similar requirements of the administering agency or which the administering agency does not impose.

NATIONAL ADVISORY COUNCIL

SEC. 14. The President shall appoint a National Advisory Council on the Education of Racially Isolated Children, consisting of twelve members, for the purpose of reviewing the administration and operation of this Act and making recommendations for the improvement of this Act and its administration and operation and for increasing the effectiveness of programs or projects carried out pursuant to this Act.

REPORTS

SEC. 15. The Secretary shall include in his annual report to the Congress a full report as to the administration of this Act and the effectiveness or programs or projects thereunder.

GENERAL PROVISIONS

SEC. 16. (a) The provision of parts B and C of the General Education Provisions Act (title IV of Public Law 247 (Ninetieth Congress) as amended by title IV of Public Law 230 (Ninety-first Congress)) shall apply to the program of Federal assistance authorized under this Act as if such program were an applicable program under such General Education Provisions Act, and the Secretary shall have the authority vested in the Commissioner of Education by such parts with respect to such program.

(b) Section 422 of such General Education Provisions Act is amended by inserting "the Emergency School Aid Act of 1971;" after "the International Education Act of 1966;".

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EMERGENCY SCHOOL AID ACT OF 1971

SECTION-BY-SECTION ANALYSIS

Section 1.—This section provides that the Act may be cited as the Emergency School Aid Act of 1971.

*Purpose*

Section 2.—This section states the two purposes for which financial aid may be provided under the act: (1) to meet the special needs incident to the elimination of racial segregation, and discrimination, and (2) to encourage the voluntary elimination, reduc-

tion, or prevention of racial isolation in schools with substantial minority group enrollments.

*Appropriations*

Section 3.—The authorized appropriations are $500 million for fiscal year 1971 and $1 billion for fiscal year 1972. Funds appropriated shall remain available for obligation for one fiscal year beyond the fiscal year for which they are appropriated.

*Allotments among States*

Section 4.—Eighty percent of the funds appropriated would be allotted among the States (with a $100,000 minimum State allotment) on the basis of the number of children enrolled in schools in the State who are Negro, American Indian, Spanish-surnamed Americans, or members of other racial minority groups (as determined by the Secretary), as compared to the number of such children in all of the States. The remaining 20 percent of the sums appropriated are reserved to the Secretary for grants or contracts to carry out the purposes of the Act. The Secretary is authorized to make reallotments except that no reallotment may take place as of a date earlier than 60 days prior to the end of a fiscal year. Reallotments from a State's allotment may be made only to the extent that applications from a State do not meet the requirements of the act or if they offer insufficient promise of carrying out the purposes of the act.

*Eligibility for financial assistance*

Section 5.—This section provides that the Secretary shall provide financial assistance, pursuant to applications approved under section 7, to a local educational agency—(1) which is implementing a plan: (A) undertaken pursuant to a final order of a Federal or State court for student or faculty desegregation in elementary or secondary schools or for the elimination or reduction of racial isolation in such schools, or (B) approved by the Secretary under title VI of the Civil Rights Act; (2) which, without having been required to do so, has adopted and is implementing, or will adopt and implement, a plan for the complete elimination of racial isolation in its schools; or (3) which has adopted and is implementing, or will adopt and implement, a plan: (A) to eliminate or reduce racial isolation in one or more of its racially isolated schools; or (B) to reduce the total numer of minority children in racially isolated schools; or (C) to prevent racial isolation reasonably likely to occur in any school which has an enrollment of 10 percent but not more than 50 percent of minority children; or (D) to enroll and educate in nonracially isolated schools minority children who would not otherwise be eligible for enrollment because of nonresidence in the school district. The Secretary may also assist any other public or private nonprofit agency to carry out programs designed to support plans described above.

*Authorized activities*

Section 6.—Financial assistance shall be available under the act for programs or projects which would not otherwise be funded and which are designed to carry out the purposes of the act, including (a) remedial or other services, (b) hiring of additional staff, (c) guidance and counseling, (d) development of new instructional techniques, (e) innovative interracial programs, (f) repair or minor remodeling, (g) transportation services, if voluntarily requested by the local education agencies, (h) community activities, (i) special administrative activities, (j) planning and evaluation, and (k) other specially designed programs.

*Criteria for approval*

Section 7.—In approving applications submitted under the act, except for Sec. 9 (b), the Secretary must consider: (1) the need for assistance, (2) the degree to which the program is likely to effect a decrease in racial isolation, (3) the comprehensiveness of the program or project, (4) the degree to which the program affords promise of achieving the purposes of the act, (5) except for 9(a) the amount necessary to carry out the program, and (6) the degree to which the program involves the total educational resources of the community, both public and private. The section also provides that the Secretary shall not give less favorable consideration to an application of a local educational agency because such agency has adopted a voluntary plan, rather than being legally required to adopt such a plan.

*Assurances*

Section 8.—Applications submitted for approval must contain assurances that: (1) the appropriate State educational agency has been given reasonable opportunity to offer recommendations; (2) provision has been made for the participation of private school children, teachers, and other staff if such participation would assist in achieving the purposes of the act; (3) effective evaluation procedures have been adopted; (4) (A) there has been (after the commencement of the 1969–70 school year) no unlawful disposition of property or services to a private segregated school, (B) no such transaction has resulted in a substantial decrease in the applicant's assets or that the transfer has been rescinded or consideration received, and (C) there will be no disposition of property or services to such a school in the future; (5) there has been no reduction of fiscal effort; (6) funds are not reasonably available from other non-Federal sources; (7) other relevant information will be provided; (8) the agency is not operating under a freedom of choice plan unless it is determined to achieve desegregation; (9) current expenditures per pupil from local sources have not been reduced; (10) there will be no hiring, promotion, or demotion of professional staff on the basis of race; (11) the applicant has availed itself of all other Federal programs; and (12) no practices (including testing) will be employed by the applicant in the assignment of children to classes so as to result in the isolation of minority group children or discrimination against them. The Secretary shall not disapprove in whole or in part any application for funds submitted under section 5(a) without first notifying the applicant of the specific reasons for his disapproval and affording him a reasonable time to modify such application. Provision is made for joint applications.

*Special programs*

Section 9.—From the 20 percent of the funds reserved to the Secretary, grants may be made to schools for model and demonstration programs related to the purposes of the act and for programs for children from environments where the dominant language is other than English and who are educationally deprived as a result of limited language ability and have needs similar to other children served under the act.

*Payments*

Section 10.—This section contains administrative provisions for reservation and payment of appropriate amounts following on approval of an application. There is a private school bypass where public school agency cannot legally or will not provide for effective participation on an equitable basis by children and educational staffs of private elementary and secondary schools. The Secretary may make provision for them through contracts with instiutions of higher education or other private non-profit institutions and organizations and to pay the cost, thereof. Private school children are to have an equitable share in the resources made available under this Act. After approval of a grant or contract the Secretary is required to notify the appropriate State educational agency. The assistance made available under this Act may not exceed the net additional cost resulting from the implementation of a plan.

*Definitions*

Section 11.—This section contains the definitions of terms used in the act.

*Evaluation*

Section 12.—The Secretary is authorized to reserve one percent of the funds for evaluation.

*Joint funding*

Section 13.—This section allows joint funding by the Department of Health, Education, and Welfare and other Federal agencies.

*National Advisory Council*

Section 14.—This section provides that the President shall appoint a twelve-member National Advisory Council on the Education of Racially Isolated Children.

*Reports*

Section 15.—This section provides that the Secretary shall report annually to the Congress on his administration of the act.

*General provisions*

Section 16.—Parts B and C of the General Education Provisions Act relating to General Requirements and Conditions Concerning the Operation and Administration of Education Programs and rules governing Advisory Councils are made applicable to the act.

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## WELFARE—NOT A RIGHT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. ESHLEMAN) is recognized for 10 minutes.

Mr. ESHLEMAN. Mr. Speaker, our Nation is faced with a crisis that goes to the very roots of the American dream. It is a crisis of dependency and despondency. It is a crisis in welfare.

I am introducing today a proposed constitutional amendment which I believe can be a major instrument for dealing with the welfare problem. The amendment would clarify that our society, our governments, and our constitutional system do not regard welfare as the constitutional right of any individual. It is obvious that we long ago determined that this country would assume the moral obligation, extended through legal commitments, of helping indigent people who, because of causes beyond their control, find themselves in need. But that freely taken obligation and the resultant commitments have been expanded and distorted. Today it has become necessary to clarify that welfare is not a constitutional right.

My proposal is based upon an evaluation that the readily apparent failures in our welfare system are more a matter of attitude than of administration. It is a change of attitude about the dole—an embracing by segments of society of social dependency as an acceptable way of life—which has made the welfare system unmanageable. No amount of administrative change will result in true welfare reform so long as so-called welfare rights are stressed to the exclusion of welfare wrongs.

There can be little doubt about the failures of the present welfare system. If one considers the lives as well as dol-

lars that have been thrown away in perpetuating poverty through handouts, the cost has been staggering. Dependence of the individual has been substituted for independence. The dole has become entrenched as a way of life. The taxpayer has been asked to foot an ever-increasing bill for a system that has proved to be more of a creator of problems than a solver of problems.

Generally, the reaction to these failures has been proposals to change the system or improve the system. As worthy as those proposals might be, they will affect no real reforms if something for nothing continues to become an aspiration rather than a dereliction. While our concepts of individual worth and dignity are injured by an assumption that welfare is a right, administrative reforms of the handout system are doomed to disaster.

A constitutional guarantee that welfare is not a right speaks directly to the problems of attitude. By creating a constitutional stigma about welfare much would be done toward renewing the social stigma that has traditionally curbed welfare expansion. And, this guarantee would be in the best constitutional tradition. As Governor Ronald Reagan of California has stated, the Federal Government is supposed to promote the general welfare, not provide it.

The practical aspects of this amendment are its most important considerations. First, the passage of this constitutional definition would provide a permanent guideline for the Supreme Court in the matter of welfare. Recent years have seen militant groups going into the courts claiming their "constitutional rights" to obtain welfare. The result of these legal actions has been a movement toward a welfare rights concept. In 1968, the U.S. Supreme Court struck down the "man in the house rule" which previously had denied welfare to households that contained an able-bodied male. In 1969, the Supreme Court struck down the residency requirements imposed by most States and localities on those persons applying for welfare. In both of these cases, there seemed to be a movement toward accepting welfare as a right equal to all other guarantees of citizenship. By amending the Constitution to say otherwise, we can reverse that movement and assure that the legal intent behind the dole is to provide a free chance, not a free ride.

Second, this amendment speaks to the practical concerns of the welfare recipient. President Franklin D. Roosevelt once said:

> Continued dependence upon relief induces a spiritual and moral disintegration fundamentally destructive to the national fibre. To dole out relief in this way is to administer a narcotic, a subtle destroyer of the human spirit.

Roosevelt's worse fears are being realized today. We have reached a point when welfare recipients are not encouraged to contribute something to society. Rather, they are exhorted to take a handout from society.

The former Chaplain of the U.S. Senate, Dr. Frederick Brown Harris, put the problem in these terms. He said that—

> In the days when America's other name was opportunity, the national emblem might have been a stairway—a stairway kept open from the bottom to the top—up which any individual could climb who was ready to pay the cost in effort. Of course, it was always inherent in the American conception that those who could not climb for reasons for which they were not responsible must be assisted and sometimes carried by the strong. But—now many seem ready to put the stairway to be climbed by personal exertion in the museum—and to adopt in place of it, as a symbol of American society, a moving escalator which carries all people up automatically, whether they themselves move or not.
>
> Life that is geared as an escalator, although conceivably it might get many material things for people, might at the same time do terrible things to people by robbing them of self-respect and the sturdy independence which fosters personal initiative and develops character. Anyone who understands human nature knows that when any system takes away from a man the lure of accomplishment by his own prowess and powers, it is tampering with something very precious—his opinion of himself.

Dr. Harris spoke very eloquently, and in those remarks he sums up one of my arguments for this anti-welfare-rights amendment. Until there is an unqualified statement that abolishes the idea that a handout is a right, we will become more and more a society of drones. There will be continued efforts to justify dependency as a way of life. Consider, for instance, the contention of one welfare leader that welfare recipients are doing the country a favor by staying out of the competition for jobs since there are not really enough jobs to go around.

Even more disturbing are the attempts by welfare workers to promote dependency under the guise of the right to relief. The welfare professionals compound tragedy. A study that I had conducted in my congressional district affirmed these facts. There is little or no incentive for people to get off assistance rolls. There is little or no effort expended toward encouraging people to go to work, even if it means an unsatisfying job. Instead, much of the ambition of welfare recipients seems to involve finding new sources of welfare. The welfare agencies seem to aggravate this pattern by "selling" the advantages of joining the relief rolls or by encouraging each recipient to get his "fair share" of public funds.

