unions with "dominant" positions in their industry should be required to appear before such a board to justify inflationary increases in wages.

However, this board would not have legal power to enforce wage and price rollbacks but would bring the "weight of public opinion to bear," Mr. Woodcock said.

At a breakfast meeting with reporters, the union leader said he was opposed to regulated wages and prices, "whether by jawboning or by guidelines."

He said that wage regulations would be easy to impose but that it would be hard to administer price controls.

He said he was "unimpressed by the little tableau of Bethlehem Steel and United States Steel" and implied that the recent large steel increase announced by Bethlehem Steel that was cut in half to match United States Steel's lower increase was not spontaneous.

Mr. Woodcock also asserted that "there is no question that the wage increases in the construction industry are excessive."

He said that outside electricians called in to work on construction projects in U.A.W. plants sometimes made $2 to $3 an hour more than electricians who were members of the U.A.W. "and sometimes our workers are more skilled than the others."

In testimony before the Joint Economic Committee of Congress later in the day, he said that earnings of unionized blue collar workers had grown less than any other segments of the working force during the Nixon Administration.

The Nixon Administration, he said, is "aiming at the wrong targets" when it points to contract settlements by big unions as the cause of inflation.

As part of a thick report on problems caused by what he described as the Administration's eratic economic policy," Mr. Woodcock detailed the U.A.W. plan for a price-wage review board.

A consumer council would be empowered to initiate hearings before the board aimed at reducing excessive price increases in industries that administer prices, such as the automobile industry. Unions would be required to participate in the hearings if wage increases were a factor, but the focus of the plan would be on price increases.

NIXON'S NEW AMERICAN REVOLUTIONARY WELFARE PROGRAM

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 4, 1971

Mr. RARICK. Mr. Speaker, by continuing his drive to have Congress enact the controversial family assistance plan, President Nixon is forgetting another of his campaign promises to the American people.

As a candidate for the Presidency in 1968, Mr. Nixon promised to reduce the number of persons receiving welfare handouts. His present pushing for the family assistance plan is at odds with his statement when as a candidate he said on April 25, 1968:

We must make welfare payments a temporary expedient, not a permanent way of life.

By renouncing his campaign promise and placing the family assistance plan as his foremost domestic goal, the President has divorced many voters who supported him in 1968 thinking he would make changes for the better—not for the worse.

Many knowledgeable persons are of the opinion that the family assistance plan would expand the welfare state by assuring additional millions of Americans a permanent status on the welfare rolls.

In his column "Public Affairs," Gen. Thomas A. Lane contends that straightening out Nixon's welfare "mess" requires no new laws nor additional funds—only Executive leadership in the efficient administration of present welfare laws. General Lane's article follows my remarks:

IT'S NIXON'S WELFARE MESS

(By Gen. Thomas A. Lane)

WASHINGTON.—As the 92nd Congress faces the formidable legacy of unfinished business bequeathed to it by its predecessor, it will have no problem more pressing than welfare. The costs of welfare are rising so rapidly in both federal and state governments that Congress must give priority attention to the subject. But before they act, Members of Congress should understand what they are doing.

President Nixon has condemned the present welfare mess and has asked Congress for new legislation to establish a minimum income for all families. His proposal would add 12 million persons to the 10 million now receiving welfare. His standards have been roundly condemned as inadequate, so the real prospect is that his program cannot be contained within the numbers or the funds of his plan. The President asserts that the work incentive features of his plan would in time reduce welfare rolls. We have substantial reason to reject that judgment.

The pregnant fact about welfare is that the "mess" is caused not by law but by federal regulation. That regulation is conducted by the federal bureaucracy which President Nixon heads. Straightening out the welfare mess does not require a new program, nor more money, nor new federal legislation. It just requires the exercise by the President of the executive leadership which he was elected to give to the country.

The law provides for assistance to the families of dependent children. That is a reasonable law which reflects the desire of the American people that children should not suffer, whatever the shortcomings of their parents may be.

It is not the law which encourages the break-up of families so that fraudulent AFDC claims may be made. It is the administration of the law by the federal bureaucracy which does this. The Department of Health, Education, and Welfare has so encumbered the law with paralyzing regulations that the states are effectively prevented from achieving the law's purpose. Federal regulations encourage fraud and the diversion of welfare funds to crooks and chiselers.

For example, federal regulations require that applicants be placed on welfare rolls on their own unsupported statements of eligibility. One indignant Californian proving the inadequacy of the system to her county supervisors signed up for welfare payments four times in one day—and at the same office!

Although federal regulations prohibit challenge to an applicant's statement of eligibility, the State of Nevada frequently completed a check of all persons on its welfare rolls. It found that 22% of the state welfare recipients, 889 families representing about 3000 persons and drawing about $1,000,000 per year in welfare payments, were actually ineligible under the law. About 70% of these chiseling families had been added to the rolls after the federal declaration system was promulgated by Secretary Finch of the Nixon cabinet in June, 1969.

The evidence indicates that federal maladministration of the law has mushroomed under President Nixon. He has tried to run welfare with politicians who are incompetent administrators. These men become dupes of the bureaucracy. If the President really wants to clean up the welfare mess, he should withdraw his family assistance plan and put a capable administrator like Winton Blount into the office of Secretary for Health, Education, and Welfare.

Those hard decisions about which Vice President Agnew spoke must begin right in President Nixon's office. Congress should tell him so.

MAN'S INHUMANITY TO MAN—HOW LONG?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 4, 1971

Mr. SCHERLE. Mr. Speaker, a child asks: "Where is daddy?" A mother asks: "How is my son?" A wife asks: "Is my husband alive or dead?"

Communist North Vietnam is sadistically practicing spiritual and mental genocide on over 1,500 American prisoners of war and their families.

How long?

HOUSE OF REPRESENTATIVES—*Monday, February 8, 1971*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Jesus said, I am the Way, the Truth, and the Life.—John 14: 6.

Almighty God, in whose hands are all our days and all our ways, we thank Thee that in Thy mercy we have come to the beginning of another week. Help us to show our gratitude by serving Thee more faithfully and by being more fruitful in our endeavors on behalf of our beloved country.

Give to each of us a concern for the rights and the needs of others. Stimulate our minds until our thoughts are Thy thoughts. Strengthen our wills until our purposes become Thy purposes—steady our hearts until our love is quickened by Thy love. Thus may we reflect in some little way the spirit of Him who is the Way, the Truth, and the Life. In His name we pray. Amen.

THE JOURNAL

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

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. Geisler, one of his secretaries.

DESIGNATION AS MEMBERS OF JOINT COMMITTEE ON INTERNAL REVENUE TAXATION

The SPEAKER laid before the House the following communication from the chairman of the Committee on Ways and Means:

FEBRUARY 1, 1971.

Hon. CARL ALBERT,
Speaker, U.S. House of Representatives.

DEAR MR. SPEAKER: Pursuant to section 8002 of the Internal Revenue Code of 1954, the following Members of the Committee on Ways and Means have been designated as members of the Joint Committee on Internal Revenue Taxation: Hon. Wilbur D. Mills, Hon. John C. Watts, Hon. Al Ullman, Hon. John W. Byrnes, and Hon. Jackson E. Betts.

Sincerely,

WILBUR D. MILLS,
Chairman.

COMMUNICATION FROM THE CLERK OF THE HOUSE

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

FEBRUARY 5, 1971.

The Honorable the Speaker,
House of Representatives.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 12:45 p.m. on Friday, February 5, 1971, said to contain a Message from the President transmitting the Fifth Annual Report of the National Endowment for the Humanities.

With kind regards, I am

Sincerely,

W. PAT JENNINGS, *Clerk,*
House of Representatives.

FIFTH ANNUAL REPORT OF THE NATIONAL ENDOWMENT FOR THE HUMANITIES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

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

To the Congress of the United States:

In transmitting this Fifth Annual Report of the National Endowment for the Humanities, I commend to your attention the work supported by the Endowment during fiscal year 1970 in increasing the cultural resources of our nation and in providing insight into and understanding of the complexities of contemporary problems.

The National Endowment for the Humanities, which is one of the two Endowments comprising the National Foundation on the Arts and the Humanities, has been able in its short existence to implement a wide variety of programs designed to promote progress and scholarship in the humanities through studies in history, language, literature, jurisprudence, philosophy, and related fields. In addition a major emphasis has been a heightened concern with human values as they bear on social conditions underlying the most difficult and far-reaching of the nation's domestic problems, such as divisions between races and generations.

With its positive response to my proposal of last year to increase funding for the National Foundation on the Arts and the Humanities, the Congress enabled the Endowment to make a significantly greater contribution to the quality of life for all Americans. The role of government in this area, as I emphasized last year, should be one of stimulating private giving and encouraging private initiative. I am therefore happy to report that the work of the National Endowment for the Humanities attracted 125 gifts from private sources totalling over $2 million during fiscal year 1970, more than matching Federal funds available for that purpose.

It is my hope that the 92nd Congress will recognize the innovative and vital role of the National Endowment for the Humanities as described in this Fifth Annual Report.

RICHARD NIXON.

THE WHITE HOUSE, *February 5, 1971.*

FIRST ANNUAL REPORT ON THE STATE OF THE NATION'S ENVIRONMENT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 92-46)

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:

Last August I sent to the Congress the first annual report on the state of the nation's environment. In my message of transmittal, I declared that the report "describes the principal problems we face now and can expect to face in the future, and it provides us with perceptive guidelines for meeting them. . . . They point the directions in which we must move as rapidly as circumstances permit."

The comprehensive and wide-ranging action program I propose today builds upon the 37-point program I submitted to the Congress a year ago. It builds upon the progress made in the past year, and draws upon the experience gained in the past year. It gives us the means to ensure that, as a nation, we maintain the initiative so vigorously begun in our shared campaign to save and enhance our surroundings. This program includes:

MEASURES TO STRENGTHEN POLLUTION CONTROL PROGRAMS

—Charges on sulfur oxides and a tax on lead in gasoline to supplement regulatory controls on air pollution
—More effective control of water pollution through a $12 billion national program and strengthened standard-setting and enforcement authorities
—Comprehensive improvement in pesticide control authority
—A Federal procurement program to encourage recycling of paper

MEASURES TO CONTROL EMERGING PROBLEMS

—Regulation of toxic substances
—Regulation of noise pollution
—Controls on ocean dumping

MEASURES TO PROMOTE ENVIRONMENTAL QUALITY IN LAND USE DECISIONS

—A national land use policy
—A new and greatly expanded open space and recreation program, bringing parks to the people in urban areas
—Preservation of historic buildings through tax policy and other incentives
—Substantial expansion of the wilderness areas preservation system
—Advance public agency approval of power plant sites and transmission line routes
—Regulation of environmental effects of surface and underground mining

FURTHER INSTITUTIONAL IMPROVEMENT

—Establishment of an Environmental Institute to conduct studies and recommend policy alternatives

TOWARD A BETTER WORLD ENVIRONMENT

—Expanded international cooperation
—A World Heritage Trust to preserve parks and areas of unique cultural value through the world.

1970—A YEAR OF PROGRESS

The course of events in 1970 has intensified awareness of and concern about environmental problems. The news of more widespread mercury pollution, late summer smog alerts over much of the East Coast, repeated episodes of ocean dumping and oil spills, and unresolved controversy about important land use questions have dramatized with disturbing regularity the reality and extent of these problems. No part of the United States has been free from them, and all levels of government—Federal, State and local—have joined in the search for solutions. Indeed, there is a growing trend in other countries to view the severity and complexity of environmental problems much as we do.

There can be no doubt about our growing national commitment to find solutions. Last November voters approved several billion dollars in State and local bond issues for environmental purposes, and Federal funds for these purposes are at an all time high.

The program I am proposing today will require some adjustments by governments at all levels, by our industrial and business community, and by the public in order to meet this national commitment. But as we strive to expand our national effort, we must also keep in mind the greater cost of *not* pressing ahead. The battle for a better environment can be won, and we are winning it. With the program I am outlining in this message we can obtain new victories and prevent problems from reaching the crisis stage.

During 1970, two new organizations were established to provide Federal leadership for the Nation's campaign to improve the environment. The Council on Environmental Quality in the Executive Office of the President has provided essential policy analysis and advice on a

broad range of environmental problems, developing many of our environmental initiatives and furnishing guidance in carrying out the National Environmental Policy Act, which requires all Federal agencies to devote specific attention to the environmental impact of their actions and proposals. Federal pollution control programs have been consolidated in the new Environmental Protection Agency. This new agency is already taking strong action to combat pollution in air and water and on land.

—I have requested in my 1972 budget $2.45 billion for the programs of the Environmental Protection Agency—nearly double the funds appropriated for these programs in 1971. These funds will provide for the expansion of air and water pollution, solid waste, radiation and pesticide control programs and for carrying out new programs.

In my special message on the Environment last February, I set forth a comprehensive program to improve existing laws on air and water pollution, to encourage recycling of materials and to provide greater recreational opportunities for our people. We have been able to institute some of these measures by executive branch action. While unfortunately there was no action on my water quality proposals, we moved ahead to make effective use of existing authorities through the Refuse Act water quality permit program announced in December. New air pollution control legislation, which I signed on the last day of 1970, embodies all of my recommendations and reflects strong bipartisan teamwork between the administration and the Congress—teamwork which will be needed again this year to permit action on the urgent environmental problems discussed in this message.

We must have action to meet the needs of today if we would have the kind of environment the nation demands for tomorrow.

I. STRENGHTHENING POLLUTION CONTROL PROGRAMS

The Clean Air Amendments of 1970 have greatly strengthened the Federal-State air quality program. We shall vigorously administer the new program, but propose to supplement it with measures designed to provide a strong economic stimulus to achieve the pollution reduction sought by the program.