The encouragement of handouts, the "selling" of social dependency, would be curtailed by the antiwelfare rights amendment. It would be harder to sell a program carrying a constitution stigma especially to people who still believe in the value of work. A fact too often overlooked is that a majority of the poor consistently have been shown to express a preference for jobs at adequate pay over dependency and public handouts. But the thrust of the welfare message has not spoken to that preference. Instead the poor have been encouraged to regard life on the dole as a form of social status with an obligation merely to attempt to get greater payments from the public pocketbook. But that argument would be less appealing if the fundamental law of the land denied the implied status. The amendment I offer today would be just such a denial.

Third, there is the practical consideration of the present movement toward nationalizing the dole. Most welfare reform proposals now being offered envision a total takeover of relief by the Federal Government and many call for a guaranteed income. The most important of these proposals is the administration's family assistance program which combines the federalization process and the guarantee of income. If that plan is enacted, the antiwelfare rights amendment will be far more necessary than under the present handout system. If the Federal Government becomes an income source of first resort, the trend toward a right to relief will be nearly irreversible. Unless, of course, there is a constitutional roadblock to the trend.

In essence, the amendment I am placing before the Congress is aimed at the question of welfare respectability. It asks whether we will make a forthright statement about the purpose of welfare in a free society. To make that statement is to say to the person really in need that we are willing to help but we will not degrade your individual dignity by regarding you as a permanent dependent. It is to say to the welfare abusers that we will no longer stand by and indulge your justifications for indolence. It is to say to the taxpayer that his hard-earned dollars will not be dumped into a welfare structure more concerned with self-serving indulgences than social obligations. To say that welfare is not a right is to renew our faith in the American dream.

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## COMMUNITY HEALTH ACT FOR MEDICALLY DEPRIVED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. GALIFIANAKIS) is recognized for 10 minutes.

Mr. GALIFIANAKIS. Mr. Speaker, earlier this afternoon I introduced, as I did late in the last Congress, a bill to encourage physicians and other health personnel to work in the medically deprived areas of America.

Last fall, the House of Representatives passed two ambitious bills which attempted to resolve some of the health problems confronting this country.

One of those bills would have created departments of family medicine in the Nation's medical schools. It may have been vetoed by the President during the Christmas recess. The constitutionality of that veto is now in question.

But even if the bill does become law, and even if the pool of family physicians in the United States increases as a result, the bill still does nothing to attack the misallocation of health services. Even with this bill, the problems of small towns and poor neighborhoods in attracting adequate medical care would remain.

The second bill passed last year is the Emergency Health Personnel Act. Although it would permit commissioned officers of the Public Health Service to be stationed in areas of medical deprivation, I think its effect is doubtful.

Before this program can begin, it faces the very real challenge of recruiting a

broad range of professionals to the Public Health Service. If the program is to be effective, those professionals must be not only doctors and dentists, but nurses, allied health personnel, technicians, pharmacists, optometrists, and a score of other specialists who are in shortage.

I am not sure that the Public Health Service can attract that range and that depth of personnel. Nor am I sure that the Emergency Health Personnel Act will be adequately funded. The administration has hinted that it will supply only token budget support for this program.

For those reasons, Mr. Speaker, I think the Community Health Act—the bill I introduced today with 72 cosponsors—is still a vital proposal. It attacks the problem of health misallocation in America, a problem which the family practice bill did not attempt to solve. And it would avoid the recruiting problems of the Emergency Health Personnel Act, I think, largely because the health professionals would not have to join the Federal service. It is a private enterprise bill.

The bill provides that the Government will repay the educational debt of any physician or other health specialist who agrees to practice for 3 years in a medically deprived area. That area could be a small town, a pocket of urban or rural poverty, or any other area with a critical shortage of a particular health service.

We estimated last year that at a cost to the government of less than $10 million each year, this bill could disperse nearly 4,000 physicians across the country by 1974. Those estimates are still valid.

I think the advantages of this bill are clear. First, it is an expansion of a present program under the Public Health Service Act. There can be no doubt that this program needs to be expanded, because as of last August, it had managed to attract only five persons in 7 years to practice in medically deprived areas. The total cost of the program at that time was slightly more than $2,000, and as I remarked last summer, that represents to me a shocking lack of commitment to overcoming the inequalities in health care in this country.

Mr. Speaker, I think the bill has a second advantage because it takes the form of "debt repayment" rather than scholarship. By turning away from the scholarship approach, we have avoided the built-in delay which any such program contains, the delay which occurs while we wait for the recipient to graduate.

The "debt repayment" provision would also overcome a problem which has hindered the medical scholarship programs of many States. Those States have found that, after giving a scholarship to a student who agrees to practice in a rural area, the student often repays the loan when he graduates and then refuses to practice in the area where he had agreed to serve.

As I understand this problem, the students who default are usually given the money to repay their loans by an urban practice or clinic which recruits them. And the States, although they do receive their funds back with interest, have much the same physician shortage as before.

The Community Health Act seeks to overcome that difficulty. No funds are paid by the Government until the physician or health specialist has graduated and moves into the medically deprived area.

To those students who have been forced to borrow in order to complete their professional training, this bill affords them the chance to begin work debt free. In exchange for 3 years of service in a medically deprived area—3 years in which they earn their usual incomes—their educational debt is absolved by the Federal Government.

Mr. Speaker, when I first introduced this bill last fall, more than 150 Members either joined me as cosponsors or else introduced versions of the bill on their own. I hope to exceed that number this year.

Since last fall, the bill has been endorsed by the American Medical Association. The Journal of the American Hospital Association and the periodical, Modern Medicine, have also endorsed the bill in editorials.

No one should fail to see the need for this bill. In the past decade, when by all rights America should have brought adequate health care to all its citizens, we have fallen further behind. The gulf in health care between the cities and the farms, between the rich and the poor, has only broadened.

Today we have a shortage of 48,000 physicians in this country. That shortage is most critical among the rural and the poor populations. Today we have a shortage of 17,800 dentists. That shortage will rise to 57,000 by 1980. We will have a shortage of 210,000 nurses in 1980. We will have a shortage of 430,000 in the allied health fields.

We will have those shortages, and the rural and poor people will continue to suffer, unless we act today. I hope that this Congress will take the steps needed to end that trend. If we do not—if we postpone action again—the medical problems of the United States 10 years from now could be beyond our control.

## ALLEGHENY COUNTY COMMISSIONERS ENDORSE ETHNIC HERITAGE STUDIES CENTERS BILL

(Mr. MOORHEAD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MOORHEAD. Mr. Speaker, last spring I introduced the Ethnic Heritage Studies Centers legislation, identical to that introduced by the distinguished gentleman from Illinois (Mr. PUCINSKI). Though this bill had extensive hearings in the General Education Subcommittee, it was unfortunately not reported by the full committee prior to adjournment.

I am pleased to reintroduce this same bill with Congressman PUCINSKI, and trust that it will move forward in the 92d Congress.

In support of my remarks, I am delighted to include a resolution passed by the Allegheny County Board of Commissioners, Pittsburgh, Pa., urging the passage of this legislation and the favorable consideration of a center for the Pittsburgh area. With its 77 nationality organizations, not including church groups and a vast number of foreign students attending our universities, Pittsburgh would be a natural for such a center.

I include the resolution at this point in the RECORD for the attention of my colleagues:

RESOLUTION BY THE COUNTY OF ALLEGHENY, BOARD OF COUNTY COMMISSIONERS, PITTSBURGH, PA.

Whereas, peoples of the major ethnical strains in the earth's populated areas have come to the United States in great numbers since this nation was founded; and

Whereas, each of these people brought with them a rich heritage of language, culture and custom, as well as the physical sinews, the intellect and the courage the new country needed to survive and prosper; and

Whereas, these ethnic groups responded magnificently in time of war, even unto the sacrifice, of life itself, in order to preserve the freedoms of their adopted land; and

Whereas by their example they have proven people of divergent origin can live in tranquility and common cause; and

Whereas, by so doing they have created a new and mighty racial amalgam which has come to be known as an American and in future centuries will be regarded as a distinct racial strain without equal; and

Whereas, it is fitting and proper that the heritages of the various genetic lines which have been so meaningful in our history should be forever preserved and remembered, particularly in Allegheny County which is a world ethnic center; and

Whereas, legislation has been proposed in the Congress of the United States to create Ethnic Heritage Studies Centers in appropriate national locations.

Now, therefore, be it resolved that as Commissioners of Allegheny County, Pennsylvania, we call upon our U.S. Representatives and Senators to take whatever action is required to ensure passage of this legislation with the ultimate view of establishing a center in our area.

Be it further resolved that we congratulate those dedicated members of the area Ethnic Heritage Studies Centers Committee for their unceasing efforts and their dedication to a cause which is as important as history itself.

Resolved and enacted this 14th day of January, 1971.

COUNTY OF ALLEGHENY.

## NEW POSTAL POLICIES RAISE SERIOUS QUESTIONS

(Mr. EDMONDSON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. EDMONDSON. Mr. Speaker, some serious questions are being raised in Oklahoma about the efficiency of some of the changes which the new Post Office Department—now supposedly organized along efficient corporation lines—is seeking to put into effect. It appears that one of the first victims will be the local postmark for many towns and communities. Many other victims are expected to be citizens of these same small towns and communities, who will be losing their jobs or having their hours of work cut back considerably because most of the mail handling will be done in larger cities in the future.

It is difficult to reconcile this new action with President Nixon's recently declared intention, in his state of the Union message, to try to reverse the trend of migration of people into the larger metropolitan areas. The President said he hoped to start people moving the other way, into the smaller cities and rural areas—but apparently the Post Office Department did not get the message. Instead, there will be a further buildup of Post Office Department personnel in the cities with layoffs in the smaller post offices in the Nation.

This does not make sense to me, and it does not make sense to many Americans. A recent column by Frank L. Spencer of the Pawhuska Journal-Capital, commenting on this new Post Office Department efficiency, states the case for the millions of Americans who do not think much of the new postal department policy:

COMMENTING ON NEW POST OFFICE

(By Frank L. Spencer)

Uncle Sam, who blew it when he got out of the Pony Express mail business (which lasted only 6 months and was about the most efficient mail system the nation ever had), has dropped the axe on Pawhuska's postmark.

The new area postal system (whose initials should be SNAFU if it lives up the usual postal "improvements") begins here Saturday.

The new "system" provides that mail—including that mailed to Pawhuskans by Pawhuskans, in many cases—will go to Tulsa to be sorted. If that's not practical, my friend, I'll eat your outgoing mail!

If you want a Pawhuska postmark on your letters—you can do it only if you sneak up on the Postoffice Department in the dark. All mail posted here will be stamped with a area postmark (Okla. 740) unless you slip it in a mailbox (without a postal inspector watching) between 7 p.m. and 8:15 a.m. If you mail in the dark of the night (and don't mind adding another day or so to your mail) you can have a Pawhuska postmark. If you mail at any "normal" time of the day it will delete the Pawhuska postmark.

That's what we like about Uncle. He does every thing in his power to impersonalize and mechanize. Guess the whole name of the game is to make darn good and sure that rural America (which foots the majority of the bills for the operation of the overgrown, inefficient, overstaffed and money-nuts government) loses its identity completely. Don't let the rest of the nation know there's a Pawhuska, Oklahoma!

The move is designed to make the mail more efficient. Man, that's a gass. A letter mailed in Pawhuska, to go across town, now can go to TULSA, be wrestled around down there, returned to Pawhuska, and distributed. That's what we call efficiency! Send the darn thing 100 miles to move it across the street. How efficient can you get!

True, not all the local mail will go that way—but if you want it otherwise, and want it delivered in your town on the same day, or the next day—carry around a map, a schedule and directions in your purse or billfold and make sure you drop it at the right letter box at the right time on the right day—then perhaps it'll make it across town. He's catoot, it will be easier to deliver the letter yourself, save the 6-cents, and make sure it gets there.

Don't know about you, but we're going to shoot some letters (and hope they get there—and do it before the new "system" becomes effective Saturday) to Senator Bellmon, Senator Harris and Congressman Edmondson. Don't know if they can do anything about at least salvaging the local postmark or not. It seems they have been unable to do anything about getting the mail delivered in a reasonable time, but don't give up.

The cost of mail has continued to climb and the service has continued to decline. Two or three more "improvements" like the one scheduled Saturday and the carrier pigeons will be back in force!

The only gain we can see in the who dampool operation is that it will cut people out of jobs in Pawhuska and put more to work in Tulsa. The local postoffice is not going to "terminate" anyone, but there are at least two hourly workers who will have their hours cut down so much, they will have to find employment somewhere else to make ends meet.

Oh, yes: There will be another postoffice box added at the office here. It will be designated "local" and you can have a local postmark on those letters—which are going to Pawhuskans—if you use that box. If you remember the hours and which box, perhaps a letter across town will go only through this postoffice, not Tulsa. Good luck!

Oh, yes, something else: The post office lobby will be closed at 5 p.m. on Saturdays, Sundays and holidays. Heretofore, it has been open until 6 p.m.

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## THE NATIONAL RELIGIOUS BROADCASTERS 28TH ANNUAL CONGRESSIONAL BREAKFAST

(Mr. HALL asked and was given permission to extend his remarks at this point in the RECORD and to include pertinent material.)

Mr. HALL. Mr. Speaker, this morning I had the great pleasure, for the 11th time in a row, of attending the National Religious Broadcasters 28th Annual Congressional Breakfast. The occasion also marked the 50th anniversary of religious broadcasting in the United States.

It was most stimulating for me to join in the fellowship and good will and to renew friendships and acquaintances with my longtime friend Dr. Tom Zimmerman, first vice president of the broadcasters, and his president, Rudy Bertermann, of the "Lutheran Hour," in St. Louis, Mo.

The highlight of this morning's breakfast was the eloquent address by our former colleague, the Honorable Melvin R. Laird, Secretary of Defense, and the attendance of our minority leader, GERALD R. FORD.

Secretary Laird, the son of a minister, discussed the plight of American servicemen held prisoner of war by the Communist Government of North Vietnam, and the unconscionable treatment they are receiving there and by the Communists in South Vietnam and Laos.

The Secretary quoted from one of the few letters that have managed to get out and into the hands of loved ones in this country. The letter said:

God has repaid my faith in many ways—but only since I have been closer to Him here have I realized what it means to have strong faith.

To those who were unable to attend this morning's breakfast, I offer the text of Secretary Laird's remarks:

ADDRESS BY THE HONORABLE MELVIN R. LAIRD, SECRETARY OF DEFENSE, AT THE 28TH ANNUAL CONVENTION OF THE NATIONAL RELIGIOUS BROADCASTERS, WASHINGTON, D.C., TUESDAY, JANUARY 26, 1971

I am delighted to be with you at this Convention which commemorates 50 years of religious broadcasting in the United States. Back in January of 1921, the first religious broadcast was aired over station KDKA in Pittsburgh. Since that time—and especially in the years since World War II—religious broadcasting has grown to the stature of a major component of radio and television programming. Those of us who believe that radio and television need not be a wasteland can find confirmation of our views in many of the excellent religious programs that have brought information and inspiration to listeners and viewers.

My interest in your work springs partly from my family background. As a minister's son, I know something of the problems, the sacrifices, and rewards that are the lot of those who propagate the Church's message. I know something of the powerful moral and spiritual influence which you in this audience can exercise—here in the United States, and in other parts of the world.

I am interested in your work for still another reason. In public as in private life, I feel an obligation to follow the essentials of the message which you, in your calling, seek to convey.

As a public officeholder, I have 12 times placed my hand on the Bible as I swore to uphold principles that bind us together as a nation. For me, this has not been an empty ceremony, devoid of meaning. Each time that I have taken this oath, I have been conscious of the fact that the principles that I vowed to uphold are rooted in that Book on which my hand has rested.

The basic political values of our nation are derived from religious beliefs. So it has been from the beginning of our history. So may it always be.

This morning I want to talk about one of the many problems that I deal with as the Secretary of Defense. Of the endless string of problems, none is of more personal concern to me than the plight of the American servicemen who are prisoners of war or missing in action in Southeast Asia. In these two groups, there are about 1,550 men. About half of them are Army and Marine ground forces and Air Force crewmen who are missing or captive in South Vietnam and Laos. The remainder are airmen of the Air Force, Navy, and Marine Corps, whose planes were brought down over North Vietnam. The vast majority of prisoners, of course, were taken prior to the November 1, 1968 bombing halt when extensive bombing of the North was being carried out.

Shortly after entering upon my present office two years ago, I initiated a thorough review to determine what had been done for these men and their families and what additional efforts we could take to help them. As you may recall, very little had been said publicly about the prisoners and the missing prior to that time. Their families had been advised to remain in the background. A similar policy of very limited public comment was observed by personnel and officials within the Department of Defense.

The Government's position then was that quiet, low key, diplomatic efforts were more likely to achieve results than any public discussion of the problem. While there had been some small successes, such efforts gave no promise of solving the problem.

When the study had been completed, I recommended to President Nixon that we change our basic policy with regard to prisoners and missing men. I believed that these men should no longer go publicly unnoticed and unremembered. I felt that we should talk about them and that we should no longer discourage their wives and families from talking about them. This new approach would, I hoped, focus public attention here and abroad on the callous, inhumane attitude of Hanoi and its Communist apparatus in Southeast Asia.

Let us recall that international law imposes strict and explicit rules for the treatment of prisoners of war. In a series of agreements stretching back for more than 100

years, as well as in customary international law, civilized nations have agreed to abide by a code of conduct that forbids the barbarous practices often visited on captives in earlier times.

The most current formulation of this code is contained in the Geneva Convention Relative to the Treatment of Prisoners of War. Under the sponsorship of the International Committee of the Red Cross and with the participation of sixty-one nations, this Convention was completed in 1949.

Presently, 128 nations, including all of the nations participating in hostilities in Southeast Asia on both sides, have agreed to abide by the Geneva Convention.

You may have heard it alleged that the Geneva Convention doesn't apply to the present conflict because there has been no declaration of war on either side. The words of the Geneva Convention refute the allegation. Article 2 of the Convention reads:

". . . the present Convention shall apply to all cases of declared war or *of any other armed conflict* which may arise between two or more of the High Contracting Parties, even if the state of war is not recognized by one of them."

The Geneva Convention requires prompt identification and reporting of prisoners of war when they are captured. For many years the enemy made not even a pretense of compliance with this requirement. Now, although Hanoi has transmitted to certain United States Senators a list of names of prisoners held in North Vietnam and of some who died in captivity, we know the list is not complete. It does not include some who we know were prisoners in North Vietnam, nor does it include any of the men held in South Vietnam and Laos where almost half of the 1,550 men were lost.

The Geneva Convention further requires regular inspection of all prisoner of war facilities by a qualified impartial body such as the International Committee of the Red Cross. There has been *no* such inspection of any of the Communist camps in North Vietnam, South Vietnam or Laos. This contrasts with the PW camps in South Vietnam, where the Republic of Vietnam holds about 37,000 North Vietnamese and Viet Cong prisoners. These camps are regularly inspected by the ICRC. Deficiencies, if any, are corrected. ICRC inspectors may, at their choosing, talk with any of the prisoners held by the South Vietnamese, privately or in groups.

The Geneva Convention likewise requires immediate release of seriously sick and wounded prisoners as soon as they are able to travel. Our enemies have ignored this obligation. We know that there are men in Hanoi's prisoner facilities who have not gotten the kind of medical care they need and deserve. Since conditions in South Vietnam and Laos are undoubtedly worse than in North Vietnam, there probably are many prisoners there who qualify for the immediate release outlined in the Convention. This, too, contrasts with the situation in South Vietnam where 186 sick and wounded North Vietnamese prisoners have been repatriated despite numerous, petty obstacles set up by the other side. Incidentally, as you may have read or heard, the South Vietnamese just returned another 35 sick and wounded North Vietnamese to their own country.

In the event of the death of a prisoner, the captor nation is obliged to provide death certificates with essential information about the circumstances. Suffice it to say that we have not gotten all of the information we are entitled to about those prisoners who have died. I can think of no reason why the other side refuses to provide the basic information which would ease at least part of the needless suffering of the families of men who did not survive the incident in which they were lost.

Finally, the Convention provides for the right of prisoners and their families to correspond freely and regularly. Of the 80 men known to be prisoners in South Vietnam and Laos, only one has ever been allowed to write a letter—a single letter, at that. Although their families write to them regularly, we don't know if any of these men have ever received a letter. Mail to and from prisoners in North Vietnam has been severely and capriciously restricted. Some men who have been prisoners for three or four or more years have only within the past year reported receiving their first letter from home—despite the fact that their families have been writing regularly since their capture. Although the other side has announced that families may send small packages to the prisoners every other month, there is evidence that permissible items are removed from some packages and other packages are not even delivered at all.

Our first objective is to bring about full compliance with the provisions of the Geneva Convention. Our ultimate objective is to reunite the prisoners with their long-suffering families.

Our negotiators at Paris and our diplomatic representatives in foreign nations have done much to see that the plight of the prisoners is understood throughout the world. For the same purpose, Colonel Frank Borman was sent by the President to 14 capitals around the world to present the facts to the leaders of other nations and to encourage parallel efforts on their part toward easing the burden of the prisoners and their loved ones.

Millions of Americans have participated in letter-writing campaigns to express their commitment to the cause of justice for the prisoners. The political and moral leaders in other lands, as well as uncounted private citizens, have been stirred to raise their voices on behalf of the PW's and MIA's.

The concern shown by so many people has been deeply gratifying, and it has had some effect. Letters now flow more freely between the prisoners and their families. More packages from home are getting through to the prison camps in North Vietnam. And Hanoi has recently sought to convince skeptical world opinion that the prisoners are receiving proper treatment.

Perhaps some of you saw the filmed interviews which Hanoi allowed to be made of a handful of prisoners on Christmas Day.

In thinking about these films, here are some facts you should consider. We got a very brief look at a small number of men.

The interviews were carefully controlled. Only four questions were permitted. These had to be submitted a day in advance; no last minute thoughts or ideas were permitted. Even with this tight structuring, the North Vietnamese found it necessary to censor some of the comments made by the prisoners.

Little was said about the prisoners' health or the medical treatment they receive. Discussion about their diets was limited to superficial, broad generalities which really did not address the problem. There was no news about any of the other prisoners.

This propaganda show does not satisfy the requirements of the Geneva Convention. In fact, these films themselves are a violation of the Convention, for it prohibits the exploitation of prisoners for propaganda purposes and forbids exposing them to public curiosity.

Our ultimate objective, as I have said, is to bring the prisoners back home and reunite them with their loved ones. On October 7 of last year, President Nixon offered a comprehensive peace proposal including immediate exchange of all prisoners. But, even without a peace settlement in Southeast Asia, the President is ready, as is the Government in Saigon, to agree to exchange the North Vietnamese prisoners held by the South Vietnamese for all prisoners held by the enemy in North Vietnam, South Vietnam, and in Laos. This offer, made in December, would result in the release of ten times as many men to the other side as it would to the United States and our allies. Unhappily, the response of the enemy to this generous offer has been negative.

Last November, at Son Tay, a small force of brave Americans raided a prisoner of war compound deep in enemy territory. Though no prisoners were there at the time of the raid, I do not regret the rescue effort.

We knew at the time of this operation that American POWs *had been* at Son Tay. What we did not know was whether U.S. prisoners were still there. There was some possibility they were. It was less than a 100 percent probability, may even less than 50 percent. But it was a positive chance they were still there. Given that chance—in the face of uncertainty—I felt we owed it to the POWs and to their families to attempt a rescue effort.

If I had this decision to make over again—in the same circumstances—I would decide as I did when I recommended that this task force of thoroughly trained volunteers attempt to rescue Americans from an enemy prison.

During my recent trip to Vietnam, I discussed the matter of the prisoners and the missing with top officials of both our country and other nations. I was pleased to learn that friendly forces are instructed to take advantage of any opportunity to rescue Free World prisoners in connection with their combat operations.

I need not point out the needless human tragedy which results from Hanoi's policy toward the prisoners of war and the missing. It is tragic for those Americans who are held in Southeast Asia. It is tragic for wives, and parents, and children here in our country—particularly for those who do not know the fate of the man who went off to this conflict.

The courage that these men and their families display commands our awe and admiration.

Despite the deprivations, the physical hardships, the mental and emotional suffering, the long, long separation from their loved ones, and the seeming hopelessness of their situation, those few who have been released or escaped from prison camps tell us that they never gave up hope. And the one overriding, all-powerful factor that gave them strength to endure and carry on was their faith in God.

In a letter to his wife and children, one officer whose name I prefer not to mention, who was shot down in 1966 and is still held as a prisoner by North Vietnam, wrote, "God has repaid my faith in many ways—but only since I have been closer to Him here have I realized what it means to have strong faith."

Another former prisoner of war who was kept in solitary confinement for the entire time he was held by North Vietnam, Air Force Major Joe Carpenter comments: "I am convinced that my faith in God brought me through. Prayer and faith gave me hope and my religious up-bringing never let me down. When I got home I was amazed at how many people said that they were praying for me—and I firmly believe that it really helped. Our religious beliefs were also a tremendous help to my family. Their association with the community, and especially the church, held the family together in our mutual faith and gave them hope."

You in this audience can do much to help these men and their loved ones through their bitter ordeal. I hope you will generously give of your time and talents in this cause.

We shall not rest until every American who this morning is a prisoner comes home again to live out his life in peace.

## SPEECH BY ORIN E. ATKINS BEFORE ASHLAND AREA CHAMBER OF COMMERCE

(Mr. PERKINS asked and was given permission of extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PERKINS. Mr. Speaker, I insert in the body of the CONGRESSIONAL RECORD a speech made before the Ashland Area Chamber of Commerce, Ashland, Ky., by Mr. Orin E. Atkins:

SPEECH BEFORE THE ASHLAND AREA CHAMBER OF COMMERCE, ASHLAND, KY., DECEMBER 3, 1970

(By Orin E. Atkins)

Both personally and for Ashland Oil, I am pleased to have the distinction of speaking to you this evening. We are proud of the part that Rex Blazer, Bill Seaton, Earl Weaver and Bill Chellgren, along with others from Ashland Oil, have played in the growth of the Ashland Chamber. We are also proud of the fact that we remain, together with our good friend Armco, among those American corporations whose principal offices are in the smaller communities of the United States.