AIR POLLUTION

SULFUR OXIDES EMISSIONS CHARGE

Sulfur oxides are among the most damaging air pollutants. High levels of sulfur oxides have been linked to increased incidence of diseases such as bronchitis and lung cancer. In terms of damage to human health, vegetation and property, sulfur oxide emissions cost society billions of dollars annually.

Last year in my State of the Union message I urged that the price of goods "should be made to include the cost of producing and disposing of them without damage to the environment." A charge on sulfur emitted into the atmosphere would be a major step in applying the principle that the costs of pollution should be included in the price of the product. A staff study underway indicates the feasibility of such a charge system.

Accordingly, I have asked the Chairman of the Council on Environmental Quality and the Secretary of the Treasury to develop a Clean Air Emissions Charge on emissions of sulfur oxides. Legislation will be submitted to the Congress upon completion of the studies currently underway.

The funds generated by this charge would enable the Federal Government to expand programs to improve the quality of the environment. Special emphasis would be given to developing and demonstrating technology to reduce sulfur oxides emissions and programs to develop adequate clean energy supplies. My 1972 budget provides increased funds for these activities. They will continue to be emphasized in subsequent years.

These two measures—the sulfur oxides emissions charge and expanded environmental programs—provide both the incentive for improving the quality of our environment and the means of doing so.

LEADED GASOLINE

Leaded gasolines interfere with effective emission control. Moreover, the lead particles are, themselves, a source of potentially harmful lead concentrations in the environment. The new air quality legislation provides authority, which I requested, to regulate fuel additives, and I have recently initiated a policy of using unleaded or low-lead gasoline in Federal vehicles whenever possible. But further incentives are needed. In 1970, I recommended a tax on lead used in gasoline to bring about a gradual transition to the use of unleaded gasoline. This transition is essential if the automobile emission control standards scheduled to come into effect for the 1975 model automobiles are to be met at reasonable cost.

—*I shall again propose a special tax to make the price of unleaded gasoline lower than the price of leaded gasoline. Legislation will be submitted to the Congress upon completion of studies currently underway.*

WATER QUALITY

We have the technology now to deal with most forms of water pollution. We must make sure that it is used.

In my February 1970 special message to the Congress on the Environment, I discussed our most important needs in the effort to control water pollution: adequate funds to ensure construction of municipal waste treatment facilities needed to meet water quality standards; more explicit standards, applicable to all navigable waters; more effective Federal enforcement authority to back up State efforts; and funds to help States build the necessary capability to participate in this joint endeavor.

MUNICIPAL WASTES

Adequate treatment of the large volume of commercial, industrial and domestic wastes that are discharged through municipal systems requires a great expenditure of funds for construction of necessary facilities. A thorough study by the Environmental Protection Agency completed in December 1970 revealed that $12 billion will be required by 1974 to correct the national waste treatment backlog. The urgency of this need, and the severe financial problems that face many communities, require that construction of waste treatment facilities be jointly funded by Federal, State, and local governments. We must also assure that adequate Federal funds are available to reimburse States that advanced the Federal share of project costs.

—*I propose that $6 billion in Federal funds be authorized and appropriated over the next three years to provide the full Federal share of a $12 billion program of waste treatment facilities.*

Some municipalities need help in overcoming the difficulties they face in selling bonds on reasonable terms to finance their share of construction costs. The availability of funds to finance a community's pollution control facilities should depend not on its credit rating or the vagaries of the municipal bond market, but on its waste disposal needs.

—*I again propose the creation of an Environmental Financing Authority so that every municipality has an opportunity to sell its waste treatment plant construction bonds.*

A number of administrative reforms which I announced last year to ensure that Federal construction grant funds are well invested have been initiated. To further this objective:

—*I again propose that the present, rigid allocation formula be revised, so that special emphasis can be given to those areas where facilities are most needed and where the greatest improvements in water quality would result.*

—*I propose that provisions be added to the present law to induce communities to provide for expansion and replacement of treatment facilities on a reasonably self-sufficient basis.*

—*I propose that municipalities receiving Federal assistance in constructing treatment facilities be required to recover from industrial users the portion of project costs allocable to treatment of their wastes.*

STANDARDS AND ENFORCEMENT

While no action was taken in the 91st Congress on my proposals to strengthen water pollution standard setting and enforcement, I initiated a program under the Refuse Act of 1899 to require permits for all industrial discharges into navigable waters, making maximum use of present authorities to secure compliance with water quality standards. However, the reforms I proposed in our water quality laws last year are still urgently needed.

Water quality standards now are often imprecise and unrelated to specific water quality needs. Even more impor-

tant, they provide a poor basis for enforcement: without a precise effluent standard, it is often difficult to prove violations in court. Also, Federal-State water quality standards presently do not apply to many important waters.

—*I again propose that the Federal-State water quality program be extended to cover all navigable waters and their tributaries, ground waters and waters of the contiguous zone.*

—*I again propose that Federal-State water quality standards be revised to impose precise effluent limitations on both industrial and municipal sources.*

—*I also propose Federal standards to regulate the discharge of hazardous substances similar to those which I proposed and the Congress adopted in the Clean Air Amendments of 1970.*

—*I propose that standards require that the best practicable technology be used in new industrial facilities to ensure that water quality is preserved or enhanced.*

—*I propose that the Administrator of the Environmental Protection Agency be empowered to require prompt revision of standards when necessary.*

We should strengthen and streamline Federal enforcement authority, to permit swift action against municipal as well as industrial and other violators of water quality standards. Existing authority under the Refuse Act generally does not apply to municipalities.

—*I propose that the Administrator of EPA be authorized to issue abatement orders swiftly and to impose administrative fines of up to $25,000 per day for violation of water quality standards.*

—*I propose that violations of standards and abatement orders be made subject to court-imposed fines of up to $25,000 per day and up to $50,000 per day for repeated violations.*

—*I again propose that the Administrator be authorized to seek immediate injunctive relief in emergency situations in which severe water pollution constitutes an imminent danger to health, or threatens irreversible damage to water quality.*

—*I propose that the cumbersome and time-consuming enforcement conference and hearing mechanism in the current law be replaced by a provision for swift public hearings as a prelude to issuance of abatement orders or requiring a revision of standards.*

—*I propose an authorization for legal actions against violations of standards by private citizens, as in the new air quality legislation, in order to bolster State and Federal enforcement efforts.*

—*I propose that the Administrator be empowered to require reports by any person responsible for discharging effluents covered by water quality standards.*

—*I again propose that Federal grants to State pollution control enforcement agencies be tripled over the next four years—from $10 million to $30 million—to assist these agencies in meeting their expanded pollution control responsibilities.*

CONTROL OF OIL SPILLS

Last May I outlined to the Congress a number of measures that should be taken to reduce the risks of pollution from oil spills. Recent events have underlined the urgency of action on these proposals. At the outset of this present Congress I resubmitted the Ports and Waterways Safety Act and the legislation requiring the use of bridge-to-bridge radiotelephones for safety of navigation. Such legislation would have decreased the chances of the oil spill which occurred as a result of a tanker collision in San Francisco Bay.

—*I have provided $25 million in next year's budget for development of better techniques to prevent and clean up oil spills and to provide more effective surveillance. I am asking the Council on Environmental Quality in conjunction with the Department of Transportation and the Environmental Protection Agency to review what further measures can be developed to deal with the problem.*

—*I also am renewing my request that the Senate give its advice and consent on the two new international conventions on oil spills and the pending amendments to the 1954 Oil Spills Convention for the Prevention of Pollution of the Sea by Oil.*

The Intergovernmental Maritime Consultative Organization (IMCO) is presently preparing a convention to establish an International Compensation Fund to supplement the 1969 Civil Liability Convention. Our ratification of the 1969 convention will be withheld until this supplementary convention can also be brought into force because both conventions are part of a comprehensive plan to provide compensation for damages caused by oil spills. In addition, we have taken the initiative in NATO's Committee on the Challenges of Modern Society and achieved wide international support for terminating all intentional discharges of oil and oily wastes from ships into the oceans by 1975, if possible, and no later than the end of this decade. We will continue to work on this matter to establish through IMCO an international convention on this subject.

PESTICIDES

Pesticides have provided important benefits by protecting man from disease and increasing his ability to produce food and fiber. However, the use and misuse of pesticides has become one of the major concerns of all who are interested in a better environment. The decline in numbers of several of our bird species is a signal of the potential hazards of pesticides to the environment. We are continuing a major research effort to develop nonchemical methods of pest control, but we must continue to rely on pesticides for the foreseeable future. The challenge is to institute the necessary mechanisms to prevent pesticides from harming human health and the environment.

Currently, Federal controls over pesticides consist of the registration and labeling requirements in the Federal Insecticide, Fungicide, and Rodenticide Act. The administrative processes contained in the law are inordinately cumbersome and time-consuming, and there is no authority to deal with the actual *use* of pesticides. The labels approved under the act specify the uses to which a pesticide may be put, but there is no way to insure that the label will be read or obeyed. A comprehensive strengthening of our pesticide control laws is needed.

—*I propose that the use of pesticides be subject to control in appropriate circumstances, through a registration procedure which provides for designation of a pesticide for "general use," "restricted use," or "use by permit only." Pesticides designated for restricted use would be applied only by an approved pest control applicator. Pesticides designated for "use by permit only" would be made available only with the approval of an approved pest control consultant. This will help to ensure that pesticides which are safe when properly used will not be misused or applied in excessive quantities.*

—*I propose that the Administrator of the Environmental Protection Agency be authorized to permit the experimental use of pesticides under strict controls, when he needs additional information concerning a pesticide before deciding whether it should be registered.*

—*I propose that the procedures for cancellation of a registration be streamlined to permit more expeditious action.*

—*I propose that the Administrator be authorized to stop the sale or use of, and to seize, pesticides being distributed or held in violation of Federal law*

RECYCLING OF WASTES

The Nation's solid waste problem is both costly and damaging to the environment. Paper, which accounts for about one-half of all municipal solid waste, can be reprocessed to produce a high quality product. Yet the percentage the Nation recycles has been declining steadily.

To reverse this trend, the General Services Administration, working with the Council on Environmental Quality, has reviewed the Federal Government's purchasing policies. It found a substantial number of prohibitions against using paper with recycled content. Such prohibitions are no longer reasonable in light of the need to encourage recycling.

As a result of this review, the GSA has already changed its specifications to require a minimum of 3 to 50 percent recycled content, depending on the product, in over $35 million per year of paper purchases. GSA is currently revising

other specifications to require recycled content in an additional $25 million of annual paper purchases. In total, this will amount to more than one-half of GSA's total paper products purchases. All remaining specifications will be reviewed to require recycled content in as many other paper products as possible. The regulations will be reviewed continually to increase the percentage of recycled paper required in each.

I have directed that the Chairman of the Council on Environmental Quality, suggest to the Governors that they review State purchasing policies and where possible revise them to require recycled paper. To assist them, I have directed the Administrator of GSA to set up a technical liaison to provide States with the federally revised specifications as well as other important information on this new Federal program, which represents a significant first step toward a much broader use of Federal procurement policies to encourage recycling.

II. CONTROLLING EMERGING PROBLEMS

Environmental control efforts too often have been limited to cleaning up problems that have accumulated in the past. We must concentrate more on preventing the creation of new environmental problems and on dealing with emerging problems. We must, for example, prevent the harmful dumping of wastes into the ocean and the buildup of toxic materials throughout our environment. We must roll back increasingly annoying and hazardous levels of noise in our environment, particularly in the urban environment. Our goal in dealing with emerging environmental problems must be to ward them off before they become acute, not merely to undo the damage after it is done.

TOXIC SUBSTANCES

As we have become increasingly dependent on many chemicals and metals, we have become acutely aware of the potential toxicity of the materials entering our environment. Each year hundreds of new chemicals are commercially marketed and some of these chemicals may pose serious potential threats. Many existing chemicals and metals, such as PCB's (polychlorinated biphenyls) and mercury, also represent a hazard.

It is essential that we take steps to prevent chemical substances from becoming environmental hazards. Unless we develop better methods to assure adequate testing of chemicals, we will be inviting the environmental crises of the future.

—*I propose that the Administrator of EPA be empowered to restrict the use or distribution of any substance which he finds is a hazard to human health or the environment.*

—*I propose that the Administrator be authorized to stop the sale or use of any substance that violates the provisions of the legislation and to seek immediate injunctive relief when use or distribution of a substance presents an imminent hazard to health or the environment.*

—*I propose that the Administrator be authorized to prescribe minimum standard tests to be performed on substances.*

This legislation, coupled with the proposal on pesticides and other existing laws, will provide greater protection to humans and wildlife from introduction of toxic substances into the environment. What I propose is not to ban beneficial uses of chemicals, but rather to control the use of those that may be harmful.

OCEAN DUMPING

Last year, at my direction, the Council on Environmental Quality extensively examined the problem of ocean dumping. Its study indicated that ocean dumping is not a critical problem now, but it predicted that as municipalities and industries increasingly turned to the oceans as a convenient dumping ground, a vast new influx of wastes would occur. Once this happened, it would be difficult and costly to shift to land-based disposal.

Wastes dumped in the oceans have a number of harmful effects. Many are toxic to marine life, reduce populations of fish and other economic resources, jeopardize marine ecosystems, and impair esthetic values. In most cases, feasible, economic, and more beneficial methods of disposal are available. Our national policy should be to ban unregulated ocean dumping of all wastes and to place strict limits on ocean disposal of harmful materials. Legislation is needed to assure that our oceans do not suffer the fate of so many of our inland waters, and to provide the authority needed to protect our coastal waters, beaches, and estuaries.