We share with you the facility to recognize the opportunities for our community and to understand that there are problems which must be resolved. The decision to continue our executive offices here at Ashland has materially increased our commitment to the area and at the same time made it imperative that we do whatever we can to contribute to the improvement of the area.

So that you will not think that we are preoccupied with problems, let me assure you that we know full well the advantages that are being offered by being located in a community such as Ashland. A few years ago, while discussing a possible merger with a somewhat larger corporation which maintained executive offices in both Los Angeles and New York, the chief executive of the company said, "If the merger is completed, the first thing we will do will be to consolidate all of our executive offices in New York." My reply to this was, "That will be the last thing we will do, for we would sacrifice what we believe to be a material operating advantage. The communication between our executives is so much better here in Ashland than it would be in one of the larger communities that we are able to operate with much more dispatch. This, in turn, is directly reflected in the efficiency of our operation."

With this in mind, I thought it might be helpful to you to know some of the reasoning that went behind our decision to build our new office complex at Bellefonte. The new building, which will be completed in the late spring, will approximately double our present office space at a cost of more than $8 million.

Despite the fact that all of us have strong emotional ties with this area and knew that a relocation would have had a major impact on our families, our friends, and the community, the decision to stay in Ashland was not an easy one. In fact, we procrastinated over a period of six or seven years before making our final decision. Even today, on occasions, we still wonder whether our judgment was right.

The question, which was difficult to answer, is directly related to the human considerations which are at the heart of much of the current social change which the nation is undergoing. The new generation that is with us has more talent and understanding and is better trained. They have much less interest in security as measured by income or status. This generation is more interested in a stable, well balanced, cultivated life and in continued opportunity for emotional and intellectual growth. As an employee, those coming into industry today have great job mobility and recognize that it can make a way for itself in the world at about any location that it desires. What was once called "prosperity," as typified by oil refineries, steel mills, and chemical plants, holds little allure for much of the current generation.

The community of Ashland has historically been oriented toward the river and the railroad. It has been and continues to be an industrially oriented community. While what might be termed "heavy industry" will continue to contribute to the fact that our area has one of the highest per capita incomes of any area in Kentucky, to break out of our mold, other facets of life in Ashland will have to be stressed and developed. This will not be easy nor inexpensive.

I recall a luncheon meeting we had with some of you several years ago when we met to inform you of some of our tax problems and of our decision to move a significant segment of our financial operations to Columbus. One gentleman in the group remarked that he fully understood our problems for he could not persuade any of his children to return to Ashland to carry forward his business interests. He stressed the changes that he felt needed to be made in the community. Another member of the group replied, somewhat prophetically, "Yes, but who is to pay for these changes?" This is the part of the problem with which we are faced.

We know that a community has to live within its budget and developments such as the YMCA, the Ashland Community College, a new auditorium and the many other constructive projects which are needed in the area can only be undertaken if proper financing is available. We recognize that when we made the decision to remain here, that as a corporation and as an individual member of the community, we were going to have to do more than what would be considered our normal share in connection with such projects. The YMCA campaign is a good example, for I believe that between Ashland Oil and Armco and our employees approximately 60% of the total estimated cost was secured. While I am sure that Armco and Ashland Oil will continue to contribute materially to worthwhile projects in the community, the community itself is going to have to recognize a larger measure of responsibility than has perhaps been present in the past.

In thinking of what can be accomplished in our area, perhaps we continue to think in terms which are too narrow in geographical and political scope. We are meeting tonight under the auspices of the Ashland Area Chamber of Commerce but what we are discussing affects outlying areas. While we think of Ashland as a community of some 30,000 residents, taken together with the adjoining areas in Boyd and Greenup Counties, we double the population to more than 60,000.

It is also logical to expect that much of the future growth of the community will be in the suburbs. A project which is not feasible within a 30,000 population community becomes viable when viewed from the point of view of a city twice as large. We recognize that there are both economic and political arguments which can be made against the consolidation of the various subdivisions into one "metro" type community, but longer range there is little doubt in my mind but that this should be the objective of the City of Ashland and, in terms of civic groups such as this, we should be doing whatever we can to orient our thinking toward broader and more all-inclusive programs.

The outlying areas also offer the possibility for new industrial development. The land available for use as industrial sites within the City of Ashland is extremely limited or nonexistent. At the same time, however, in the outlying areas, potential office sites are available. We at Ashland Oil have demonstrated the ready availability of manpower and the feasibility of operating a major corporate headquarters in the area. In thinking in terms of industrial growth for the area, your group's effort might well be directed toward management groups that would find in Ashland the same benefits which we believe have accrued to Ashland Oil.

In order to support and attract groups of this sort, there are some things which definitely need to be undertaken. The need for the Midway Airport ranks at the top of the list. While the tragedy of the Marshall football team has focused much attention on the shortcomings of the Tri-State Airport, it is obvious that its renovation into a facility which would actually meet the needs of the area is extremely unlikely. In order to support a modern airport, a source of traffic has to be available and this does not currently exist in the area served by the Tri-State. While the efforts of the Tri-State Authority are deserving, they should not obscure the basic immediate need for the Midway Airport. The logic of the site has been testified to by the support accorded the facility by the FAA. Unfortunately, we find ourselves somehow meshed in a dispute between Huntington and Charleston. We should do everything we can to bring pressure to bear in order to expedite construction at the Midway location.

The secondary area of immediate concern lies in the realm of housing. While a number of new areas have been opened up and new projects initiated in the community, to attract and hold an expanding population adequate housing at reasonable costs must be available. One area of the housing problem, which is of considerable concern to us, is the shortage of suitable housing for black members of our community. We are making a determined effort to bring into our organization qualified black employees. To do so we are going to have to be able to assure them of the availability of housing of the type and in an area which would be attractive to them and competitive with what they can secure in other communities.

The community of Ashland has been fortunate in having excellent relations between the black and white members of the community. This reflects the understanding and leadership in both groups. We can only expect the situation to continue if equal opportunity and facilities are made freely available.

The question of housing, of necessity, involves some thought as to the planning of land use. Ashland and the area has been fortunate in that many of our residential developments have been well planned. Today, however, there appears to be more need than in the past for a farsighted look at what will be required in the future and what areas should be blocked out by proper zoning for future residential development.

With this in mind, a few weeks ago I asked our Real Estate Department to try to determine the availability of real estate in large enough blocks to be feasible for future consideration as a large-scale housing development. While we do not wish to become directly involved in real estate operations, we are prepared to do so if it appears logical in light of what we believe will be our future housing needs and unless these needs can be met from other sources.

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## ESTABLISHMENT OF DEPARTMENT OF EDUCATION

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PERKINS. Mr. Speaker, I am today introducing legislation to establish

an executive department to be known as the Department of Education. The Department shall be presided over by a Secretary of Education, appointed by the President, with the advice and consent of the Senate.

This legislation gives Cabinet status to policymaking in the financing and conduct of education programs beginning with preschool and extending through the graduate level in higher education.

The strength of our educational institutions, agencies, and activities affect most vitally everything we as persons, as a people and a society aspire to be and do. They affect our capability in matters of national defense. They control the ability of the Nation to provide educated and trained personnel for industrial development. Educational institutions make possible for the provision and extension of health and medical services. Coordinated educational activities are essential for the enhancement of our environment, and for the development and conservation of our natural resources.

In our educational institutions and in our educational programs we must look for long-range solutions to the problems of poverty, educationally disadvantaged, and handicapped, unemployment, welfare, and dependency. These problems have intensified and the need for educational institutions to be provided with greater financial assistance in their solution has grown. However, the tendency has been in recent months to reduce our Federal commitment to education and lower priorities for the development of educational resources. At the same time the voices of education have been muted because of their isolation from the decisionmaking process of this Federal administration.

Mr. Speaker, I was greatly disturbed in the President's state of the Union message to discover that the word "education" appeared only once in the entire text of his comments. I was disturbed that despite the growing importance of education to our society, the President's proposed legislation would relegate educational policy making to even a lower tier of the Government bureaucracy. Where it is now difficult for educational policymaking in the U. S. Office of Education to make itself visible at the Secretary level and difficult to be a factor in the policymaking at the Cabinet level, the President's proposals would make such impossible.

Mr. Speaker, there can be no Federal commitment whatsoever for the support of excellence in education, for improving the quality of education or for the extension of educational opportunities to meet the needs of all citizens, unless educational leadership is given a proper status in the decisionmaking process.

I firmly believe that the role that education must play in making our Nation a strong one, that the role education must play in enabling our citizens to participate in a meaningful way in a democratic society, that the role education must play in providing our Nation with the professional, with the technical and with educated personnel we must have to provide new generations with jobs, a healthy environment, a basis for scientific advance, and security from forces that would rob us of our democracy demands that educational institutions, activities, and programs be given an elevated position in the Nation's highest Government councils. The enactment of this legislation will strengthen the Nation's capacity to deal with problems that can only be effectively confronted by a strengthened national commitment to education.



## THE PROFESSIONAL TEAM SPORTS BILL

(Mr. HORTON asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. HORTON. Mr. Speaker, I am today introducing a bill to clarify the status under the antitrust laws of the professional team sports of baseball, football, basketball, and hockey. For many years, there has been an inconsistency in the application of the antitrust laws to these professional team sports. In 1922, the Supreme Court held that baseball was not the type of activity to be considered interstate commerce under the antitrust laws and was, therefore, exempted from the provisions of such laws. This decision was reaffirmed in 1953. Recent decisions in the lower courts have further confirmed this principle.

The result is that baseball has enjoyed an exemption from the antitrust laws while the other sports were uncertain as to exactly where they stood under the antitrust laws. This inconsistency has been of concern to the leaders of the sports world, to the Members of Congress, and to the Supreme Court. Indeed, in 1957, the Supreme Court, in applying the antitrust laws to professional football, stated that it was the responsibility of Congress to reconcile any inconsistent treatment among the various professional team sports.

Since that time, Congress has, on many occasions, considered legislation to provide for consistent treatment of all professional team sports. I think the consensus of the views of Congress is that all the professional team sports should be treated equally. That is the goal of this bill. It would place all four professional team sports squarely under the antitrust laws. Exemptions should be granted in four areas which are essential for the operation of the team sports in which they are unique from other conventional business activities.

I think the time has now come for Congress to act definitely to insure equal treatment for all professional team sports under the antitrust laws.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. KYL) and to revise and extend their remarks and include extraneous matter:)

Mr. PRICE of Texas, for 10 minutes, today.

Mr. HOGAN, for 30 minutes, on January 29, 1971.

(The following Members (at the request of Mr. BOGGS) and to revise and extend their remarks and include extraneous matter:)

Mr. GONZALEZ, for 10 minutes, today.

Mr. RARICK, for 15 minutes, today.

Mr. HAMILTON, for 15 minutes, today.

(The following Members (at the request of Mr. SHOUP) and to revise and extend their remarks and include extraneous matter:)

Mr. MORSE, for 5 minutes, today.

Mr. BROWN of Michigan, for 5 minutes, today.

Mr. MILLER of Ohio, for 5 minutes, today.

Mr. BELL, for 5 minutes, today.

Mr. ESHLEMAN, for 10 minutes, today.

(The following Members (at the request of Mr. MITCHELL), to revise and extend their remarks and include extraneous matter:)

Mr. GALIFIANAKIS, for 10 minutes, today.

Mr. MONTGOMERY, for 60 minutes, on Monday, February 1.

## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. GROSS and to include a newspaper article.

(The following Members (at the request of Mr. KYL) and to include extraneous matter:)

Mr. PRICE of Texas in six instances.

Mr. BELL.

Mr. PETTIS.

Mr. HOSMER in two instances.

Mr. ARENDS.

Mr. BRAY in four instances.

Mr. SCHERLE.

Mr. POFF.

Mr. GOLDWATER.

(The following Members (at the request of Mr. SHOUP) and to include extraneous matter:)

Mr. GERALD R. FORD.

Mr. SCHMITZ in three instances.

Mr. BROWN of Ohio.

Mr. MCCLOSKEY.

Mr. WYMAN in two instances.

Mr. YOUNG of Florida in five instances.

Mr. BROWN of Michigan.

Mr. FULTON of Pennsylvania in five instances.

(The following Members (at the request of Mr. BOGGS) and to include extraneous matter:)

Mr. GAYDOS in five instances.

Mr. EILBERG in two instances.

Mr. MAZZOLI in three instances.

Mr. DINGELL in four instances.

Mr. BOLLING in four instances.

Mr. RARICK in three instances.

Mr. ASHLEY.

Mr. MOORHEAD in two instances.

Mr. GONZALEZ in two instances.

Mr. BYRON in five instances.

Mr. BINGHAM in three instances.

Mr. WALDIE in three instances.

Mr. METCALFE in three instances.

(The following Members (at the request of Mr. MITCHELL) and to include extraneous matter:)

Mr. CONYERS in five instances.

Mr. VANIK in two instances.
Mr. HÉBERT.
Mr. COTTER in three instances.
Mr. ROONEY of New York.
Mr. HAWKINS.
Mr. PICKLE in three instances.
Mr. REUSS in six instances.
Mr. WILLIAM D. FORD.

## ADJOURNMENT

Mr. MITCHELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 26 minutes p.m.), under its previous order, the House adjourned until Friday, January 29, 1971, 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:

72. A letter from the Secretary of the Air Force, transmitting a report on the number of officers assigned or detailed to permanent duty in the executive part of the Department of the Air Force at the seat of government, pursuant to 10 U.S.C. 8031(c); to the Committee on Armed Services.

73. A letter from the Secretary of Labor, transmitting a report on the disposition of applications for exemplary rehabilitation certificates during calendar year 1970, pursuant to Public Law 89–690; to the Committee on Armed Services.

74. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to amend the Defense Production Act of 1950, as amended; to the Committee on Banking and Currency.

75. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to authorize the District of Columbia to issue obligations to finance District capital programs, to provide Federal funds for District of Columbia institutions of higher education, and for other purposes; to the Committee on the District of Columbia.

76. A letter from the Secretary of Labor, transmitting a draft of proposed legislation to amend the Longshoremen's and Harbor Workers' Compensation Act to improve its benefits, and for other purposes; to the Committee on Education and Labor.

77. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to assist school districts to meet special problems incident to desegregation, and to the elimination, reduction, or prevention of racial isolation, in elementary and secondary schools, and for other purposes; to the Committee on Education and Labor.

78. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to establish a National Institute of Education, and for other purposes; to the Committee on Education and Labor.

79. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a semiannual report on third country transfers of U.S.-origin defense articles to which consent has been granted or denied under the provisions of section 3(a)(2) of the Foreign Military Sales Act and section 505(a) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

80. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to provide temporary authority to expedite procedures for consideration and approval of projects drawing upon more than one Federal assistance program, to simplify requirements for the operation of those projects, and for other purposes; to the Committee on Government Operations.

81. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to amend title 5, United States Code, to authorize consolidation of Federal assistance programs, and for other purposes; to the Committee on Government Operations.

82. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to regulate interstate commerce by strengthening and improving consumer protection under the Federal Food, Drug, and Cosmetic Act with respect to fish and fishery products, including provision for assistance to and cooperation with the States in the administration of their related programs and assistance by them in the carrying out of the Federal program, and for other purposes; to the Committee on Interstate and Foreign Commerce.

83. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Federal Food, Drug, and Cosmetic Act to establish a code system for the identification of prescription drugs, and for other purposes; to the Committee on Interstate and Foreign Commerce.

84. A letter from the Secretary of Health, Education, and Welfare, transmitting a report from the Surgeon General on the health consequences of smoking, pursuant to section 8(e) of the Public Health Cigarette Smoking Act of 1969; to the Committee on Interstate and Foreign Commerce.

85. A letter from the Chairman, Federal Power Commission, transmitting a draft of proposed legislation to amend section 14 of the Natural Gas Act; to the Committee on Interstate and Foreign Commerce.

86. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to promote the safety of ports, harbors, waterfront areas, and navigable waters of the United States; to the Committee on Merchant Marine and Fisheries.

87. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to require a radiotelephone on certain vessels while navigating upon specified waters of the United States; to the Committee on Merchant Marine and Fisheries.

88. A letter from the Chairman, U.S. Civil Service Commission, transmitting a report on positions in grades GS–16, GS–17, and GS–18 established in the Civil Service Commission during calendar year 1970, pursuant to 5 U.S.C. 5114; to the Committee on Post Office and Civil Service.

89. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to provide additional revenues for the highway trust fund, and for other purposes; to the Committee on Ways and Means.

90. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to increase the taxes on the transportation of persons by air, and for other purposes; to the Committee on Ways and Means.

## 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:

Mr. HAYS: Committee on House Administration. H. Res. 17. Resolution authorizing payment of salaries of certain committee employees; without amendment (Rept. No. 92–1). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Resolution 150. Resolution adopting and continuing for the 92d Congress the provisions of the first section of House Resolution 1293, 91st Congress, relating to positions on the U.S. Capitol Police force under the House of Representatives; without amendment (Rept. No. 92–2). Ordered to be printed.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABERNETHY:

H.R. 2263. A bill to change the definition of ammunition for purposes of chapter 44 of title 18 of the United States Code; to the Committee on the Judiciary.

By Mr. ANDERSON of California:

H.R. 2264. A bill to amend the Fish and Wildlife Coordination Act to provide additional protection to marine and wildlife ecology by requiring the designation of certain areas off the coast of California adjacent to State-owned submerged lands as marine sanctuaries when such State suspends leasing of such submerged lands for mineral purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. ASHLEY:

H.R. 2265. A bill to establish a National Service Agency for the purpose of filling military manpower requirements, creating a voluntary civilian service as an alternative to military service, and for other purposes; to the Committee on Armed Services.

By Mr. BELL (for himself and Mr. HAWKINS):

H.R. 2266. A bill to assist school districts to meet special problems incident to desegregation, and to the elimination, reduction, or prevention of racial isolation, in elementary and secondary schools, and for other purposes; to the Committee on Education and Labor.

By Mr. BENNETT:

H.R. 2267. A bill to amend the Military Selective Service Act of 1967 to provide that young men serve 1-year memberships on local boards; to the Committee on Armed Services.

H.R. 2268. A bill to make available to veterans of the Vietnam war all benefits available to World War II and Korean conflict veterans; to the Committee on Veterans' Affairs.

By Mr. BINGHAM (for himself, Mr. CELLER, and Mr. COTTER):

H.R. 2269. A bill relative to the air war in Cambodia; to the Committee on Foreign Affairs.

By Mr. BUCHANAN:

H.R. 2270. A bill to prohibit the Federal Government from requiring any schoolchild to attend a public school other than his neighborhood school; to the Committee on Education and Labor.

By Mr. BURTON:

H.R. 2271. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; to the Committee on Ways and Means.

By Mr. CHAMBERLAIN:

H.R. 2272. A bill to provide for a coordinated national boating safety program; to the Committee on Merchant Marine and Fisheries.

By Mr. COLLIER:

H.R. 2273. A bill to amend title 10 of the United States Code to provide that members of the Armed Forces be assigned to duty stations near their homes after serving in combat zones; to the Committee on Armed Services.

H.R. 2274. A bill to strengthen the penalty provisions of the Gun Control Act of 1968; to the Committee on the Judiciary.

H.R. 2275. A bill to amend title 18 of the United States Code to provide a penalty for persons who interfere with the conduct of judicial proceedings, and for other purposes; to the Committee on the Judiciary.

H.R. 2276. A bill to provide for the investigative detention and search of persons suspected of involvement in, or knowledge of, Federal crimes; to the Committee on the Judiciary.

H.R. 2277. A bill to amend section 2312 of title 18, United States Code, to permit a person enforcing that section to stop a motor vehicle to inspect the serial number of its body and motor if he has reason to suspect that the motor vehicle has been stolen; to the Committee on the Judiciary.

H.R. 2278. A bill to amend title 18, United States Code, to strengthen and clarify the law prohibiting the introduction, or manufacture for introduction, of switchblade knives into interstate commerce; to the Committee on the Judiciary.

H.R. 2279. A bill to amend chapter 207 of title 18 of the United States Code to authorize conditional pretrial release or pretrial detention of certain persons who have been charged with noncapital offenses, and for other purposes; to the Committee on the Judiciary.

H.R. 2280. A bill to provide for the deportation of nonimmigrant participants in exchange programs who engage in certain activities; to the Committee on the Judiciary.

By Mr. CORBETT:

H.R. 2281. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. CORMAN:

H.R. 2282. A bill to amend the Small Business Act; to the Committee on Banking and Currency.

H.R. 2283. A bill to authorize the support of Casa Loma College, a vocational college of applied science and arts, to stimulate its development and operation, to further define its corporate powers and provide such support as necessary to fulfill its purposes of providing vocational education and manpower training programs within a 4-year collegiate institution in such a way as to preserve human dignity and worth of the socially, economically, and culturally deprived; to the Committee on Education and Labor.

H.R. 2284. A bill to extend the application of section 1038 of the Internal Revenue Code to certain reacquisitions of personal property; to the Committee on Ways and Means.

By Mr. DERWINSKI (for himself, Mr. MINSHALL, Mr. TERRY, and Mr. MCKINNEY):

H.R. 2285. A bill to provide for the issuance of a commemorative postage stamp in honor of the 1,000th anniversary of the birth of St. Stephen of Hungary; to the Committee on Post Office and Civil Service.

By Mr. GERALD R. FORD:

H.R. 2286. A bill to create a Presidential Commission on Distinguished Citizen Awards with authority to recognize and reward citizens who have done an outstanding job of helping to solve any of our national problems; to the Committee on Government Operations.

H.R. 2287. A bill to direct the Interstate Commerce Commission to make regulations that certain railroad vehicles be equipped with reflectors or luminous material so that they can be readily seen at night; to the Committee on Interstate and Foreign Commerce.

H.R. 2288. A bill to provide a private right of action to protect the air, water, and other natural resources of the United States and the public trust therein; to the Committee on the Judiciary.

H.R. 2289. A bill to prohibit officers and employees of the United States from dumping or permitting the dumping of dredgings and other refuse materials into any navigable water; to the Committee on Public Works.

H.R. 2290. A bill to authorize the Secretary of Agriculture to utilize the columns removed from the east central portico of the Capitol in an architecturally appropriate manner in the National Arboretum; to the Committee on Public Works.

H.R. 2291. A bill to amend title II of the Social Security Act to increase the amount of outside income which a widow with minor children may earn without suffering deductions from the benefits to which she is entitled thereunder; to the Committee on Ways and Means.

H.R. 2292. A bill to amend the Tariff Schedules of the United States with respect to the rate of duty on certain sueded leather gloves, and for other purposes; to the Committee on Ways and Means.

By Mr. FUQUA (for himself, Mr. BLATNIK, Mr. NELSEN, Mr. MCMILLAN, Mr. BROYHILL of Virginia, and Mr. CONTE):

H.R. 2293. A bill to transfer the title of the Robert F. Kennedy Stadium to the United States, to authorize the Secretary of the Interior to operate and maintain such stadium, to increase certain District of Columbia taxes to pay for such stadium, and for other purposes; to the Committee on the District of Columbia.

By Mr. GALIFIANAKIS (for himself, Mr. ABBITT, Mr. ADDABBO, Mr. ANNUNZIO, Mr. ARENDS, Mr. BEVILL, Mr. BLACKBURN, Mr. BLANTON, Mr. DON H. CLAUSEN, Mr. CONTE, Mr. DAVIS of Georgia, Mr. DENT, Mr. DRINAN, Mr. EDWARDS of Louisiana, Mr. EILBERG, Mr. FISH, Mr. FUQUA, Mr. GRIFFIN, Mr. HAMILTON, Mr. HARRINGTON, Mr. HECHLER of West Virginia, Mr. HENDERSON, Mr. HOWARD, Mr. JACOBS, and Mr. JONES of North Carolina):

H.R. 2294. A bill to amend the Public Health Service Act to encourage physicians, dentists, optometrists, and other medical personnel to practice in areas where shortages of such personnel exist, and for other purposes; to the Committe on Interstate and Foreign Commerce.

By Mr. GALIFIANAKIS (for himself, Mr. ANDREWS of North Dakota, Mr. BERGLAND, Mr. BRASCO, Mr. BUCHANAN, Mr. CARNEY, Mrs. CHISHOLM, Mr. DORN, Mr. DUNCAN, Mr. FULTON of Pennsylvania, Mrs. GRASSO, Mr. GRAY, Mr. HATHAWAY, Mr. HAWKINS, Mrs. MINK, Mr. MORGAN, Mr. PEYSER, Mr. PICKLE, Mr. PRYOR of Arkansas, Mr. RODINO, Mr. ST GERMAIN, Mr. SCHNEEBELI, Mr. TAYLOR, Mr. WIGGINS, and Mr. YATRON):

H.R. 2295. A bill to amend the Public Health Service Act to encourage physicians, dentists, optometrists, and other medical personnel to practice in areas where shortages of such personnel exist, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. GALIFIANAKIS (for himself, Mr. KUYKENDALL, Mr. LEGGETT, Mr. LENNON, Mr. MADDEN, Mr. MEEDS, Mr. MILLER of California, Mr. MILLS, Mr. O'KONSKI, Mr. PODELL, Mr. PREYER of North Carolina, Mr. PRICE of Illinois, Mr. PUCINSKI, Mr. PURCELL, Mr. REES, Mr. ROBERTS, Mr. RONCALIO, Mr. RUTH, Mr. SCHERLE, Mr. SCHWENGEL, Mr. STAFFORD, Mr. STEPHENS, Mr. THONE, Mr. TIERNAN, and Mr. WALDIE):

H.R. 2296. A bill to amend the Public Health Service Act to encourage physicians, dentists, optometrists, and other medical personnel to practice in areas where shortages of such personnel exist, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. GUDE:

H.R. 2297. A bill to amend title 10, United States Code to restore the system of recomputation of retired pay for certain members and former members of the Armed Forces; to the Committee on Armed Services.