—*I recommend a national policy banning unregulated ocean dumping of all materials and placing strict limits on ocean disposal of any materials harmful to the environment.*

—*I recommend legislation that will require a permit from the Administrator of the Environmental Protection Agency for any materials to be dumped into the oceans, estuaries, or Great Lakes and that will authorize the Administrator to ban dumping of wastes which are dangerous to the marine ecosystem.*

The legislation would permit the Administrator to begin phasing out ocean dumping of harmful materials. It would provide the controls necessary to prevent further degradation of the oceans.

This would go far toward remedying this problem off our own shores. However, protection of the total marine environment from such pollution can only be assured if other nations adopt simliar measures and enforce them.

—*I am instructing the Secretary of State, in coordination with the Council on Environmental Quality, to develop and pursue international initiatives directed toward this objective.*

NOISE

The American people have rightly become increasingly annoyed by the growing level of noise that assails them. Airplanes, trucks, construction equipment, and many other sources of noise interrupt sleep, disturb communication, create stress, and can produce deafness and other adverse health effects. The urban environment in particular is being degraded by steadily rising noise levels. The Federal Government has set and enforces standards for noise from aircraft, but it is now time that our efforts to deal with many other sources of noise be strengthened and expanded.

The primary responsibility for dealing with levels of noise in the general environment rests upon local governments. However, the products which produce the noise are usually marketed nationally, and it is by regulating the noise-generation characteristics of such products that the Federal Government can best assist the State and local governments in achieving a quieter environment.

—*I propose comprehensive noise pollution control legislation that will authorize the Administrator of EPA to set noise standards on transportation, construction and other equipment and require labeling of noise characteristics of certain products.*

Before establishing standards the Administrator would be required to publish a report on the effects of noise on man, the major sources, and the control techniques available. The legislation would provide a method for measurably reducing major noise sources, while preserving to State and local governments the authority to deal with their particular noise problems.

III. PROMOTING ENVIRONMENTAL QUALITY IN OUR LAND USE DECISIONS

The use of our land not only affects the natural environment but shapes the pattern of our daily lives. Unfortunately, the sensible use of our land is often thwarted by the inability of the many competing and overlapping local units of government to control land use decisions which have regional significance.

While most land use decisions will continue to be made at the local level, we must draw upon the basic authority of State government to deal with land use issues which spill over local jurisdictional boundaries. The States are uniquely qualified to effect the institutional reform that is so badly needed, for they are closer to the local problems than is the Federal Government and yet removed enough from local tax and other pressures to represent the broader regional interests of the public. Federal programs which influence major land use decisions can thereby fit into a coherent pattern. In addition, we must begin to restructure economic incentives bearing upon land use to encourage wise and orderly decisions for preservation and development of the land.

I am calling upon the Congress to adopt a national land use policy. In addition, I am proposing other major initiatives on land use to bring "parks to the people," to expand our wilderness system, to restore and preserve historic and older buildings, to provide an orderly

system for power plant siting, and to prevent environmental degradation from mining.

A NATIONAL LAND USE POLICY

We must reform the institutional framework in which land use decisions are made.

—*I propose legislation to establish a National Land Use Policy which will encourage the States, in cooperation with local government, to plan for and regulate major developments affecting growth and the use of critical land areas. This should be done by establishing methods for protecting lands of critical environmental concern, methods for controlling large-scale development, and improving use of lands around key facilities and new communities.*

One hundred million dollars in new funds would be authorized to assist the States in this effort—$20 million in each of the next five years—with priority given to the States of the coastal zone. Accordingly, this proposal will replace and expand my proposal submitted to the last Congress for coastal zone management, while still giving priority attention to this area of the country which is especially sensitive to development pressures. Steps will be taken to assure that federally-assisted programs are consistent with the approved State land use programs.

PUBLIC LANDS MANAGEMENT

The Federal public lands comprise approximately one-third of the Nation's land area. This vast domain contains land with spectacular scenery, mineral and timber resources, major wildlife habitat, ecological significance, and tremendous recreational importance. In a sense, it is the "breathing space" of the Nation.

The public lands belong to all Americans. They are part of the heritage and the birthright of every citizen. It is important, therefore, that these lands be managed wisely, that their environmental values be carefully safeguarded, and that we deal with these lands as trustees for the future. They have an important place in national land use considerations.

The Public Land Law Review Commission recently completed a study and report on Federal public land policy. This Administration will work closely with the Congress in evaluating the Commission's recommendations and in developing legislative and administrative programs to improve public land management.

The largest single block of Federal public land lies in the State of Alaska. Recent major oil discoveries suggest that the State is on the threshold of a major economic development. Such development can bring great benefits both to the State and to the Nation. It could also—if unplanned and unguided—despoil the last and greatest American wilderness.

We should act now, in close cooperation with the State of Alaska, to develop a comprehensive land use plan for the Federal lands in Alaska, giving priority to those north of the Yukon River. Such a plan should take account of the needs and aspirations of the native peoples, the importance of balanced economic development, and the special need for maintaining and protecting the unique natural heritage of Alaska. This can be accomplished through a system of parks, wilderness, recreation, and wildlife areas and through wise management of the Federal lands generally. I am asking the Secretary of the Interior to take the lead in this task, calling upon other Federal agencies as appropriate.

PRESERVING OUR NATURAL ENVIRONMENT

The demand for urban open space, recreation, wilderness and other natural areas continues to accelerate. In the face of rapid urban development, the acquisition and development of open space, recreation lands and natural areas accessible to urban centers is often thwarted by escalating land values and development pressures. I am submitting to the Congress several bills that will be part of a comprehensive effort to preserve our natural environment and to provide more open spaces and parks in urban areas where today they are often so scarce. In addition, I will be taking steps within the executive branch to assure that all agencies are using fully their existing legislative authority to these ends.

"LEGACY OF PARKS"

Merely acquiring land for open space and recreation is not enough. We must bring parks to where the people are so that everyone has access to nearby recreational areas. In my budget for 1972, I have proposed a new "Legacy of Parks" program which will help States and local governments provide parks and recreation areas, not just for today's Americans but for tomorrow's as well. Only if we set aside and develop such recreation areas now can we ensure that they will be available for future generations.

As part of this legacy, I have requested a $200 million appropriation to begin a new program for the acquisition and development of additional park lands in urban areas. To be administered by the Department of Housing and Urban Development, this would include provision for facilities such as swimming pools to add to the use and enjoyment of these parks.

Also, I have recommended in my 1972 budget that the appropriation for the Land and Water Conservation Fund be increased to $380 million, permitting the continued acquisition of Federal parks and recreation areas as well as an expanded State grant program. However, because of the way in which these State grant funds were allocated over the past five years, a relatively small percentage has been used for the purchase and development of recreational facilities in and near urban areas. The allocation formula should be changed to ensure that more parks will be developed in and near our urban areas.

—*I am submitting legislation to reform the State grant program so that Federal grants for the purchase and development of recreation lands bear a closer relationship to the population distribution.*

—*I am also proposing amendments to the Internal Revenue Code which should greatly expand the use of charitable land transfers for conservation purposes and thereby enlarge the role of private citizens in preserving the best of America's landscape.*

Additional public parks will be created as a result of my program for examining the need for retention of real property owned by the Government. The Property Review Board, which I established last year, is continuing its review of individual properties as well as its evaluation of the Government's overall Federal real property program. Properties identified as suitable for park use and determined to be surplus can be conveyed to States and political subdivisions for park purposes without cost. The State or other political subdivision must prepare an acceptable park use plan and must agree to use the property as a park in perpetuity. More than 40 properties with high potential for park use have already been identified.

Five such properties are now available for conversion to public park use. One, Border Field, California, will be developed as a recreation area with the assistance of the Department of the Interior. The other four will be conveyed to States or local units of government as soon as adequate guarantees can be obtained for their proper maintenance and operation. These four are: (1) part of the former Naval Training Devices Center on Long Island Sound, New York; (2) land at a Clinical Research Center in Fort Worth, Texas; (3) about ten miles of sand dunes and beach along the Atlantic Coast and Sandy Hook Bay, a part of Fort Hancock, New Jersey; and (4) a portion of Fort Lawton, Washington, a wooded, hilly area near the heart of Seattle. In addition, efforts are underway to open a significant stretch of Pacific Ocean Beach Front and Coastal Bluffs at Camp Pendleton, California.

Many parcels of federal real property are currently underutilized because of the budgetary and procedural difficulties that are involved in transferring a Federal operation from the current site to a more suitable location.

—*I am again proposing legislation to simplify relocation of federal installations that occupy properties that could better be used for other purposes.*

This will allow conversion of many additional Federal real properties to a more beneficial public use. Lands now used for Federal operations but more suited to park and recreational uses will be given priority consideration for relocation procedures. The program will be self-financing and will provide new opportunities for improving the utilization of Federal lands.

WILDERNESS AREAS

While there is clearly a need for greater efforts to provide neighborhood parks and other public recreation areas, there

must still be places where nature thrives and man enters only as a visitor. These wilderness areas are an important part of a comprehensive open space system. We must continue to expand our wilderness preservation system, in order to save for all time those magnificent areas of America where nature still predominates. Accordingly, in August last year I expressed my intention to improve our performance in the study and presentation of recommendations for new wilderness areas.

—I will soon be recommending to the Congress a number of specific proposals for a major enlargement of our wilderness preservation system by the addition of a wide spectrum of natural areas spread across the entire continent.

NATIONAL PARKS

While placing much greater emphasis on parks in urban areas and the designation of new wilderness areas, we must continue to expand our national park system. We are currently obligating substantial sums to acquire the privately owned lands in units of the National Park System which have already been authorized by the Congress.

Last year, joint efforts of the administration and the Congress resulted in authorization of ten areas in the National Park System, including such outstanding sites as Voyageurs National Park in Minnesota, Apostle Islands National Lakeshore in Wisconsin, Sleeping Bear Dunes National Lakeshore in Michigan, Gulf Islands National Seashore in Mississippi and Florida, and the Chesapeake and Ohio Canal National Historical Park in the District of Columbia, Maryland and West Virginia.

However, the job of filling out the National Park System is not complete. Other unique areas must still be preserved. Despite all our wealth and scientific knowledge, we cannot recreate these unspoiled areas once they are lost to the onrush of development. I am directing the Secretary of the Interior to review the outstanding opportunities for setting aside nationally significant natural and historic areas, and to develop priorities for their possible addition to the National Park System.

POWER PLANT SITING

The power shortage last summer and continuing disputes across the country over the siting of power plants and the routing of transmission lines highlight the need for longer-range planning by the producers of electric power to project their future needs and identify environmental concerns well in advance of construction deadlines. The growing number of confrontations also suggest the need for the establishment of public agencies to assure public discussion of plans, proper resolution of environmental issues, and timely construction of facilities. Last fall, the Office of Science and Technology sponsored a study entitled "Electric Power and the Environment," which identified many of these issues. Only through involving the environmental protection agencies early in the planning of future power facilities can we avoid disputes which delay construction timetables. I believe that these two goals of adequacy of power supply and environmental protection are compatible if the proper framework is available.

—I propose a power plant siting law to provide for establishment within each State or region of a single agency with responsibility for assuring that environmental concerns are properly considered in the certification of specific power plant sites and transmission line routes.

Under this law, utilities would be required to identify needed power supply facilities ten years prior to construction of the required facilities. They would be required to identify the power plant sites and general transmission routes under consideration five years before construction and apply for certification for specific sites, facilities, and routes two years in advance of construction. Public hearings at which all interested parties could be heard without delaying construction timetables would be required.

MINED AREA PROTECTION

Surface and underground mining have scarred millions of acres of land and have caused environmental damages such as air and water pollution. Burning coal fires, subsidence, acid mine drainage which pollutes our streams and rivers and the destruction of aesthetic and recreational values frequently but unnecessarily accompany mining activities. These problems will worsen as the demand for fossil fuels and other raw materials continues to grow, unless such mining is subject to regulation requiring both preventive and restorative measures.

—I propose a Mined Area Protection Act to establish Federal requirements and guidelines for State programs to regulate the environmental consequences of surface and underground mining. In any State which does not enact the necessary regulations or enforce them properly, the Federal Government would be authorized to do so.

PRESERVING OUR ARCHITECTURAL AND HISTORIC HERITAGE

Too often we think of environment only as our natural surroundings. But for most of us, the urban environment is the one in which we spend our daily lives. America's cities, from Boston and Washington to Charleston, New Orleans, San Antonio, Denver, and San Francisco, reflect in the architecture of their buildings a uniqueness and character that is too rapidly disappearing under the bulldozer. Unfortunately, present Federal income tax policies provide much stronger incentives for demolition of older buildings than for their rehabilitation.

Particularly acute is the continued loss of many buildings of historic value. Since 1933 an estimated one-quarter of the buildings recorded by the Historic American Building Survey have been destroyed. Most lending institutions are unwilling to loan funds for the restoration and rehabilitation of historic buildings because of the age and often the location of such buildings. Finally, there are many historic buildings under Federal ownership for which inadequate provision has been made for restoration and preservation.

—I shall propose tax measures designed to overcome these present distortions and particularly to encourage the restoration of historic buildings.

—I shall propose new legislation to permit Federal insurance of home improvement loans for historic residential properties to a maximum of $15,000 per dwelling unit.

—I am recommending legislation to permit State and local governments more easily to maintain transferred Federal historic sites by allowing their use for revenue purposes and I am taking action to insure that no federally-owned property is demolished until its historic significance has first been reviewed.

IV. TOWARD A BETTER WORLD ENVIRONMENT

Environmental problems have a unique global dimension, for they affect every nation, irrespective of its political institutions, economic system, or state of development. The United States stands ready to work and cooperate with all nations, individually or through international institutions, in the great task of building a better environment for man. A number of the proposals which I am submitting to Congress today have important international aspects, as in the case of ocean dumping. I hope that other nations will see the merit of the environmental goals which we have set for ourselves and will choose to share them with us.