By Mr. HAMILTON:

H.R. 2298. A bill to establish a National Cancer Authority in order to conquer cancer at the earliest possible date; to the Committee on Interstate and Foreign Commerce.

By Mr. HANSEN of Idaho (for himself and Mr. MCCLURE):

H.R. 2299. A bill to authorize the Secretary of the Interior to engage in a feasibility investigation relative to the North Side Pumping Division extension, Minidoka project; to the Committee on Interior and Insular Affairs.

By Mr. HELSTOSKI:

H.R. 2300. A bill to amend title 10 of the United States Code to provide that members of the Armed Forces be assigned to duty stations near their homes after serving in combat zones; to the Committee on Armed Services.

H.R. 2301. A bill to amend the Truth in Lending Act to protect consumers against careless and erroneous billing, and to require that statements under open-end credit plans be mailed in time to permit payment prior to the imposition of finance charges; to the Committee on Banking and Currency.

H.R. 2302. A bill to provide Federal leadership and grants to the States for developing and implementing State programs for youth camp safety standards; to the Committee on Education and Labor.

H.R. 2303. A bill to amend the National Environmental Policy Act of 1969 to require the Secretary of the Army to terminate certain licenses and permits relating to the disposition of waste materials in the waters of the New York Bight, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 2304. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; to the Committee on Ways and Means.

By Mr. HORTON:

H.R. 2305. A bill to make the antitrust laws and the Federal Trade Commission Act applicable to the organized professional team sports of baseball, football, basketball, and hockey and to limit the applicability of such laws so as to exempt certain aspects of the organized professional team sports of baseball, football, basketball, and hockey, and for other purposes; to the Committee on the Judiciary.

By Mr. HOSMER:

H.R. 2306. A bill to amend chapter 73 of title 10, United States Code, to establish a survivor benefit plan; to the Committee on Armed Services.

H.R. 2307. A bill to amend title 10, United States Code, to equalize the retirement pay of members of the uniformed services of equal rank and years of service, and for other purposes; to the Committee on Armed Services.

H.R. 2308. A bill to amend title 10, United States Code to restore the system of recomputation of retired pay for certain members and former members of the Armed Forces; to the Committee on Armed Services.

H.R. 2309. A bill to permit retired personnel of the Armed Forces to receive benefits under chapter 81 of title 5, United States Code, relating to compensation of Federal employees for work injuries; to the Committee on Education and Labor.

H.R. 2310. A bill to amend the Wagner-O'Day Act to extend the provisions thereof to severely handicapped individuals who are

not blind, and for other purposes; to the Committee on Government Operations.

H.R. 2311. A bill to amend and supplement the Federal reclamation laws relating to the furnishing of water service to excess lands; to the Committee on Interior and Insular Affairs.

H.R. 2312. A bill to clarify the relationship of interests of the United States and of the States in the use of the waters of certain streams; to the Committee on Interior and Insular Affairs.

H.R. 2313. A bill to amend the National Wild and Scenic Rivers Act of 1968 (Public Law 90–542) to include certain rivers located within the State of California as potential components of the national wild and scenic rivers system, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 2314. A bill to authorize the Secretary of the Interior to construct and to provide for operation and maintenance of the peripheral canal unit of the Delta division and to construct, operate, and maintain the Kellogg unit of the Delta division of the Central Valley project, California, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 2315. A bill to provide for study and experiment concerning the establishment of daylight saving time on a year-round basis; to the Committee on Interstate and Foreign Commerce.

H.R. 2316. A bill to stimulate the development, production, and distribution in interstate commerce of low-emission motor vehicles in order to provide the public increased protection against the hazards of vehicular exhaust emission, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 2317. A bill to designate the fourth Friday in September of every year as American Indian Day; to the Committee on the Judiciary.

H.R. 2318. A bill to authorize the National Science Foundation to conduct research and educational programs to prepare the country for conversion from defense to civilian, socially oriented research and development activities, and for other purposes; to the Committee on Science and Astronautics.

H.R. 2319. A bill to amend title 38 of the United States Code so as to provide that public or private retirement, annuity, or endowment payments (including monthly social security insurance benefits) shall not be included in computing annual income for the purpose of determining eligibility for a pension under chapter 15 of that title; to the Committee on Veterans' Affairs.

H.R. 2320. A bill to amend title 38 of the United States Code to provide for a pension of $100 per month for widows of veterans of World War I; to the Committee on Veterans' Affairs.

H.R. 2321. A bill to amend the Internal Revenue Code of 1954 with respect to the effective date of certain provisions relating to capitalization of costs of planting and development of citrus groves; to the Committee on Ways and Means.

H.R. 2322. A bill to amend the Internal Revenue Code of 1954 to provide that mutual fund shares and securities trust agreements shall be valued at their bid price, rather than at their asked price, for estate and gift tax purposes; to the Committee on Ways and Means.

By Mr. HOSMER (for himself, Mr. BOB WILSON, Mr. LEGGETT, Mr. RAILSBACK, Mr. MCCLORY, Mr. ANDERSON of Illinois, Mr. KUYKENDALL, Mr. WALDIE, Mr. SMITH of California, Mr. DON H. CLAUSEN, Mr. FISHER, Mr. HALPERN, Mr. BUCHANAN, Mr. DULSKI, Mr. DUNCAN, Mrs. REID of Illinois, Mr. TALCOTT, Mr. REES, Mr. THOMSON, of Wisconsin, Mr. ADAMS, Mr. CORMAN, Mr. HORTON, Mr. ADDABBO, and Mr. GARMATZ):

H.R. 2323. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HOSMER (for himself, Mr. ANDERSON of California, Mr. GUDE, Mr. KING, Mr. HAMMERSCHMIDT, Mr. RANDALL, Mr. STEIGER of Arizona, Mr. HUTCHINSON, Mr. DEL CLAWSON, and Mr. WYATT):

H.R. 2324. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KEE:

H.R. 2325. A bill to incorporate the former Members of Congress, and for other purposes; to the Committee on the Judiciary.

By Mr. KOCH (for himself, Mr. GIAIMO, Mr. ROUSH, Mr. THOMPSON of Georgia, Mr. HELSTOSKI, Mr. HICKS of Washington, Mr. PERKINS, Mr. ROE, and Mr. WHALLEY):

H.R. 2326. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; to the Committee on Ways and Means.

By Mr. MCCLURE:

H.R. 2327. A bill to authorize the sale and exchange of certain lands on the Coeur d'Alene Indian Reservation, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MCCULLOCH (for himself, Mr. MCCLORY, Mr. SANDMAN, Mr. RAILSBACK, Mr. WIGGINS, Mr. DENNIS, Mr. FISH, and Mr. MAYNE):

H.R. 2328. A bill to amend the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

By Mr. MCCULLOCH (for himself, Mr. POFF, Mr. HUTCHINSON, Mr. MCCLORY, Mr. SANDMAN, Mr. WIGGINS, Mr. FISH, and Mr. MAYNE):

H.R. 2329. A bill to amend title 18, United States Code, to provide for the issuance to certain persons of judicial orders to appear for the purpose of conducting nontestimonial identification procedures, and for other purposes; to the Committee on the Judiciary.

By Mr. MCCULLOCH (for himself, Mr. POFF, Mr. HUTCHINSON, Mr. MCCLORY, Mr. SMITH of New York, Mr. SANDMAN, Mr. RAILSBACK, Mr. WIGGINS, Mr. DENNIS, Mr. FISH, and Mr. MAYNE):

H.R. 2330. A bill to prohibit the use of interstate facilities, including the mails, for the transportation of certain materials to minors; to the Committee on the Judiciary.

By Mr. MCCULLOCH (for himself, Mr. POFF, Mr. HUTCHINSON, Mr. MCCLORY, Mr. SMITH of New York, Mr. SANDMAN, Mr. RAILSBACK, Mr. WIGGINS, Mr. DENNIS, Mr. FISH, Mr. COUGHLIN, and Mr. MAYNE):

H.R. 2331. A bill to prohibit the use of interstate facilities, including the mails, for the transportation of salacious advertising; to the Committee on the Judiciary.

By Mr. MATSUNAGA:

H.R. 2332. A bill to amend the Truth in Lending Act to require that statements under open end credit plans be mailed in time to permit payment prior to the imposition of finance charges; to the Committee on Banking and Currency.

H.R. 2333. A bill to provide for the compensation of persons injured by certain criminal acts; to the Committee on the Judiciary.

By Mr. MIKVA (for himself, Mr. BURTON, and Mr. ROSTENKOWSKI):

H.R. 2334. A bill to prohibit the importation, manufacture, sale, purchase, transfer, receipt, or transportation of handguns, in any manner affecting interstate or foreign commerce, except for or by members of the Armed Forces, law enforcement officials, and, as authorized by the Secretary of the Treasury, licensed importers, manufacturers, dealers, and pistol clubs; to the Committee on the Judiciary.

By Mr. MOSS:

H.R. 2335. A bill to amend titles 10 and 37, United States Code, to provide equality of treatment for married female members of the uniformed services; to the Committee on Armed Services.

H.R. 2336. A bill to amend section 412(b) of the Federal Aviation Act of 1958, with respect to contracts relating to the selection or appointment, or the utilization of the services, of ticket agents, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 2337. A bill to amend the Federal Aviation Act of 1958 to prohibit State taxation of the carriage of persons in air transportation; to the Committee on Interstate and Foreign Commerce.

H.R. 2338. A bill to prohibit the Civil Aeronautics Board from regulating the charges made by air carriers for certain inflight services made available to passengers; to the Committee on Interstate and Foreign Commerce.

H.R. 2339. A bill to prohibit any air carrier from refusing transportation to a U.S. marshal escorting a prisoner in his custody, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 2340. A bill to require the Federal Aviation Administrator to prescribe a minimum altitude of flight for aircraft in the airspace over Mount Vernon Estate, the home of George Washington, in Fairfax County, Va.; to the Committee on Interstate and Foreign Commerce.

By Mr. MOSS (for himself, Mr. VAN DEERLIN, Mr. LEGGETT, Mr. CORMAN, Mr. ANDERSON of California, and Mr. MAILLIARD):

H.R. 2341. A bill to amend the Federal Aviation Act of 1958, as amended, to authorize air carriers to engage in bulk air transportation of persons and property; to the Committee on Interstate and Foreign Commerce.

By Mr. MYERS:

H.R. 2342. A bill to amend title II of the Social Security Act to provide for cost-of-living increases in benefits, to increase the minimum survivor's benefit, and to liberalize the retirement test; to the Committee on Ways and Means

Mr. NICHOLS:

H.R. 2343. A bill to amend the Packers and Stockyards Act, 1921, as amended, so as to more adequately cover the egg industry, and for other purposes; to the Committee on Agriculture.

H.R. 2344. A bill to amend title 10, United States Code, to permit the recomputation of retired pay of certain members and former members of the Armed Forces; to the Committee on Armed Services.

H.R. 2345. A bill to compensate States and local educational agencies for the replacement cost of all public school buildings and facilities owned by them which have been or will be closed or abandoned by such agencies by reason of: (1) any order issued by a court of the United States; (2) compliance with any plan, guideline, regulation, recommendation, or order of the Department of Health, Education, and Welfare; (3) decisions arrived at by such State and local educational agencies in good faith efforts to comply with the decision of the U.S. Supreme Court requiring desegregation of public schools; to the Committee on Education and Labor.

H.R. 2346. A bill to amend the Civil Rights Act of 1964 by adding a new title, which restores to local school boards their constitutional power to administer the public schools committed to their charge, confers on parents the right to choose the public schools their children attend, secures to children the

right to attend the public schools chosen by their parents, and makes effective the right of public school administrators and teachers to serve in the schools in which they contract to serve; to the Committee on the Judiciary.

H.R. 2347. A bill to improve law enforcement in urban areas by making available funds to improve the effectiveness of police services; to the Committee on the Judiciary.

H.R. 2348. A bill to make it a Federal crime to kill or assault a fireman or law enforcement officer engaged in the performance of his duties when the offender travels in interstate commerce or uses any facility of interstate commerce for such purpose; to the Committee on the Judiciary.

H.R. 2349. A bill to protect the privacy of the American home from the invasion by mail of sexually provocative material, to prohibit the use of the U.S. mails to disseminate material harmful to minors, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 2350. A bill to provide for orderly trade in iron ore, iron and steel mill products; to the Committee on Ways and Means.

H.R. 2351. A bill to provide for orderly trade in textile articles and articles of leather footwear, and for other purposes; to the Committee on Ways and Means.