At the same time, we need to develop more effective environmental efforts through appropriate regional and global organizations. The United States is participating closely in the initiatives of the Organization for Economic Cooperation and Development (OECD), with its emphasis on the complex economic aspects of environmental controls, and of the Economic Commission for Europe (ECE), a U.N. regional organization which is the major forum for East-West cooperation on environmental problems.

Following a United States initiative in 1969, the North Atlantic Treaty Organization has added a new dimension to its cooperative activities through its Committee on the Challenges of Modern Society. CCMS has served to stimulate national and international action on many problems common to a modern technological society. For example, an important agreement was reached in Brussels recently to eliminate international discharges of oil and oily wastes by ships into the oceans by 1975 if possible or, at the latest, by the end of the decade. CCMS is functioning as an effective forum for reaching agreements on the development of pollution-free and safe automobiles. Work on mitigating the effects of floods and earthquakes is in progress. These innovative and specific actions are good examples of how efforts

of many nations can be focused and coordinated in addressing serious environmental problems facing all nations.

The United Nations, whose specialized agencies have long done valuable work on many aspects of the environment, is sponsoring a landmark Conference on the Human Environment to be held in Stockholm in June 1972. This will, for the first time, bring together all member nations of the world community to discuss those environmental issues of most pressing common concern and to agree on a world-wide strategy and the basis for a cooperative program to reverse the fearful trend toward environmental degradation. I have pledged full support for this Conference, and the United States is actively participating in the preparatory work.

Direct bilateral consultations in this field are also most useful in jointly meeting the challenges of environmental problems. Thus, the United States and Canada have been working closely together preparing plans for action directed to the urgent task of cleaning up the Great Lakes, that priceless resource our two nations share. Over the past few months, ministerial level discussions with Japan have laid the basis for an expanded program of cooperation and technological exchange from which both nations will benefit.

It is my intention that we will develop a firm and effective fabric of cooperation among the nations of the world on these environmental issues.

WORLD HERITAGE TRUST

As the United States approaches the centennial celebration in 1972 of the establishment of Yellowstone National Park, it would be appropriate to mark this historic event by a new international initiative in the general field of parks. Yellowstone is the first national park to have been created in the modern world, and the national park concept has represented a major contribution to world culture. Similar systems have now been established throughout the world. The United Nations lists over 1,200 parks in 93 nations.

The national park concept is based upon the recognition that certain areas of natural, historical, or cultural significance have such unique and outstanding characteristics that they must be treated as belonging to the nation as a whole, as part of the nation's heritage.

It would be fitting by 1972 for the nations of the world to agree to the principle that there are certain areas of such unique worldwide value that they should be treated as part of the heritage of all mankind and accorded special recognition as part of a World Heritage Trust. Such an arrangement would impose no limitations on the sovereignty of those nations which choose to participate, but would extend special international recognition to the areas which qualify and would make available technical and other assistance where appropriate to assist in their protection and management. I believe that such an initiative can add a new dimension to international cooperation.

—I am directing the Secretary of the Interior, in coordination with the Council on Environmental Quality, and under the foreign policy guidance of the Secretary of State, to develop initiatives for presentation in appropriate international forums to further the objective of a World Heritage Trust.

Confronted with the pressures of population and development, and with the world's tremendously increased capacity for environmental modification, we must act together now to save for future generations the most outstanding natural areas as well as places of unique historical, archeological, architectural, and cultural value to mankind.

V. FURTHER INSTITUTIONAL IMPROVEMENT

The solutions to environmental and ecological problems are often complex and costly. If we are to develop sound policies and programs in the future and receive early warning on problems, we need to refine our analytical techniques and use the best intellectual talent that is available.

After thorough discussions with a number of private foundations, the Federal Government through the National Science Foundation and the Council on Environmental Quality will support the establishment of an Environmental Institute. I hope that this nonprofit institute will be supported not only by the Federal Government but also by private foundations. The Institute would conduct policy studies and analyses drawing upon the capabilities of our universities and experts in other sectors. It would provide new and alternative strategies for dealing with the whole spectrum of environmental problems.

VI. TOWARD A BETTER LIFE

Adoption of the proposals in this message will help us to clean up the problems of the past, to reduce the amount of waste which is disposed, and to deal creatively with problems of the future before they become critical. But action by government alone can never achieve the high quality environment we are seeking.

We must better understand how economic forces induce some forms of environmental degradation, and how we can create and change economic incentives to improve rather than degrade environmental quality. Economic incentives, such as the sulfur oxides charge and the lead tax, can create a strong impetus to reduce pollution levels. We must experiment with other economic incentives as a supplement to our regulatory efforts. Our goal must be to harness the powerful mechanisms of the marketplace, with its automatic incentives and restraints, to encourage improvement in the quality of life.

We must also recognize that the technological, regulatory and economic measures we adopt to solve our environmental problems cannot succeed unless we enlist the active participation of the American people. Far beyond any legislative or administrative programs that may be suggested, the direct involvement of our citizens will be the critical test of whether we can indeed have the kind of environment we want for ourselves and for our children.

All across the country, our people are concerned about the environment—the quality of the air, of the water, of the open spaces that their children need. The question I hear everywhere is "What can *I* do?

Fortunately, there is a great deal that each of us can do. The businessman in his every day decisions can take into account the effects on the environment of his alternatives and act in an environmentally responsible way. The housewife can make choices in the marketplace that will help discourage pollution. Young people can undertake projects in their schools and through other organizations to help build a better environment for their communities. Parents can work with the schools to help develop sound environmental teaching throughout our education system. Every community in the Nation can encourage and promote concerned and responsible citizen involvement in environmental issues, an involvement which should be broadly representative of the life-styles and leadership of the community. Each of us can resolve to help keep his own neighborhood clean and attractive and to avoid careless, needless littering and polluting of his surroundings. These are examples of effective citizen participation; there are many others.

The building of a better environment will require in the long term a citizenry that is both deeply concerned and fully informed. Thus, I believe that our educational system, at all levels, has a critical role to play.

As our Nation comes to grips with our environmental problems, we will find that difficult choices have to be made, that substantial costs have to be met, and that sacrifices have to be made. Environmental quality cannot be achieved cheaply or easily. But, I believe the American people are ready to do what is necessary.

This Nation has met great challenges before. I believe we shall meet this challenge. I call upon all Americans to dedicate themselves during the decade of the seventies to the goal of restoring the environment and reclaiming the earth for ourselves and our posterity. And I invite all peoples everywhere to join us in this great endeavor. Together, we hold this good earth in trust. We must—and together we can—prove ourselves worthy of that trust.

RICHARD NIXON.

THE WHITE HOUSE, *February 8, 1971.*

NEED FOR A SINGLE ENVIRONMENTAL PROTECTION POLLUTION CONTROL PROGRAM

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

Mr. GERALD R. FORD. Mr. Speaker, the President said on January 1 last year that the time had come to give priority to our concerns about our environment. Together last year we made some important steps forward—setting up a strong Council on Environmental Quality in the Executive Office to coordinate our environmental programs and prepare new initiatives, reorganizing our pollution control programs into a single Environmental Protection Agency under dynamic leadership, enacting comprehensive legislation on air quality and solid wastes, establishing much needed new national parks, and initiating a potentially very effective enforcement of water quality under the permit authority of the Refuse Act.

In today's message on the environment the President has made crystal clear that concern about the environment is no fad and that it is our national policy to systematically defend our environment from all assaults. Rather than describe the 15 or so legislative measures, the treaties and the many executive actions involved, I will only sketch the main categories of action proposed.

Measures to strengthen pollution control programs:

Charges on sulfur oxides and lead to supplement regulatory controls on air pollution;

More effective control of water pollution through a $12 billion financing program and strengthened standard-setting and enforcement authorities;

Comprehensive improvement in pesticide control authority; and

A Federal procurement program to encourage recycling of paper.

Measures to control emerging problems:

Regulation of toxic substances;

Regulation of noise, pollution; and

Controls on ocean dumping.

Measures to promote environmental quality in land use decisions:

A new and greatly expanded open space and recreation program, bringing parks to the people in urban areas;

A national land use policy;

Adjustments in our tax policy to foster our land use goals;

Substantial expansion of the wilderness areas preservation system;

Advance clearance of powerplant sites; and

Regulation of strip mining.

Further institutional improvement:

Establishment of an Environmental Institute to conduct studies and recommend policy alternatives. Steps toward a better world environment:

Expanded international cooperation; and

A World Heritage Trust to preserve parks and areas of unique cultural value throughout the world.

At a time when there are many issues that divide us, I welcome so clear and strong a call to a cause that finds broad support in both parties, all generations and all parts of the country. I know that in my own State of Michigan, which has been a leader in this field, the President's environment message will be greeted and supported. I believe my colleagues here will find that the President's proposals respond to deep-felt needs across the country.

With so extensive an agenda it is fortunate that this message was placed before us early in this Congress. There have been extensive advance briefings of many of the committees concerned so I anticipate we can get off to a fast start.

I also anticipate that we will have our own constructive contributions to make to this program and that we will have broad support from both sides of the aisle for the President's initiatives. I believe that this will be true not only of the familiar antipollution programs included but also of such innovations as using market forces to abate pollution—by taxes on sulfur oxides in fuel and lead in gasoline—using Government contract policy to promote recycling, strengthening State powers over land use to protect the environment and guide development, and programs to head off such emerging environmental problems as noise, pollution from toxic substances such as mercury, and ocean dumping.

Mr. Speaker, I congratulate the President and his colleagues on his environment message. They have done their work with vision, vigor, and a sensitivity to the country's needs. I know my colleagues in this House will respond in kind.

THE EMPLOYMENT SECURITY AMENDMENTS OF 1970

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

Mr. MILLS. Mr. Speaker, the Employment Security Amendments of 1970—Public Law 91–373—comprised the most significant set of amendments to the unemployment compensation laws since Congress approved the law establishing the Federal-State unemployment compensation system in 1935. Members of the House will recall that the principal changes contained in the new law provide for: First, the extension of coverage of the unemployment compensation program to additional jobs; second, the establishment of a permanent program of extended benefits for persons who exhaust their regular State benefits during periods of high unemployment; third, certain limited requirements for State unemployment programs which are designed to protect the integrity of the program; fourth, the establishment of procedures for States to obtain judicial review of certain adverse determinations by the Secretary of Labor; and, fifth, changes in the financing of the program.

Mr. Speaker, I have been advised that the General Assembly of the State of Arkansas has now taken action to implement the provisions of the 1970 Employment Security Amendments. Not only did the general assembly, in act 35, take such action, Mr. Speaker, but it has also provided for numerous other improvements in the Arkansas statute. I, therefore, include at this point a letter of February 3 from Mr. Cecil L. Malone, unemployment insurance director, Arkansas Employment Security Division, together with a summary explaining this recent action by the Arkansas Legislature:

ARKANSAS EMPLOYMENT
SECURITY DIVISION,
Little Rock, Ark., February 3, 1971.

Hon. WILBUR D. MILLS,
House of Representatives,
Washington, D.C.

DEAR MR. MILLS: As discussed with you by phone we are very pleased that the Arkansas General Assembly took such prompt action on our Unemployment Insurance bill.

Act 35 of the Arkansas General Assembly includes all mandatory provisions required by Public Law 91–373 of the 91st Congress.

Beyond these requirements the new amendments include improvements in our Law which we call to your attention.

1. Defines a week of unemployment to be a week in which earnings do not exceed 140% of a claimant's weekly benefit amount.

2. Deductible earnings changed from a flat $5.00 to an amount in excess of 40% of a claimant's weekly benefit amount.

3. Raises maximum weekly benefit amount to 60% of State average weekly wage effective July 1, 1971 through June 30, 1973 and 66⅔% of State average weekly wage beginning July 1, 1973.

4. Exempts military retirement pay and disability retirement pay from disqualifying remuneration.

5. Adds a stabilization tax of 0.1 percent on all employers, except reimbursable employers, when assets of the Trust Fund are less than 2.5% of total payrolls. Reduces rated employer tax by 0.1 percent when assets of the Fund reach 5.0% of total payrolls.

6. Adds an Extended Benefit Tax of 0.1% on all employers, except reimbursable employers. This Tax is to be identified in the Trust Fund as a separate account. This tax is to be suspended for any rate year when the assets in the Extended Benefit Account are more than 0.2% of total payrolls during preceding calendar year.

Attached is a rather comprehensive summary of the contents of Act 35.

Sincerely,

J. MERLE LEMLEY,
Administrator.

SUMMARY OF ARKANSAS EMPLOYMENT SECURITY BILL

A bill to revise the Arkansas Employment Security Law must be passed by the 1971 Legislature to bring this Law into conformity with the Federal Unemployment Tax Act as amended in 1970 so that employers may retain Federal tax offset credit. The Employment Security Advisory Council, made up of 21 representatives from Management, Labor, Education Agriculture, and the General Public, following six months of study and deliberation, recommends by unanimous vote the changes outlined below which accomplish the following results:

1. Satisfies all the mandatory requirements of the new Federal Amendments, including new taxable wage base of $4,200.

2. Substantially improves the Arkansas Law with provisions for 13 weeks extended benefits and higher maximum benefits.

3. Removes two current stabilization tax rates totaling 0.4% from Arkansas employers, replaced with a stabilization rate of 0.1% on the higher taxable wage base.