H.R. 2352. A bill to amend the Internal Revenue Code of 1954 with respect to the tax-exempt status of, and the deductibility of contributions to, certain private schools; to the Committee on Ways and Means.

By Mr. NICHOLS (by request):

H.R. 2353. A bill to provide a pension for veterans of World War I and their widows; to the Committee on Veterans' Affairs.

By Mr. OBEY (for himself, Mr. CÓRDOVA, Mr. MORSE, Mr. CARNEY, Mr. CONTE, Mrs. CHISHOLM, Mr. BRASCO, Mr. YATRON, Mr. ROYBAL, Mr. EDWARDS of California, Mrs. HICKS of Massachusetts, Mr. ASPIN, Mr. CARTER, and Mr. BARRETT):

H.R. 2354. A bill to amend title II and XVIII of the Social Security Act to include qualified drugs, requiring a physician's prescription or certification and approved by a Formulary Committee, among the items and services covered under the hospital insurance programs; to the Committee on Ways and Means.

By Mr. OBEY (for himself, Mr. REUSS, Mr. REID of New York, Mr. ANNUNZIO, Mr. TIERNAN, Mr. BURTON, Mr. DONOHUE, Mr. SCHEUER, Mr. PEPPER, Mr. MCKINNEY, Mr. FRASER, Mr. PRICE of Illinois, Mr. ROSENTHAL, Mr. HAYS, Mr. YATES, Mr. BERGLAND, Mr. HECHLER of West Virginia, Mr. HALPERN, Mr. MIKVA, Mr. HAMILTON, Mr. EILBERG, Mr. RONCALIO, Mr. PUCINSKI, Mr. BURKE of Massachusetts, and Mr. WILLIAMS):

H.R. 2355. A bill to amend titles II and XVIII of the Social Security Act to include qualified drugs, requiring a physician's prescription or certification and approved by a Formulary Committee, among the items and services covered under the hospital insurance program; to the Committee on Ways and Means.

By Mr. PERKINS (for himself, Mrs. GREEN of Oregon, Mr. THOMPSON of New Jersey, Mr. DENT, Mr. PUCINSKI, Mr. DANIELS of New Jersey, Mr. BRADEMAS, Mr. HAWKINS, Mr. WILLIAM D. FORD, Mrs. MINK, Mr. SCHEUER, Mr. MEEDS, Mr. BURTON, Mr. GAYDOS, Mr. STOKES, and Mr. CLAY):

H.R. 2356. A bill to establish an executive department to be known as the Department of Education, and for other purposes; to the Committee on Government Operations.

By Mr. PICKLE:

H.R. 2357. A bill to amend section 10 of the Railway Labor Act to settle emergency transportation labor disputes; to the Committee on Interstate and Foreign Commerce.

By Mr. PIRNIE:

H.R. 2358. A bill to amend the Watershed Protection and Flood Prevention Act, as amended; to the Committee on Agriculture.

H.R. 2359. A bill to amend chapter 55 of title 10 of the United States Code, to extend to mentally retarded or physically handicapped dependents of certain members and former members of the uniformed services the special care now provided to similarly afflicted dependents of members on active duty; to the Committee on Armed Services.

H.R. 2360. A bill to authorize the Council on Environmental Quality to conduct studies and make recommendations respecting the reclamation and recycling of material from solid wastes, to extend the provisions of the Solid Waste Disposal Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 2361. A bill to require the Secretary of Transportation to prescribe regulations governing the humane treatment of animals transported in air commerce; to the Committee on Interstate and Foreign Commerce.

H.R. 2362. A bill to amend title 18 of the United States Code to provide a penalty for persons who interfere with the conduct of judicial proceedings, and for other purposes; to the Committee on the Judiciary.

H.R. 2363. A bill to make it a Federal crime to kill or assault a fireman or law enforcement officer engaged in the performance of his duties when the offender travels in interstate commerce or uses any facility of interstate commerce for such purpose; to the Committee on the Judiciary.

H.R. 2364. A bill to amend section 2312 of title 18, United States Code, to permit a person enforcing that section to stop a motor vehicle to inspect the serial number of its body and motor if he has reason to suspect that the motor vehicle has been stolen; to the Committee on the Judiciary.

H.R. 2365. A bill to amend the Joint Resolution designating June 14 of each year as Flag Day (37 U.S.C. 157) to provide appropriate recognition of the Pledge of Allegiance to the Flag and its author, Francis Bellamy; to the Committee on the Judiciary.

H.R. 2366. A bill to authorize appropriations for the construction of economic growth center development highways and for other purposes; to the Committee on Public Works.

H.R. 2367. A bill to amend the Appalachian Regional Development Act of 1965 to include in the Appalachian region all of the Appalachian mountain system; to the Committee on Public Works.

H.R. 2368. A bill to establish an Environmental Financing Authority to assist in the financing of waste treatment facilities, and for other purposes; to the Committee on Public Works.

H.R. 2369. A bill to amend the Federal Water Pollution Control Act, as amended; to the Committee on Public Works.

H.R. 2370. A bill to provide that for Federal estate and gift tax purposes the value of tangible personal property and of shares of mutual funds shall be determined by the price obtainable on their sale by the executor or donor; to the Committee on Ways and Means.

H.R. 2371. A bill to provide for orderly trade in textile articles and articles of leather footwear, and for other purposes; to the Committee on Ways and Means.

By Mr. REID of New York:

H.R. 2372. A bill to assure to every American a full opportunity to have adequate employment, housing, and education, free from any discrimination on account of race, color, religion, or national origin, and for other purposes; to the Committee on Education and Labor.

By Mr. RHODES (for himself, Mr. ANDREWS of North Dakota, Mr. ARENDS, Mr. BAKER, Mr. CHAMBERLAIN, Mr. CLEVELAND, Mr. DAVIS of Wisconsin, Mr. FORSYTHE, Mr. HASTINGS, Mr. HENDERSON, Mr. JARMAN, Mr. LUJAN, Mr. MCCLORY, Mr. MCMILLAN, Mr. MICHEL, Mr. POWELL, Mr. ROBINSON, Mr. SCOTT, Mr. SIKES, Mr. SMITH of California, Mr. STEIGER of Arizona, Mr. THOMPSON of Georgia, Mr. THONE, and Mr. WILLIAMS):

H.R. 2373. A bill to provide for the establishment of a U.S. Court of Labor-Management Relations which shall have jurisdiction over certain labor disputes in industries substantially affecting commerce; to the Committee on the Judiciary.

By Mr. RODINO (for himself, Mr. WIDNALL, Mr. DANIELS of New Jersey, Mrs. DWYER, Mr. FRELINGHUYSEN, Mr. GALLAGHER, Mr. HELSTOSKI, Mr. HOWARD, Mr. MINISH, Mr. ROE, Mr. SANDMAN, and Mr. THOMPSON of New Jersey) (by request):

H.R. 2374. A bill to amend title 18 of the United States Code to permit the mailing of lottery tickets and related matter, the broadcasting or televising of lottery information, and the transportation and advertising of lottery tickets in interstate commerce, but only where the lottery is conducted by a State agency; to the Committee on the Judiciary.

By Mr. ROYBAL:

H.R. 2375. A bill to designate the birthday of Martin Luther King, Jr., as a legal public holiday; to the Committee on the Judiciary.

By Mr. SAYLOR (for himself, Mr. KYL, Mr. MCCLURE, Mr. DON H. CLAUSEN, Mr. RUPPE, Mr. CAMP, and Mr. LUJAN):

H.R. 2376. A bill to amend acts entitled "An act authorizing the Secretary of the Interior to arrange with States or Territories for the education, medical attention, relief or distress, and social welfare of Indians, and for other purposes", and "To transfer the maintenance and operation of hospital and health facilities for Indians to the Public Health Service, and for other purposes", and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SAYLOR (for himself, Mr. KYL, Mr. STEIGER of Arizona, Mr. MCCLURE, Mr. DON H. CLAUSEN, Mr. RUPPE, Mr. CAMP, and Mr. LUJAN):

H.R. 2377. A bill to provide for the assumption of the control and operation by Indian tribes and communities of certain programs and services provided for them by the Federal Government, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 2378. A bill to provide for financing the economic development of Indians and Indian organizations, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SAYLOR (for himself, Mr. KYL, Mr. STEIGER of Arizona, Mr. MCCLURE, Mr. DON H. CLAUSEN, Mr. CAMP, and Mr. LUJAN):

H.R. 2379. A bill to amend certain laws relating to Indians; to the Committee on Interior and Insular Affairs.

By Mr. SAYLOR (for himself, Mr. KYL, Mr. MCCLURE, Mr. DON H. CLAUSEN, Mr. RUPPE, Mr. CAMP, and Mr. LUJAN):

H.R. 2380. A bill to provide for the creation of the Indian Trust Counsel Authority, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SAYLOR (for himself, Mr. KYL, Mr. STEIGER of Arizona, Mr. MCCLURE, Mr. DON H. CLAUSEN, Mr. CAMP, and Mr. LUJAN):

H.R. 2381. A bill to establish within the Department of the Interior the position of

an additional Assistant Secretary of the Interior, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SCHEUER (for himself, and Mr. SYMINGTON):

H.R. 2382. A bill to assist in the effective and suitable disposal of passenger cars at the time of the discontinuance of their use on the highways by encouraging the disposal of such cars through persons licensed by the Secretary of Transportation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. THOMSON of Wisconsin:

H.R. 2383. A bill to amend the Soil Conservation and Domestic Allotment Act to establish an improved rural environmental protection program and for other purposes; to the Committee on Agriculture.

By Mr. WHALLEY (for himself, and Mr. GOODLING):

H.R. 2384. A bill to provide for the establishment of the Carlisle Indian School National Monument in Carlisle, Pa.; to the Committee on Armed Services.

By Mr. WYLIE:

H.R. 2385. A bill to amend the Fisherman's Protective Act of 1967 to require the return of certain vessels of the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. WYMAN:

H.R. 2386. A bill making it a Federal crime to engage in numbers wagering except in national drawings the proceeds of which shall be apportioned among the Law Enforcement Assistance Administration, the Department of Health, Education, and Welfare, and such States as may elect to participate therein; to the Committee on the Judiciary.

By Mr. YATRON:

H.R. 2387. A bill to amend the Federal Meat Inspection Act to provide that State inspected facilities after meeting the inspection requirements shall be eligible for distribution in establishments on the same basis as plants inspected under title I; to the Committee on Agriculture.

H.R. 2388. A bill to amend the Military Selective Service Act of 1967 to provide an exemption thereunder to the only son of any veteran with a service-connected disability of 70 percent or more, and the sole surviving son of any veteran who had such a disability at the time of death; to the Committee on Armed Services.

HR. 2389. A bill to amend the Federal Coal Mine Health and Safety Act of 1969 to extend black lung benefits of orphans whose fathers die of pneumoconiosis; to the Committee on Education and Labor.

H.R. 2390. A bill to amend the black lung provisions of the Federal Coal Mine Health and Safety Act of 1969 to extend those benefits to miners who incur silicosis in iron mines and surface coal mines; to the Committee on Education and Labor.

By Mr. ABERNETHY:

H.J. Res. 205. Joint resolution to amend the Constitution of the United States to guarantee the right of any State to apportion one House of its legislature on factors other than population; to the Committee on the Judiciary.

By Mr. ESHLEMAN:

H.J. Res. 206. Joint resolution proposing an amendment to the Constitution of the United States to make it clear that eligibility for welfare payments is not a right; to the Committee on the Judiciary.

By Mr. FRELINGHUYSEN:

H.J. Res. 207. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mrs. GRIFFITHS:

H.J. Res. 208. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. HANSEN of Idaho:

H.J. Res. 209. Joint resolution authorizing the President to declare the third week in June of each year as "National Fiddle Week"; to the Committee on the Judiciary.

By Mr. HASTINGS:

H.J. Res. 210. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. HOSMER:

H.J. Res. 211. Joint resolution proposing an amendment to the Constitution of the United States relating to the election of the President and Vice President; to the Committee on the Judiciary.

By Mr. MATSUNAGA:

H.J. Res. 212. Joint resolution to amend the Constitution to provide for representation of the District of Columbia in the Congress; to the Committee on the Judiciary.

By Mr. MINISH:

H.J. Res. 213. Joint resolution to authorize the President to designate the period beginning March 21, 1971, as "National Week of Concern for Prisoners of War/Missing in Action"; to the Committee on the Judiciary.

By Mr. NICHOLS:

H. J. Res. 214. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

H.J. Res. 215. Joint resolution proposing an amendment to the Constitution of the United States permitting the right to read from the Holy Bible and to offer nonsectarian prayers in the public schools or other public places if participation therein is not compulsory; to the Committee on the Judiciary.

H.J. Res. 216. Joint resolution proposing an amendment to the Constitution of the United States with respect to freedom of choice for children attending elementary and secondary schools; to the Committee on the Judiciary.