Provision	Effective date	Mandatory	Improvement
Definitions:			
Employer—Expands "employer" to include religious, charitable, and educational institutions, and State hospitals and institutions of higher learning.	Jan. 1, 1972	X	
Employment and exclusions from coverage—Expands "employment" and "exclusions" from coverage. Adds as employment: Services for religious, charitable, and educational institutions; services for State hospitals and institutions of higher learning; services by a citizen outside the United States for an American employer and services on an American vessel. Excludes from coverage: Churches; ministers, beneficiaries of sheltered workshops; schools other than institutions of higher learning; patients in hospitals; students in institutions of higher learning; students in work-study programs; and beneficiaries in Government work-relief or work-training programs.	do	X	
Week of unemployment—Defines a week of unemployment as a week of less than full-time work if earnings do not exceed 140 percent of his weekly benefit amount. (This change required by change in deductible earnings from $5 to 40 percent of weekly benefit amount.)	July 1, 1971		X
Taxable wages—Increases "taxable wages" to $4,200 rather than $3,000.	Jan. 1, 1972	X	
Weekly benefit amount—Weekly benefit amount shall remain 50 percent of individual's average weekly wage. Raises maximum weekly benefit amount to 60 percent of State average weekly wage for insured employment effective July 1, 1971, through June 30, 1973, and to 66⅔ percent of State average weekly wage for insured employment effective July 1, 1973.	July 1, 1971		X
Deductible earnings—Earnings deductible from weekly benefit amount. Changes deductible earnings from "in excess of $5" to "in excess of 40 percent of weekly benefit amount."	do		X
Requalifying wage requirement—Adds requirement of insured wages subsequent to filing date of previous benefit year claim in order to requalify for benefits on a transitional claim.	do	X	
Retirement pay—Exempts military retirement pay and disability retirement pay from disqualifying remuneration.	do		X
Extended benefit payments—Provides that extended benefits paid are not to be charged to employer's separate account but shall be charged against the "extended benefit account" in the trust fund.	do		X
Experience rate—Excludes from an employer's experience rate record a stabilization tax or an extended benefit tax-payment and restricts experience rates to employers with 3 years or more of benefit risk experience.	Jan. 1, 1972		X
Stabilization tax—Effective for the 9-month period of Apr. 1 through Dec. 31, 1971, the stabilization tax rate for employers with 3 or more years of benefit risk experience shall be reduced by 0.2 percent. The stabilization tax rate for all other employers effective Jan. 1, 1971, shall remain unchanged through Dec. 31, 1971. (Provided, however, if this bill becomes an act after May 1, 1971, the effective period will be July 1 through Dec. 31, 1971.)	Apr. 1, 1971		X
The other current stabilization factor of 0.2 is removed	Dec. 31, 1971		X
Adds a 0.1 percent stabilization tax on all employers, except reimbursable employers, when the assets of the fund are less than 2.5 percent of total payrolls. This tax is not to be credited to the separate account of each employer. Provides that basic tax shall be reduced when assets of fund exceed 5 percent of total payrolls.	Jan. 1, 1972		X
Financing benefits paid to nonprofit organizations and State hospitals and institutions of higher education—Provides financing of benefits paid to employees of nonprofit organizations, State hospitals, and institutions of higher education. These organizations and institutions may elect to reimburse the fund for all regular and ½ extended benefits paid to their workers.	do	X	
Transition provision—If a nonprofit organization or a State hospital or institution had elected coverage under the Arkansas law prior to Jan. 1, 1969, and elects now to reimburse the fund in lieu of paying contributions, it will not be required to make payment into the fund until this total amount of benefits paid equals his balance of contributions in his account.	do	X	
Elective coverage for political subdivisions—Permits a political subdivision (county or city) an election to cover or not cover its workers in hospitals and institutions of higher learning. If a political subdivision elects to cover any of such workers it must cover all such workers and will be required to reimburse the fund for all regular and ½ extended benefits paid in lieu of the payment of contributions.	do	X	
Wage combining—Provides for a single wage combining plan rather than the 3 plans now in operation.	do	X	
Extended benefits—Basic provisions	July 1, 1971	X	
Trigger points.			
National—when national unemployment reaches 4.5 percent.			
State—when State unemployment rate reaches 4 percent and this rate equals or exceeds 120 percent of the average of such rates for the corresponding 13-week period ending in each of the preceding 2 calendar years.			
Extended benefit amounts.			
Weekly—same as regular weekly benefit amount.			
Maximum—lesser of—			
a. 50 percent of regular maximum benefit amount, or			
b. 13 times regular weekly benefit amount.			
Financing.			
State bears ½ and United States bears ½ cost			
State cost to be paid for by a 0.1 percent tax on all employers, except reimbursable employers under sec. 7(h). This tax to be in a new extended benefit account within the trust fund			
Tax not to be credited to the separate accounts of employers for experience rate purposes			
Extended benefits paid not to be charged to separate accounts of employers for experience rate purposes			
Extended benefit tax suspended for any rate year when assets of this account are more than 0.2 percent of total payrolls during the preceding calendar year			

SHOULD OUR MILITARY BE FORCED TO FIGHT TWO WARS—ONE IN VIETNAM AND ONE IN WASHINGTON

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

Mr. FISHER. Mr. Speaker, the attitude of a good many people, including some in high places, regarding the conduct of the war in Vietnam, has become most disturbing. These people arrogate to themselves the right to overrule the military judgment of those who should know what they are doing. If our military leaders do not qualify, then we should abolish the Military, Naval and Air Force Academies.

This is serious business. Many lives are involved. We are committed to combat troop withdrawal, and it is proceeding in an orderly manner. What more do the critics want? All reports indicate the Vietnamization program is proceeding exceedingly well. One would think the war protestors, if in good faith, would be elated over what is happening.

In carrying out this mission, protecting lives, and interdicting enemy supply lines, vital military decisions must be made. Yet it seems that every time a troop commitment is revealed, or a bomber attack is ordered, military leaders are hauled before committees and asked to publicize plans and explain in great detail why our military should interfere with the movement of Communist troops and supplies down the long and tortuous Ho Chi Minh Trail—directed to the south where American and South Vietnamese troops are on guard and even now under constant attack.

All accounts indicate the interdiction strategy has thus far been a great success. Thousands of vehicles have been destroyed, hundreds of enemy have been killed, and the enemy supply movement has been disrupted. Such timely interference should be acclaimed, not criticized.

One would think these irresponsible critics would draw in their horns after their gross misjudgment on our triumphant move last year into Cambodia. Following the destruction of the vast storehouses of enemy armament in that sanctuary, our casualties dropped by 37 percent. And there is no way of knowing how many lives were saved as a result.

MILITARY ENTITLED TO PRAISE

How would it be for these same committees, for a change, to say something nice about what is being done over there? Why not summon the Secretary of Defense and the Joint Chiefs of Staff, and publicly commend them for their good judgment and their achievements? That gesture would bespeak unity at home and solidarity of support behind American combat troops who are fighting in the jungles of Southeast Asia—under the American flag.

On Sunday I listened to three Members of the other body berate our Government—our Government—for providing some air support for our hard pressed allies who are fighting Communist aggressors in Laos and Cambodia. One of those "experts" expressed uncertainty and insisted, in any event, before such support is undertaken the President should come to Congress, lay out his plans, and seek guidance and authority.

How absurd can they get? Do they not recall that after our troops were sent into enemy sanctuaries in Cambodia last year the U.S. Senate required 7 weeks to debate an amendment to a bill which would require withdrawal? It is of inter-

est to note that final vote on that issue came after all troops had already been withdrawn—in accordance with the President's prior announcement. Seven weeks.

How many weeks would it take for those Senators to reach a decision on air support? One month? Two months? And by that time how much good would air support be?

Why, Mr. Speaker, should our military be constantly harassed when they are using what they evidently think constitutes sound military judgment? Is it in the public interest that their strategy and their decisions be publicized? Who, I ask, can be expected to get the most benefit from such exposure?

WE MUST TRUST THE MILITARY

Mr. Speaker, I do not profess to know about the need or the prudence of providing for air support, although on the face of it the strategy appears to make a lot of sense. As a layman, however, I would think the less said about such decisions the better off we are, and the better off our troops in Vietnam are—and the worse off is the enemy.

For myself, I am willing to trust the judgment of those in positions of responsibility who are calling the shots. Those people have their hands full fighting a war without being exposed to the glare of committees and forced to fight another war here in Washington.

The war in Vietnam has been a major tragedy. The military should long ago have been allowed to win that war. There are, at the same time, many knowledgeable people who feel very strongly that the war has, in effect, been won; that the grand design of Communist aggressors for the conquest of Southeast Asia has been blocked, and world war III may have been prevented—or at least delayed or made less likely.

In any event, let us exploit the plus factors, and not dissipate our advantages by constant bickering and harassment during this critical withdrawal period. This is no time for panic, and it is no time to jeopardize our withdrawal plans.

Moreover, what about the plight of our unfortunate prisoners of war, held incommunicado by a ruthless and savage enemy? Their release must be related to withdrawal plans. And any interference with withdrawal plans can do them a terrible injustice.

Those who advocate a specific cutoff date, irrespective of the disposition of the prisoners, are turning their backs on those POW's and their release from Communist prisons. The soft treatment of the enemy, as advocated by some, during this period, may very well affect chances for a peaceful settlement and the timetable for bringing our troops home.

Let us salvage the most out of the great sacrifices that have been made, and let us make the most of the opportunities that arise. Above all, let us trust the judgment of our military leaders. They have been interfered with far too much in the past.

H.R. 3620, TO LIMIT CAMPAIGN SPENDING BY CANDIDATES FOR CONGRESS

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

Mr. FISHER. Mr. Speaker, I have introduced H.R. 3620 which is designed to put an effective and enforceable limit on the amount of money that can be spent by or for a candidate for the House of Representatives.

Major features of the bill are as follows:

First. It limits such expenditures for each contested primary or general election campaign to $50,000.

Second. It requires any who spend money in behalf of the campaign of a candidate to first obtain that candidate's written permission, and the amount expended would be added to and included in the $50,000 ceiling.

Violation of any of these requirements would be a felony and subject the guilty to fines and prison sentences.

EXCESSIVE CAMPAIGN SPENDING IS A NATIONAL SCANDAL

Mr. Speaker, the vast amounts of money expended by and on behalf of candidates for office in recent years has become a national scandal. By sheer influence of unlimited spending, making maximum use of radio and television, wealthy candidates strive to literally buy public offices. Is the Congress to eventually become a rich man's club?

James Reston, the columnist, referring to the Madison Avenue technique, had this to say:

A pleasant smile, a big bankroll and 20 commercials a day look good like a candidate should . . . but there must be some way to protect the public from this political huckstering.

The San Antonio Light put it this way:

The success of a candidate is too often determined by the number of times he can appeal to the public eye and ear through television and radio.

In recent years we've seen too many examples of candidates literally buying nominations by outspending their poorly financed opponents in advertising media.

Another columnist, Marquis Childs, commented:

Big money, television, a hard-boiled commercial producer—that is the formula in a new kind of politics. It is savage, totally irrelevant to the issues, devised to cut down an opponent no matter what the means used.

PRESENT CONTROLS ARE USELESS

This spending trend has created a crisis which affects the American system of government. Efforts to control the evil has been feeble and nonenforceable. Hence, spending has gone completely out of control. An indicator of the magnitude of this trend is contained in a United Press International survey which reported, citing the Ethics Commitee finding:

The cost of all elective offices in the United States has risen from $140 million in 1952 to a projected $400 million in 1972

Referring to vast sums spent in campaigns as a "crisis," a Washington Post article commented:

Formal campaign reports offer no evidence of that crisis. They give no indication of the actual cost of running for major office in America. Nor do they show fully who spent what, or where he got his money, or to whom he might become beholden.

That same article continued:

Two years ago the entire reported amount spent on all congressional races in the 1968 campaign came to less than $9 million. Conservative estimates indicate at least $50 million actually was spent.

This evil which has developed in our political system is intolerable. It begets corruption, unethical tactics, deceit, and deliberate distortion of facts and issues. The public is fed up with it and is demanding relief. A recent Gallup poll showed 78 percent of the public favor a meaningful limitation on campaign spending. Now is the time for the Congress to act.

Mr. Speaker, my bill deals only with the House of Representatives. I did not choose to encumber it with others. Our immediate responsibility is in this body. I have used the $50,000 figure as a fair and liberal ceiling. Used prudently this amount should be ample to develop issues and express views to constituents. The important thing is to make the limitation meaningful. Reporting must be full, and conformance must be rigidly enforced. Not just ethics committees but grand juries must require compliance.

SOUTH VIETNAMESE OPERATIONS IN LAOS

(Mr. STRATTON asked and 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 only know what I have read in the papers or heard over the radio, but as one Member of Congress I am delighted to learn that South Vietnamese forces have moved into Laos to cut off the Ho Chi Minh infiltration route into Cambodia and South Vietnam. This is an operation that should have been undertaken long ago.

Those who talk about this as a widening of the Vietnam war are talking through their hats. Ever since the Vietnam war started the Ho Chi Minh Trail has been the central supply line, and—except for aerial attack—the principal enemy sanctuary.

If we are going to withdraw our forces safely and on schedule, as I certainly hope we will, and leave South Vietnam in a position to have a reasonable chance of running their own affairs when our forces leave, then they have got to cut this major supply line.

Frankly, Mr. Speaker, the most eloquent testimony to the wisdom of this strategy is the new high decibel level from Hanoi in protest—and even 2 weeks before the operation actually began. Now they are really being squeezed, and at long last the South Vietnamese are removing the sanctuaries that for so long have sustained and prolonged the North Vietnamese aggression

Finally, Mr. Speaker, the very fact that this new operation has been launched shows the dramatic improve-

ment that has been made in the South Vietnamese Armed Forces in 2 short years in the Vietnamization policy of President Nixon. It is proving to be an effective way of winding down the war and our involvement in it.

PLIGHT OF AMERICAN SERVICEMEN MISSING IN ACTION OR PRISONERS OF WAR IN SOUTHEAST ASIA

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

Mr. MORGAN. Mr. Speaker, one of the critical issues of our time is the plight of American servicemen missing in action or prisoners of war in Southeast Asia. Too few Americans are aware of, or are concerned about, the problem. Consequently, it appears to Hanoi and others elsewhere that America simply does not care about the 1,600 members of its Armed Forces listed as MIA or POW.

The American Legion is one organization that is attempting to do something about this problem at the State and local level.

Following his election last September, National Commander Alfred P. Chamie appointed a special committee to develop a program to convince Hanoi that the American people are united in their demand that the North Vietnamese comply fully with the provisions of the 1949 Geneva Convention on treatment of prisoners of war. The committee is headed by Past National Commander William R. Burke of California. As one of the first steps to implement this program, Governors, mayors, and other elected officials were requested to issue an order proclaiming a "Prisoners of War Day" and urging all citizens to demonstrate their concern for these brave young men and pray for their welfare and release.

The American Legion is to be commended for the positive action it has taken to bring the problems of these servicemen and their families to the attention and conscience of the American people. As it has so many times in the past, the Legion is acting in the finest traditions of humanitarianism and patriotism. I believe the proclamations of the Governors deserve the attention of all Members of the Congress and it is my privilege to place them in the CONGRESSIONAL RECORD. Following the proclamations of the Governors is an alphabetical list of the counties, cities, and townships that have also issued "Prisoners of War Day" proclamations.

The proclamations and list follows:

PROCLAMATION

PRISONER OF WAR DAY

Whereas, nearly 1,600 members of the Armed Forces of the United States are officially listed either as missing in action or as prisoners of war in Southeast Asia; and

Whereas, these men have suffered and continue to suffer pain, imprisonment, deprivation of their rights, prolonged separation from their loved ones, and the peculiar mental and physical anguish which is the unique lot of the prisoner of war; and

Whereas, their wives, children, parents, and other relatives in the United States suffer with them the agony of separation and of loneliness; and

Whereas, these men have carried out and continue to carry out their duties to their country in accordance with their principles and pursuant to directions of the American people whom they are defending; and

Whereas, it is entirely just and in accord with humanitarian instincts that we, the American people, remember these men, cherish their contributions to our security, and pray for their safety and their speedy return to their homes and families:

Now, therefore, I, Keith H. Miller, Governor of the State of Alaska, do hereby proclaim November 11, 1970, as "Prisoner of War Day" in Alaska, and I urge all citizens to show their respect and concern for these servicemen and, further, to join me in praying for their release.

In witness whereof, I have hereunto set my hand and caused the Seal of the State of Alaska to be affixed this second day of November in the year of our Lord nineteen hundred and seventy.

KEITH H. MILLER,
Governor.

PROCLAMATION

PRISONER OF WAR DAY, 1970

Whereas, nearly 1,600 members of the Armed Forces of the United States are officially listed either as missing in action or as prisoners-of-war in Southeast Asia; and

Whereas, these men have suffered and continue to suffer pain, imprisonment, deprivation of their rights, prolonged separation from their loved ones, and the peculiar mental and physical anguish which is the unique lot of the prisoner of war; and

Whereas, their wives, children, parents and relatives in the United States suffer with them the agony of separation and of loneliness; and

Whereas, these men have carried out, and continue to carry out their duties to their country in accordance with their principles and pursuant to directions of the American people whom they are defending; and

Whereas, it is entirely just and in accord with humanitarian instincts that we, the American people, remember these men, cherish their contributions to our security, and pray for their safety and their speedy return to their homes and families;

Now, therefore, I, Jack Williams, Governor of the State of Arizona do hereby proclaim November 11, to be "Prisoner of War Day, 1970" and do urge all Arizonans to show their respect and concern for these servicemen and to join me in praying for their release.

In witness whereof, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Arizona.

Done at the Capitol in Phoenix this 5th day of November in the year of Our Lord One Thousand Nine Hundred and Seventy and of the Independence of the United States the One Hundred and Ninety-fifth.

JACK WILLIAMS,
Governor.

PROCLAMATION

Whereas, nearly 1,600 members of the Armed Forces of the United States are officially listed either as missing in action or as prisoners-of-war in Southeast Asia; and

Whereas, These men have suffered and continue to suffer pain, imprisonment, deprivation of their rights, prolonged separation from their loved ones, and the peculiar mental and physical anguish which is the unique lot of the prisoner-of-war; and

Whereas, Their wives, children, parents and other relatives in the United States suffer with them the agony of separation and of loneliness; and

Whereas, These men have carried out, and continue to carry out their duties to their country in accordance with their principles and pursuant to directions of the American people whom they are defending; and

Whereas, It is entirely just and in accord with humanitarian instincts that we, the American people, remember these men, cherish their contributions to our security, and pray for their safety and their speedy return to their homes and families,

Now therefore, I, Ronald Reagan, Governor of California, do hereby proclaim November 11, 1970, as "Prisoner of War Day" in California, and I urge all citizens to show their respect and concern for these servicemen and to join me in praying for their release.

In witness whereof, I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 6th day of November, One Thousand Nine Hundred Seventy.

RONALD REAGAN,
Governor.

PROCLAMATION

WRITE HANOI MONTH

Whereas: There are more than 1600 American military men who have been classified by the United States Government as prisoners of war or missing in action in the geographical area of Southeast Asia, particularly North Viet Nam; and

Whereas: Since 1964 approximately 600 letters have been received by the families of persons who are classified as prisoners of war or missing in action; and

Whereas: The physical condition of the prisoners of war who have been released to date by the Hanoi Government has been far below normal standards; and

Whereas: Prisoners of war have been subjected to treatment contrary to that usually afforded prisoners of war during military conflicts; and

Whereas: Notwithstanding the endorsement of the Geneva Convention by the Government of North Viet Nam, the Hanoi Government leaders have not implemented the following provisions of the Geneva Convention:

(a) Release of names of prisoners held;

(b) Immediate release of prisoners who are sick or wounded;

(c) Impartial inspections of facilities used for prisoner detention;

(d) Assure that all prisoners receive proper medical care and adequate food;

(e) Prisoners shall not be paraded or photographed for purposes of political propaganda;

(f) Belligerents must not use false information about prisoners which would be harmful to the mental health of the prisoners or their families at home;

(g) Provide frequent exchange of mail between prisoners and their families;

Now therefore: I, Lester Maddox, Governor of the State of Georgia, do hereby proclaim the month of November, 1970, as "WRITE HANOI MONTH" in Georgia, and call upon all the citizens of our State to remember those persons classified as prisoners of war or missing in action in their prayers during this month; and

Further: All citizens of the State of Georgia are requested to communicate in writing with the Hanoi Government leaders requesting that prompt information relative to all Americans classified as prisoners of war or missing in action be released and that said leaders implement immediate steps to comply with the provisions of the Geneva Convention; and

Further: The news media throughout the

State of Georgia is hereby respectfully requested to take cognizance of the observances during this month and to take note of the refusal of the Government of North Viet Nam to abide by the provisions of the Geneva Convention relative to military personnel classified as prisoners of war or missing in action.

PROCLAMATION

Whereas, nearly 1,600 members of the Armed Forces of the United States are officially listed either as missing in action or as prisoners-of-war in Southeast Asia; and

Whereas, these men have suffered and continue to suffer pain, imprisonment, deprivation of their rights, prolonged separation from their loved ones, and peculiar mental and physical anguish which is the unique lot of the prisoner-of-war; and

Whereas, their wives, children, parents and other relatives in the United States suffer with them the agony of separation and of loneliness; and

Whereas, these man have carried out, and continue to carry out their duties to their country in accordance with their principles and pursuant to directions of the American people whom they are defending; and

Whereas, it is entirely just and in accord with humanitarian instincts that we, the American people, remember these men, cherish their contributions to our security, and pray for their safety and their speedy return to their homes and families;

Now, therefore, I, John A. Burns, Governor of the State of Hawaii, do hereby proclaim November 22–28, 1970, as "Prisoner of War Week" in the State of Hawaii, and I urge all citizens to show their respect and concern for these servicemen and to join me in praying for their release.

Done at the State Capitol, Honolulu, State of Hawaii, this 23rd day of November, 1970.

JOHN A. BURNS.

PROCLAMATION

Whereas, Nearly 1,600 members of the Armed Forces of the United States are officially listed either as missing in action or as prisoners-of-war in Southeast Asia; and

Whereas, These men have suffered and continue to suffer pain, imprisonment, deprivation of their rights, prolonged separation from their loved ones, and the peculiar mental and physical anguish which is the unique lot of the prisoner-of-war; and

Whereas, Their wives, children, parents and other relatives in the United States suffer with them the agony of separation and of loneliness; and

Whereas, These men have carried out, and continue to carry out their duties to their country in accordance with their principles and pursuant to directions of the American people whom they are defending; and

Whereas, It is entirely just and in accord with humanitarian instincts that we, the American people, remember these men, cherish their contributions to our security, and pray for their safety and their speedy return to their homes and families;

Now, therefore, I, Edgar D. Whitcomb, Governor of the State of Indiana do hereby proclaim the 11th Day of November 1970, as "Prisoner of War Day" in Indiana, and I urge all citizens to show their respect and concern for these servicemen and to join me in praying for their release.

In testimony whereof, I have hereunto set my hand and caused to be affixed the great seal of the State of Indiana, at the Capitol, in the city of Indianapolis, this 21st day of October 1970.

EDGAR D. WHITCOMB,
Governor of Indiana.

PROCLAMATION

Whereas, the State of Iowa and all Iowa citizens are proud of our American servicemen in Southeast Asia and concerned for our men who are being held as prisoners of war; and

Whereas, the Iowa District of the National League of Families of American Prisoners and Missing in Action in Southeast Asia needs the support of all Iowans in its efforts to keep these men ever in the thoughts and prayers of our citizens and to work for their safety and speedy release:

Now, therefore, I, Robert D. Ray, Governor of the State of Iowa, do hereby proclaim the week November 9–15, 1970, as "Concern for Prisoners of War Week" in Iowa, and Sunday, November 15, 1970, a "Day of Prayer and Concern" as the culmination of this week of prayerful concern and remembrance of these courageous American servicemen.

In testimony whereof, I have hereunto subscribed my name and caused the Great Seal of the State of Iowa to be affixed. Done at Des Moines this 22nd day of October in the year of our Lord one thousand nine hundred seventy.

ROBERT D. RAY,
Governor.

PROCLAMATION

Whereas, nearly 1,600 members of the Armed Forces of the United States are officially listed either as missing in action or as prisoners-of-war in Southeast Asia; and

Whereas, these men have suffered and continue to suffer pain, imprisonment, deprivation of their rights, prolonged separation from their loved ones, and the peculiar mental and physical anguish which is the unique lot of the prisoner-of-war; and

Whereas, their wives, children, parents and other relatives in the United States suffer with them the agony of separation and of loneliness; and

Whereas, these men have carried out, and continue to carry out their duties to their country in accordance with their principles and pursuant to directions of the American people whom they are defending; and

Whereas, it is entirely just and in accord with humanitarian instincts that we, the American people, remember these men, cherish their contributions to our security, and pray for their safety and their speedy return to their homes and families;

Now, therefore, I, Louie B. Nunn, Governor of the Commonwealth of Kentucky, do hereby proclaim Veteran's Day on November 11, 1970, as "Prisoner of War Day" in Kentucky, and urge all the citizens of our Commonwealth to show their respect and concern for these servicemen and to join me in praying for their release.

Done at the Capitol in the city of Frankfort this 2nd day of November in the year of Our Lord one thousand nine hundred seventy and of the Commonwealth of Kentucky the one hundred seventy-ninth.

LOUIE B. NUNN.
Governor.

PROCLAMATION

Whereas, More than 1500 American men were listed as missing in action as of the first of last year, with 450 of these men believed to be prisoners of war; and

Whereas, Hanoi has never officially confirmed that there are any P.O.W.'s; and

Whereas, The Geneva Convention provides that the identity of all prisoners held be made available; that neutral inspection of prison camps be permitted; that mail and packages be allowed to flow between prisoners and families; that sick and wounded be released; and that prisoners be protected from public abuse; and

Whereas, both Hanoi and the United States signed the terms of the Geneva Convention; and

Whereas, North Vietnam has violated the provisions of the Geneva Convention by not confirming that Americans are held as P.O.W.'s, and accordingly violating all the other provisions of the Geneva Convention; and

Whereas, such gross violations subject our American men held as P.O.W.'s to inhumane treatment and impose immeasurable suffering and mental cruelty on the families of these men missing in action and/or held as P.O.W.'s, as well as all Americans concerned with the welfare of our American men and women engaged in the struggle to defend the principles of freedom;

Now, therefore, I, John J. McKeithen, Governor of the State of Louisiana, do hereby proclaim the week of November 1–7, 1970 as "Operation P.O.W. Week" and call upon all freedom-loving Americans to join in the letter-writing crusade to Hanoi, and to the President, senators, representatives, and others urging Hanoi to accord humane treatment of prisoners and their families.

PROCLAMATION

Whereas, More than 1,600 American military personnel are prisoners of the enemy or missing in action as a result of the Indo-China conflict; and

Whereas, These men are not being accorded their rights under the Geneva Convention in regard to identification, humane treatment, freedom of communication and repatriation of the sick and wounded; and

Whereas, All previous attempts to assist the prisoners and determine the whereabouts of the missing in action have failed.

Now, therefore, I Forrest H. Anderson, Governor of the State of Montana, do hereby proclaim the week of November 9 through 15, 1970, as "Concern for Prisoners of war week" in Montana, and specifically, Sunday, November 15, 1970 a "Day of Prayer and Concern" as a means of calling attention to the unfortunate fate of Americans held captive or missing in action as a result of the Indochina conflict.

In witness whereof, I have hereunto set my hand and caused the Great Seal of the State of Montana to be affixed. Done at the City of Helena, the Capital, this second day of November, in the year of our Lord, one thousand nine hundred and seventy.