By Mr. SIKES:

H.J. Res. 217. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. TEAGUE of California:

H.J. Res. 218. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. THOMPSON of New Jersey:

H.J. Res. 219. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. YATRON:

H.J. Res. 220. Joint resolution authorizing the President to proclaim the third Sunday in October of each year as "National Shut-In Day"; to the Committee on the Judiciary.

By Mr. ABERNETHY:

H. Con. Res. 91. Concurrent resolution expressing the sense of the Congress with respect to the revocation of the United Nations economic sanctions against Southern Rhodesia; to the Committee on Foreign Affairs.

By Mr. COLLIER:

H. Con. Res. 92. Concurrent resolution expressing the sense of the Congress with respect to the rotation of members of the Armed Forces of the United States in their assignments to serve in combat zones; to the Committee on Armed Services.

By Mr. NICHOLS:

H. Con. Res. 93. Concurrent resolution expressing the sense of Congress with respect to freedom of choice and compulsory transportation in connection with public schools; to the Committee on Education and Labor.

By Mr. PIRNIE:

H. Con. Res. 94. Concurrent resolution to modify certain tariff concessions granted by the United States; to the Committee on Ways and Means.

By Mr. SAYLOR (for himself, Mr. KYL, Mr. STEIGER of Arizona, Mr. MCCLURE, Mr. Don H. CLAUSEN, Mr. CAMP, and Mr. LUJAN):

H. Con. Res. 95. Concurrent resolution relating to a national Indian policy; to the Committee on Interior and Insular Affairs.

By Mr. ANDREWS of Alabama (for himself and Mr. QUIE):

H. Res. 151. Resolution providing for an annual reception day for former Members of the House of Representatives; to the Committee on Rules.

By Mr. COLLIER:

H. Res. 152. Resolution to amend the Rules of the House of Representatives to create a standing committee to be known as the Committee on the Environment; to the Committee on Rules.

By Mr. DRINAN:

H. Res. 153. Resolution to abolish the Committee on Internal Security and enlarge the jurisdiction of the Committee on the Judiciary; to the Committee on Rules.

By Mr. FLOOD:

H. Res. 154. Resolution to express the sense of the House of Representatives that the United States maintain its sovereignty and jurisdiction over the Panama Canal Zone; to the Committee on Foreign Affairs.

By Mr. FULTON of Tennessee:

H. Res. 155. Resolution creating a select committee of the House to conduct a full and complete investigation of all aspects of the energy resources of the United States; to the Committee on Rules.

By Mr. HALL:

H. Res. 156. Resolution; "Continued U.S. Control of Panama Canal—Indispensable"; to the Committee on Foreign Affairs.

By Mr. PIRNIE:

H. Res. 157. Resolution to express the sense of the House of Representatives that the United States maintain its sovereignty and jurisdiction over the Panama Canal Zone; to the Committee on Foreign Affairs.

By Mr. PRYOR of Arkansas (for himself, Mr. BLATNIK, Mr. BYRON, Mr. CAREY, Mr. CLARK, Mr. COLLINS of Illinois, Mr. DANIELSON, Mr. DOWNING, Mr. FASCELL, Mr. FISH, Mr. FLOWERS, Mr. GETTYS, Mrs. GREEN of Oregon, Mr. HELSTOSKI, Mr. MCKAY, Mr. MACDONALD of Massachusetts, Mr. MAZZOLI, Mr. METCALFE, Mr. MINISH, Mr. PICKLE, Mr. RONCALIO, Mr. ROUSH, Mr. ROY, Mr. RUNNELS, and Mr. SIKES):

H. Res. 158. Resolution to create a Select Committee on Aging; to the Committee on Rules.

By Mr. PRYOR of Arkansas (for himself, Mr. SPENCE, Mr. STEELE, Mr. STOKES, Mr. THOMPSON of Georgia, Mr. ZWACH, Mr. BROWN of Michigan, Mrs. HICKS of Massachusetts, and Mr. MURPHY of Illinois):

H. Res. 159. Resolution to create a Select Committee on Aging; to the Committee on Rules.

## PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BROYHILL of Virginia (by request):

H.R. 2391. A bill for the relief of Elvia R. Benavides; to the Committee on the Judiciary.

By Mr. BROYHILL of Virginia:

H.R. 2392. A bill for the relief of Mrs. Gertrude Berkley; to the Committee on the Judiciary.

By Mr. BROYHILL of Virginia (by request):

H.R. 2393. A bill for the relief of Slavko N. Bjelajac; to the Committee on the Judiciary.

By Mr. CASEY of Texas:

H.R. 2394. A bill for the relief of Antonio Benavides; to the Committee on the Judiciary.

H.R. 2395. A bill for the relief of Agustin Pinera; to the Committee on the Judiciary.

By Mr. CELLER:

H.R. 2396. A bill for the relief of Vincenzo Di Martino; to the Committee on the Judiciary.

H.R. 2397. A bill for the relief of Evan Juan Fornilda; to the Committee on the Judiciary.

H.R. 2398. A bill for the relief of Generosa Fusco; to the Committee on the Judiciary.

H.R. 2399. A bill for the relief of Gustavo Genovese, his wife, Marianna Genovese, and their children, Simone Genovese, Salvatore Genovese, and Caterina Genovese; to the Committee on the Judiciary.

H.R. 2400. A bill for the relief of David Z. Glassman; to the Committee on the Judiciary.

H.R. 2401. A bill for the relief of Maria Gomez; to the Committee on the Judiciary.

H.R. 2402. A bill for the relief of Joseph W. Harris; to the Committee on the Judiciary.

H.R. 2403. A bill for the relief of Teresa Metrisciano; to the Committee on the Judiciary.

H.R. 2404. A bill for the relief of Miss Ada Vergeiner; to the Committee on the Judiciary.

H.R. 2405. A bill for the relief of Mary Weekes; to the Committee on the Judiciary.

By Mr. CORBETT:

H.R. 2406. A bill for the relief of Morris and Lenke Gelb; to the Committee on the Judiciary.

By Mr. COTTER:

H.R. 2407. A bill for the relief of Alda Vergano Fracchia and Angelo Fracchia; to the Committee on the Judiciary.

By Mr. GERALD R. FORD:

H.R. 2408. A bill for the relief of Louis A. Gerbert; to the Committee on the Judiciary.

By Mr. FRELINGHUYSEN:

H.R. 2409. A bill for the relief of Anna Crocetto; to the Committee on the Judiciary.

By Mr. GIAIMO:

H.R. 2410. A bill for the relief of Guerino Allevato and Vienna Mazzei Allevato; to the Committee on the Judiciary.

H.R. 2411. A bill for the relief of Arie Eliazarov; to the Committee on the Judiciary.

H.R. 2412. A bill for the relief of Cesare Anthony Luciani; to the Committee on the Judiciary.

By Mr. GOLDWATER:

H.R. 2413. A bill for the relief of Mesrop Bogosoglu; to the Committee on the Judiciary.

H.R. 2414. A bill for the relief of Nicola Di Nallo; to the Committee on the Judiciary.

H.R. 2415. A bill for the relief of Shi Chang Hsu (also known as Gerald S. C. Hsu); to the Committee on the Judiciary.

H.R. 2416. A bill for the relief of Hospicio A. Lakilak; to the Committee on the Judiciary.

H.R. 2417. A bill for the relief of Miss Peyravi Pary Parichehr; to the Committee on the Judiciary.

H.R. 2418. A bill for the relief of Adele Romanelli; to the Committee on the Judiciary.

H.R. 2419. A bill for the relief of Santuzza Simonti; to the Committee on the Judiciary.

H.R. 2420. A bill for the relief of Lucia Tortorella; to the Committee on the Judiciary.

H.R. 2421. A bill for the relief of Aurora Castell (also known as Aurora Villanueva); to the Committee on the Judiciary.

By Mr. KOCH:

H.R. 2422. A bill for the relief of Pacita de Azucena; to the Committee on the Judiciary.

By Mr. LONG of Maryland:

H.R. 2423. A bill for the relief of Anthony Di Russo; to the Committee on the Judiciary.

H.R. 2424. A bill for the relief of Maria Felicia; to the Committee on the Judiciary.

H.R. 2425. A bill for the relief of Hideo Uchiyama; to the Committee on the Judiciary.

By Mr. MINSHALL:

H.R. 2426. A bill for the relief of Nemecia Macatangay; to the Committee on the Judiciary.

By Mr. MOSS:

H.R. 2427. A bill for the relief of Maria Regina Montenegro-Quintero; to the Committee on the Judiciary.

By Mr. NELSEN:

H.R. 2428. A bill for the relief of Kyu Whan Whang and spouse, nee Young Won Lee; to the Committee on the Judiciary.

By Mr. O'NEILL:

H.R. 2429. A bill for the relief of Guglielmo Tonino Alleva; to the Committee on the Judiciary.

H.R. 2430. A bill for the relief of Eustachio V. Favia; to the Committee on the Judiciary.

H.R. 2431 A bill for the relief of Dimitra Kassola; to the Committee on the Judiciary.

H.R. 2432. A bill for the relief of Bong Soon Lee; to the Committee on the Judiciary.

H.R. 2433. A bill for the relief of Won Chan Lowe; to the Committee on the Judiciary.

By Mr. PEYSER:

H.R. 2434. A bill for the relief of Antonio Scopino; to the Committee on the Judiciary.

H.R. 2435. A bill for the relief of Giuseppe Speranza; to the Committee on the Judiciary.

By Mr. PIRNIE:

H.R. 2436. A bill for the relief of Sgt. Franklin A. Carpenter, U.S. Air Force; to the Committee on the Judiciary.

H.R. 2437. A bill for the relief of Mrs. Julia Chambers; to the Committee on the Judiciary.

H.R. 2438. A bill for the relief of Rosalia Manta Marchese; to the Committee on the Judiciary.

By Mr. REES:

H.R. 2439. A bill for the relief of Mrs. Tomoko Tokugawa; to the Committee on the Judiciary.

By Mr. ROONEY of New York:

H.R. 2440. A bill for the relief of Mrs. Josefina Ferrer Marasigan; to the Committee on the Judiciary.

H.R. 2441. A bill for the relief of Giovanni Orecchia; to the Committee on the Judiciary.

H.R. 2442. A bill for the relief of Rafael Antonio Pappa, his wife, Clotilde Consuelo Teresa Burastero de Pappa, and their children, Alejandra Andrea, Gabriela Araceli, Sergio Javier, and Fabian Rafael Pappa; to the Committee on the Judiciary.

By Mr. ROYBAL:

H.R. 2443. A bill for the relief of Heung Book Song; to the Committee on the Judiciary.

By Mr. SCHMITZ:

H.R. 2444. A bill for the relief of Ghassan Yousif Cotta; to the Committee on the Judiciary.

By Mr. TERRY:

H.R. 2445. A bill for the relief of Erlinda S. Calalang; to the Committee on the Judiciary.

By Mr. THOMSON of Wisconsin:

H.R. 2446. A bill for the relief of Song Han Kyou; to the Committee on the Judiciary.

By Mr. WILLIAMS:

H.R. 2447. A bill for the relief of Paulina Medrano Martinez; to the Committee on the Judiciary.

By Mr. ROYBAL:

H. Res. 160. Resolution honoring the late Rossell G. O'Brien; to the Committee on the Judiciary.

## MEMORIALS

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

3. By Mr. LENT: Memorial of the Legislature of the State of New York, by Joint Resolution No. 2, adopted on January 20, 1971, calling upon the Congress of the United States and the Federal Government to take prompt action to implement proposals for a system of direct Federal tax-sharing payments to the States; to the Committee on Ways and Means.

4. By the SPEAKER: Memorial of the Legislature of the State of West Virginia, relative to amending the Constitution of the United States to provide for intergovernmental sharing of Federal income tax revenues; to the Committee on the Judiciary.

# SENATE—*Tuesday, January 26, 1971*

The Senate met at 11:15 a.m. and was called to order by the Vice President.

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

O Thou ever-living God, to whom in all ages men have lifted up their hearts in prayer, make our hearts a temple of Thy spirit. Strengthen our awareness of Thy presence not only in the time of prayer, but in the hours of work. Confirm our faith in the invincibility of goodness. Guide Thy servants who serve Thee here that they may create enduring ministries for the common good, help heal the wounds of a broken world, and lift high the banner of the kingdom which is in time and beyond time, whose builder and maker is God.

We pray in His name who proclaimed the coming kingdom of truth and justice. Amen.

## THE JOURNAL

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of yesterday, Monday, January 25, 1971, be dispensed with.

The VICE PRESIDENT. Without objection, it is so ordered.

## ORDER OF BUSINESS

The VICE PRESIDENT. Under the previous order, the Chair recognizes the Senator from Delaware for 15 minutes.

## S. 191—INTRODUCTION OF NATIONAL CATASTROPHIC ILLNESS PROTECTION ACT OF 1971

Mr. BOGGS. Mr. President, I am introducing a bill which I believe goes far toward filling a desperate need in the area of health insurance. This bill, entitled the National Catastrophic Illness Protection Act of 1971, would relieve a measure of the financial burden that