FORREST H. ANDERSON,
Governor of Montana.

PROCLAMATION

Whereas, nearly 1,600 members of the Armed Forces of the United States are officially listed either as missing in action or as prisoners-of-war in Southeast Asia; and

Whereas, these men have suffered and continue to suffer pain, imprisonment, deprivation of their rights, prolonged separation from their loved ones, and the peculiar mental and physical anguish which is the unique lot of the prisoner-of-war; and

Whereas, their wives, children, parents and other relatives in the United States suffer with them the agony of separation and of loneliness; and

Whereas, these men have carried out, and continue to carry out their duties to their country in accordance with their principles and pursuant to directions of the American people whom they are defending; and

Whereas, it is entirely just and in accord with humanitarian instincts that we, the American people, remember these men, cherish their contributions to our security, and pray for their safety and their speedy return to their homes and families;

Now, therefore, I, Raymond H. Bateman, Acting Governor of the State of New Jersey,

do hereby proclaim the month of November 1970 as "Prisoner of War Month" in the State of New Jersey, and I urge all citizens to show their respect and concern for these servicemen and to join me in praying for their release.

Given, under my hand and the Great Seal of the State of New Jersey this 30th day of October, in the year of Our Lord one thousand nine hundred and seventy and in the Independence of the United States the one hundred and ninety-fifth.

RAYMOND H. BATEMAN,
Acting Governor.

PROCLAMATION

Whereas, nearly 1,600 members of the Armed Forces of the United States are officially listed either as missing in action or as prisoners-of-war in Southeast Asia; and

Whereas, these men have suffered and continue to suffer pain, imprisonment, deprivation of their rights, prolonged separation from their loved ones, and the peculiar mental and physical anguish which is the unique lot of the prisoner-of-war; and

Whereas, their wives, children, parents and other relatives in the United States suffer with them the agony of separation and of loneliness; and

Whereas, these men have carried out, and continue to carry out their duties to their country in accordance with their principles and pursuant to directions of the American people whom they are defending; and

Whereas, it is entirely just and in accord with humanitarian instincts that we, the American people, remember these men, cherish their contributions to our security, and pray for their safety and their speedy return to their homes and families;

Now, therefore, I, David F. Cargo, Governor of the State of New Mexico, do hereby proclaim the week of November 9 through 14, 1970, as Prisoner of War and Missing in Action Week in New Mexico and I urge all citizens of New Mexico to show their respect and concern for these servicemen and join me in praying for their release.

Done at the Executive Office this 4th day of November, 1970.

Witness my hand and the great seal of the State of New Mexico.

DAVID F. CARGO,
Governor.

PROCLAMATION

Whereas, During the course of the conflict in Vietnam, there have been more than 1,355 United States Servicemen listed as either Missing in Action or as Prisoners of War; and of these, more than 200 United States Servicemen have been listed as either Missing in Action or as Prisoners of War for three or more years; and

Whereas, As American citizens we urge support of the joint resolution before Congress relative to the Geneva Convention; in that, all Prisoners of War receive humane treatment, and such resolution (S. Res. 245) found in the Congressional Record and referred to the Committee on Foreign Relations reads as follows:

"Whereas the Government of North Vietnam, the National Liberation Front of South Vietnam, and the Pathet Lao—

(1) have consistently refused to release the names of prisoners of war;

(2) have declined to release immediately sick and wounded prisoners;

(3) have refused to permit impartial inspection of their prisoner of war camps;

(4) have not guaranteed the proper treatment of all prisoners; and

(5) have not permitted a regular flow of mail between prisoners and their families; all such actions being in violation of the Geneva Convention and basic standards of human decency:"

Whereas, the League of Families of American Prisoners or Missing in Action in Southeast Asia has suggested a special week of remembrance and a National Day of Prayer for those Missing in Action or Prisoners of War;

Now, therefore, I, William L. Guy, Governor of the State of North Dakota, do hereby proclaim the week of November 9–15, as "Prisoners of War-Missing in Action Week" and Sunday, November 15, as "Day of Prayer" in North Dakota, and request that every church in North Dakota hold a day of prayer on that date in remembrance of those who have given their lives for our country, and in remembrance of those who are listed as either Missing in Action or Prisoners of War held captive by the North Vietnamese or their allies; and further request that every citizen of North Dakota support his church in recognizing this Day of Prayer.

In witness whereof, I have hereunto set my hand and caused the Great Seal of the State of North Dakota to be affixed this 8th day of October, 1970.

WILLIAM L. GUY,
Governor.

GOVERNOR MILIKEN HAS PROCLAIMED MAY 24–30, 1970, AS PRISONER OF WAR WEEK IN MICHIGAN

The proclamation reads:

The conflict in Vietnam has brought sorrow to countless people in recent years and continues today to be one of this nation's most vexing and complex dilemmas. But beneath the more obvious tragedies of that war in terms of lives and material is a most agonizing situation for hundreds of families throughout the United States.

To those people whose relatives and friends are prisoners of war in North Vietnam, the Vietnam conflict daily brings deep personal torment.

Much of the tragedy and torment are found in the fact that many do not know whether indeed the men are prisoners or even if they are alive and it is this anguish of not knowing that causes such deep concern for so many in this state and in this nation.

It is known that many prisoners have been subjected to extreme abuse and public ridicule, but one of the primary causes for concern is that so little is known about loved ones who may be extremely ill or seriously wounded, sometimes for a period of many months or years.

We in Michigan ask that North Vietnam officials adhere to the Geneva Convention regarding treatment of prisoners and that as soon as possible these officials open lines of communication between those prisoners and deeply anxious relatives and friends in America.

Therefore, I, William G. Milliken, Governor of the State of Michigan, do hereby proclaim May 24–30, 1970, as "Prisoner of War Week" in Michigan, and urge all Michigan residents to make themselves aware and concerned about the plight of American prisoners and that those citizens make their awareness and concern known through prayers and appropriate ceremonies which will be held during the week.

PROCLAMATION

Whereas, nearly 1,600 members of the Armed Forces of the United States are officially listed as either missing in action or as prisoners-of-war in Southeast Asia; and

Whereas, these men have suffered and continue to suffer pain, imprisonment, deprivation of their rights, prolonged separation from their loved ones, and the peculiar mental and physical anguish which is the unique lot of the prisoner-of-war; and

Whereas, their wives and children, parents and other relatives in the United States suffer with them the agony of separation and of loneliness; and

Whereas, these men have carried out, and continue to carry out their duties to their country in accordance with their principles and pursuant to directions of the American people whom they are defending; and

Whereas, it is entirely just and in accord with humanitarian instincts that we, the American people, remember these men, cherish their contributions to our security, and pray for their safety and speedy return to their homes and families;

Now, therefore, I, Frank L. Farrar, Governor of the State of South Dakota, do hereby proclaim the week of November 9 through 16, and the day of November 16, 1970, as "Prisoner of War Week and a Day of Prayer" respectively, in the State of South Dakota, and I urge all citizens to show their respect and concern for these servicemen and to join me in praying for their release.

In witness whereof, I have hereunto set my hand and caused the Great Seal of the State of South Dakota to be affixed this 9th day of November in the Year of Our Lord, Nineteen Hundred and Seventy.

FRANK L. FARRAR,
Governor.

PROCLAMATION

Whereas, Nearly 1,600 members of the Armed Forces of the United States are officially listed either as missing in action or as prisoners-of-war in Southeast Asia, and

Whereas, These men have suffered and continue to suffer pain, imprisonment, deprivation of their rights, prolonged separation from their loved ones, and the peculiar mental and physical anguish which is the unique lot of the prisoner-of-war, and

Whereas, Their wives, children, parents and other relatives in the United States suffer with them the agony of separation and of loneliness, and

Whereas, These men have carried out, and continue to carry out their duties to their country in accordance with their principles and pursuant to directions of the American people whom they are defending, and

Whereas, It is entirely just and in accord with humanitarian instincts that we, the American people, remember these men, cherish their contributions to our security, and pray for their safety and their speedy return to their homes and families:

Now, therefore, I Buford Ellington, as Governor of the State of Tennessee, do hereby proclaim November 11, 1970 as "Prisoner of War Day" in the State of Tennessee and I urge all citizens to show their respect and concern for these servicemen and to join me in praying for their release.

In witness whereof, I have hereunto set my hand and caused the Great Seal of the State of Tennessee to be affixed this the 5th day of November, 1970.

BUFORD ELLINGTON,
Governor.

PROCLAMATION

Whereas, nearly 1,600 members of the Armed Forces of the United States are officially listed either as missing in action or as prisoners-of-war in Southeast Asia; and

Whereas, these men have suffered and continue to suffer pain, imprisonment, deprivation of their rights, prolonged separation from their loved ones, and the peculiar mental and physical anguish which is the unique lot of the prisoner-of-war; and

Whereas, their wives, children, parents and

other relatives in the United States suffer with them the agony of separation and of loneliness; and

Whereas, these men have carried out, and continue to carry out their duties to their country in accordance with their principles and pursuant to directions of the American people whom they are defending; and

Whereas, it is entirely just and in accord with humanitarian instincts that we, the American people, remember these men, cherish their contributions to our security, and pray for their safety and their speedy return to their homes and families:

Now, therefore, I, Deane C. Davis, Governor of the State of Vermont, do hereby proclaim the week of November 9–15, 1970, as "Prisoner of War Week" in Vermont and urge all citizens to show their respect and concern for these servicemen and join me in praying for their release.

Given under my hand and the Great Seal of the State of Vermont, this 6th day of November, A.D. 1970.

DEANE C. DAVIS,
Governor.

A STATEMENT BY THE GOVERNOR

The citizens of the great State of Washington believe that man's inhumanity to man in all its manifold guises must be eradicated and that the world councils must assume their proper role in assuring strict observance of all existing conventions and resolutions directed toward that end.

The Republic of North Vietnam refuses to abide by its commitments ratified under the Geneva Conventions of 1949 concerning the treatment of prisoners of war.

The Prisoners of War in Southeast Asia and their families, many of whom are citizens of the State of Washington and are suffering undue anguish and continued and unnecessarily prolonged cruelities.

The citizens of the State of Washington desire to have their concern added to the mounting weight of world opinion as it relates to the unfair treatment of the Prisoners of War in Southeast Asia.

Now, therefore, I, Daniel J. Evans, Governor of the State of Washington, do hereby designate the week of November 8–14, 1970 as "A Week of Concern for Prisoners of War."

Let it be resolved that the citizens of the State of Washington shall join concerned citizens of the world in recording their concern; that each citizen be encouraged to join the current statewide petition campaign and express this concern in writing; that all men of good will join together to find a swift and human cessation of hostilities and release of prisoners.

DANIEL J. EVANS,
Governor.

LISTS OF COUNTIES, CITIES, AND TOWNSHIPS THAT HAVE ISSUED "PRISONER OF WAR DAY" PROCLAMATIONS

Aldan, Pa.; Allendale, N.J.; Alliance, Nebr.; Alpha, Ill.; Amarillo, Tex.; Anita, Iowa; Ansonia, Conn.; Arroyo Grande, Calif.; Atchison, Kans.

Athens, N.Y.; Athens, Pa.; Augusta, Kans.; Austin, Tex.; Avoca, Pa.; Avondale Estates, Ga.; Basile, La.; Batavia, N.Y.; Batesville, Ark.

Bath, N.Y.; Bellingham, Wash.; Bergenfield, N.J.; Berthoud, Colo.; Billings, Mont.; Blue Earth, Minn.; Boise, Idaho; Bolivar, N.Y.; Bordentown, N.J.

Bradley, Ill.; Brookneal, Va.; Brunswick, Ga.; Buffalo, N.Y.; Caledonia, Ohio; California, Pa.; Callaway, Nebr.; Calvert, Md.; Canaan, Vt.; Canton, Ga.

Carlin, Nev.; Carrollton, Ga.; Cascade, Iowa; Chambersburg, Pa.; Charlerol, Pa.; Chesapeake Beach, Md.; Chewelah, Wash.

Chicago, Ill.; Chino, Calif.; Chippewa Falls, Wis.; Clarkston, Ga.; Clayton, N.J.; Clayton, N. Mex.; Clearwater Beach, Fla.; College Park, Ga.

College Park, Md.; Colona, Ill.; Columbus, Kans.; Columbus, Nebr.; Colome, S. Dak.; Congerville, Ill.; Conyers, Ga.; Corning, Ark.; Corning, N.Y.

Cottonwood, Ariz.; Coushatta, La.; Covington, Ga.; Craigmont, Idaho; Crawford, Kans.; Creighton, Nebr.; Crooksville, Ohio; Crystal City, Miss.

Cumberland, Wis.; Cunningham, Kans.; Daingerfield, Tex.; Dalton, Mass.; Decatur, Ga.; Deer Creek, Ill.; Dekalb, Ga.; Del Rio, Tex.; Delano, Calif.

Denton, Md.; Deposit, N.Y.; Detroit, Mich.; Dobbs Ferry, N.Y.; Dolgeville, N.Y.; Donalsonville, Ga.; Donovan, Ill.; Doraville, Ga.

Dubuque, Iowa; East Brunswick, N.J.; East Point, Ga.; Eatonton, Ga.; Eden, Idaho; Edinburg, N. Dak.; Edinburg, Tex.; El Paso, Tex.; El Paso de Robles, Calif.

Elberton, Ga.; Escanaba, Mich.; Exeter, N.H.; Fessenden, N. Dak.; Filer, Idaho; Fitzgerald, Ga.; Florence, Ky.; Foley, Ala.; Follansbee, W. Va.

Fontanelle, Iowa; Fox Lake, Ill.; Framingham, Mass.; Frederick, Md.; Fredericksburg, Va.; Fremont, Mich.; Gainesville, Ga.; Geneva, Ill.; Geneseo, N. Dak.; Geneva, Ill.

Gering, Nebr.; Giddings, Tex.; Goldendale, Wash.; Gonzales, Calif.; Goodfield, Ill.; Grafton, Wis.; Graham, Tex.; Grand Island, Nebr.; Grand Isle, La.

Grannis, Ark.; Green Bay, Wis.; Groton, N.Y.; Groveland, Fla.; Guayanilla, P.R.; Hamtramck, Mich.; Hanover, Pa.; Harriman, N.Y.; Hartford, Conn.

Hartington, Nebr.; Hartwell, Ga.; Harvey, N. Dak.; Hazelton, Idaho; Healdsburg, Calif.; Hellertown, Pa.; Hettinger, N. Dak.; Hogansville, Ga.; Hollywood, Fla.; Homestead, Fla.

Hopkinton, Mass.; Houstonic, Mo.; Hughesville, Mo.; Huntington, Md.; Huntingtown,, N.Y.; Huron, Ohio; Hyde Park, N.Y.; Ionia, Mich.; Jackson, Ga.; Jackson, Tenn..

Jasper, Mo.; Jim Thorpe, Pa.; Joplin, Mo.; Kent. Wash.; Kettle, Wash.; Kindred, N. Dak.; King, Wash.; Lake Linden, Mich.; Lakewood, N.Y.; Lambertville, N.J.

Leesburg, Ga.; Leesburg, Va.; Levelland, Tex.; Lidgerwood, N. Dak.; Lighthouse Point, Fla.; Lind, Wash.; Lithonia, Ga.; Little Chute, Wis.; Livingston, Mont.; Lodi, Calif.

Lonaconing, Md.; Los Angeles, Calif.; Macon, Ga.; Maiden, N.C.; Manchester, Ga.; Manteca, Calif.; Maple Plains, Minn.; Methuan Mass.; Millbrook, N.Y.; Milltown, N.J.

Miramar, Fla.; Montclair, N.J.; Montebello, Calif.; Moorpark, Calif.; Moose Lake, Minn.; Moravia, N.Y.; Morris, N.Y.; Morro Bay, Calif.; Mott, N. Dak.; Mountain, N. Dak.

Narrow, Va.; Nauvoo, Ill.; Neilsville, Wis.; New Berlin, N.Y.; New Lisbon, Wis.; New Lexington, Ohio; Newark, N.J.; Newark, N.Y.

Newton, Pa.; Niagara Falls, N.Y.; Norfolk, Va.; North Beach Md.; North English, Iowa; North Platte, Nebr.; North Wales, Pa.; Norwalk, Calif.; Norwick, N.Y.; Nutley, N.J.

Oakland, Md.; Ocilla, Ga.; Ogdenburg, N.Y.; Olney, Ill.; Olympia, Wash.; Omak, Wash.; O'Neill, Nebr.; Orange, N.J.; Palestine, Tex.

Palmyra, N.Y.; Paris, Mo.; Pavillion, Wyo.; Pawling, N.Y.; Penfield, N.Y.; Penn Yan, N.Y.; Perkasie, Pa.; Perryton, Tex.; Perryville, Mo.

Pesotum, Ill.; Pine Lake, Ga.; Pineville, Ky.; Pittston, Pa.; Placersville, Calif.; Plainsview, Tex.; Pleasant Plains, Ill.; Pompano Beach, Fla.; Pontiac, Ill.

Port Orchard, Wash.; Port Washington, Wis.; Portage, Ind.; Potter, Nebr.; Provincetown, Mass.; Puyallup, Wash.; Queen Anne's, Md.; Regent, N. Dak.; Rensselaer, N.Y.

Rockland, Maine; Rockland, N.Y.; Rockmart, Ga.; Roosevelt, Utah; Sanderville, Ga.; San Leandro, Calif.; Santa Barbara, Calif.; Santa Cruz, Calif.; Sardis, Ga.

Sauk Rapids, Minn.; Savannah, Ga.; Schuyler, Nebr.; Scotts Valley, Calif.; Scranton, Pa.; Seattle, Wash.; Sedalia, Mo.; Selma, Ala.

Seneca Falls, N.Y.; Shawnee, Kans., Shreveport, La.; Sikeston, Mo.; Silver City, N. Mex.

Soper, Okla.; South Boston, Va.; Southampton, Mass.; Spokane, Wash.; Springfield, Vt.; Springwater, N.Y.; Staceyville, Ia.; Stanley, N. Dak.; Statham, Ga.

Stewardson, Ill.; Stone Mountain, Ga.; Story City, Ia.; Stronghurst, Ill.; Stryker, O.; Success, Ark.; Sweetwater, Tenn.; Taft, Calif.; Tahlequah, Okla.

Thomasville, Ga.; Tifton, Ga.; Tobias, Neb.; Toledo, O.; Topton, Pa.; Trenton, N.J.; Truth or Consequences, N. Mex.; Tyrone, Pa.

Valdosta, Ga.; Villa Rica, Ga.; Walhalla, N. Dak.; Wall Lake, Ia.; Warner Robins, Ga.; Warwick, N.Y.; Washington, Kans.; Washingtonville, N.Y.; Waterville, Me.

Watsonville, Calif.; Waverly, Kans.; Wecker, Ark.; Wells, Minn.; Wellston, Okla.; West Bend, Ia.; West Bend, Wis.; West Salem, Ill.; Wheaton, Minn.

Whiteface, Tex.; Wilkes-Barre, Penn.; Williston Park, N.Y.; Winchester, Va.; Woodburn, Ore.; Woodland, Ga.; Worcester, Mass.; Wymore, Nebr.; Yelm, Wash.; Yonkers, N.Y., and York, Pa.

VACANT APARTMENT TAX WOULD HELP MEET NEW YORK CITY'S HOUSING SHORTAGE

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

Mr. KOCH. Mr. Speaker, the single, most pressing crisis in New York City is the housing shortage. This affects to the greatest degree the low- and middle-income families and those on welfare. Low- and middle-income families cannot find apartments that they can afford. We have seen the bizarre situation where, for emergency housing, welfare families have been placed in hotels with weekly rents ranging from $200 to $800. The taxpayer has every right to be angry and embittered, not against the welfare recipient living in an often dilapidated and filthy and sometimes dangerous hotel, but at the mismanagement on the part of city officials which permitted this situation to occur.

Mayor John V. Lindsay recognizes the great need for housing and is now seeking permission from the State of New York to create a city housing finance agency which would float $700 million in bonds to finance the building of 25,000 new and rehabilitated units over the next 2 years. I am for the construction of those units and more.

But there are thousands of vacant and habitable apartments immediately available, already built but withheld from the rental market by landlords. These apartments are not rented by landlords who wish to sell or demolish their property and by landlords who wish to co-op their buildings and who prefer to deal with as few tenants as possible in reach-

ing the 35-percent statutory tenant approval now required for co-oping.

New York City has had housing crises before—indeed, one existed when Peter Stuyvesant governed New Amsterdam. In 1658, an ordinance was passed requiring an inventory of all vacant lots in New Amsterdam which were then subjected to a special vacant lot tax. I propose taking a leaf from Peter Stuyvesant's book, and I have suggested to Mayor Lindsay that the city of New York do the following: Require landlords to register all vacant apartments with a central city apartment registration office, and to impose a special vacant apartment tax on those landlords that fail or refuse to register their apartments and make them available for rental.

What my vacant apartment tax will do is to bring onto the market thousands of apartments for low- and middle-income families at reasonable and controlled rents as well as providing the emergency shelters needed for the welfare families now quartered in expensive hotels.

I believe that the city, State, and Federal governments have been delinquent in failing to build new housing and that every level of government must do more. But in addition to the construction of new housing, which unfortunately takes 2 years and often longer, we should use this enormous and available housing resource of vacant and habitable apartments. The vacant apartment tax would achieve this objective.

THE 1899 REFUSE ACT SHOULD BE ADMINISTERED BY ENVIRONMENTAL PROTECTION AGENCY

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

Mr. KOCH. Mr. Speaker, today I am introducing legislation to amend the Refuse Act of 1899 which requires industries to obtain a Federal permit for the discharge of any waste materials into our country's navigable waters. Under the original law which has rarely been used, the Army Corps of Engineers is empowered to issue these permits. My bill would take this authority away from the Army Corps of Engineers and give it to the newly formed Environmental Protection Agency.

This is a logical and necessary amendment. The Refuse Act no longer is interpreted solely as a navigation safeguard. Rather it recently has been recognized as a most effective Federal law to combat water pollution of any sort. The Refuse Act today is considered a law to protect a part of our environment, not simply a law to insure navigational access.

Consequently, we should expect more active use of this law. On June 29, 1970, I filed affidavits with the U.S. attorneys in the southern — Manhattan — and Eastern—Brooklyn—districts of New York requesting prompt and vigorous prosecution of 10 industries which have been listed as water polluters of major importance in New York City by the New York State Department of Health. Similar affidavits were filed by our distinguished colleagues from Wisconsin (Mr. REUSS) and Massachusetts (Mr. HARRINGTON) against major polluters in their respective States. And in December 1970 the Nixon administration announced that it would require all industries discharging wastes into our waterways to apply for Federal permits under the provisions of the Refuse Act.

Given the consensus that the 1899 Refuse Act is an effective environmental safeguard it makes little sense to entrust the issuing of permits to the Army Corps of Engineers whose history reveals little concern for our natural resources. In fact to quote a recent New York Times editorial:

> Too many of its projects, conceived . . . by private business interests, promoted by logrolling politicians in Congress, and rationalized by the Corps' economically meaningless cost-benefit ratios have an adverse environmental impact.

The Nixon administration's intention to use the Refuse Act by requiring all industries to apply for Federal discharge permits is a start in the right direction, but it must not be allowed to degenerate into a policy of granting licenses to pollute our waters. With the Army Corps of Engineers issuing permits it might do just that.

I propose that the responsibility of granting discharge permits be vested in an agency whose mandate is to protect the environment; namely, the Environmental Protection Agency. Under the Refuse Act, as it presently reads, there are no limitations on the Corps of Engineers' determination of what constitutes an allowable discharge.

Unfortunately, the Nixon administration's announced policy for procedures in granting permits will effectively dilute the powers of the Refuse Act by requiring the corps to work within the limitations of the water quality standards established by the States.

My bill would restore the independent authority granted by the Refuse Act in determining what is an allowable discharge, and transfer this responsibility to the Environmental Protection Agency, the Federal agency whose concern is for the environment. The Refuse Act's original broad authority would be transferred without change to the EPA, effectively giving the EPA the discretion to establish water quality standards independently of the States' standards.

BANK PROFITS UP WHILE OTHER CORPORATIONS' EARNINGS DROP

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

Mr. PATMAN. Mr. Speaker, today, the big commercial banks are reaping lots of favorable headlines about prime interest rate reductions, and they are hopeful that the publicity will somehow hide the enormous profits rolled up in 1970.

Most of the profit figures are in and they plainly reflect that the large money center banks had plenty of room to lower interest rates. The profit figures raise serious questions about the failure of the banks to give the public a break by reducing interest rates earlier in the year. The figures indicate that some old-fashioned gouging went on throughout 1970.

The bank profit figures are even more startling when compared with general corporate profits last year. Most corporate profits went down in 1970, some industries recording average drops of as much as 10 percent.

But the top 10 commercial banks reported increases in net income per share averaging more than 17 percent. The top 50 commercial banks had net income increases of at least 15 percent.

Chase Manhattan National Bank, which spent a great part of the year buying national advertising to convince the public that it could not reduce interest rates, came in with an increase of 25.6 percent in net income per share. Morgan Guaranty Trust of New York recorded a 24-percent increase and Bankers Trust, a 36-percent increase.

Forbes magazine, in its January issue, talks about the bank earnings:

> The bankers are riding tall in the saddle largely because money has been tight and interest rates have been at all-time highs. The big "money center" banks—those in New York, and also in Chicago—did especially well as interest rates tumbled and margins widened.

Forbes went on to analyze the long-range trend in bank stocks and found that the commercial banks have been doing extremely well over the past 5 years. Forbes states:

> The banks have been increasing their per-share earnings at an annual rate of 9% over the last five years, faster than any of the 27 other industry groups surveyed in this issue. In revenue growth the banks' 16.6%-a-year gain ranks second only to that of the conglomerates, who owe most of their growth to acquisitions.

The Associated Press, in a survey conducted last month, came up with this conclusion about the bank earnings.

> Don't worry too much about the banks. Through tight money, interest rate problems, recession, declining corporate income and consumer and business gloom, they're coming in with their usual report: Profits.

Mr. Speaker, I place in the RECORD a listing of major U.S. banks and their 1969 and 1970 earnings per share and the percentage increases. I also place in the RECORD an article written by John Cunniff of the Associated Press which appeared in the January 13, 1971, issue of the Washington Evening Star:

Deposit rank	Name of bank	Net income per share 1970	Net income per share 1969	Percent change
1	Bank of America	4.77	4.43	17.7
2	Chase Manhattan	3.68	2.93	25.6
3	1st National City (New York)	5.13	4.41	16.3
4	Manufacturers Hanover Trust	5.54	4.93	12.4
5	Morgan Guaranty	4.73	3.81	24.1
6	Chemical Bank	5.06	4.47	13.2
7	Bankers Trust	5.43	3.99	36.1
8	Continental Illinois	3.37	2.77	21.7
9	Second Pacific National Bank (Los Angeles)	3.24	3.09	4.9
10	1st National Bank—Chicago	[1] 6.01	[1] 5.26	14.3
11	Wells Fargo	3.55	3.50	1.4
12	Crocker Citizens	3.27	3.03	7.9
13	Mellon National Bank	4.55	4.34	4.8
14	Irving Trust (New York)	3.59	3.31	8.5
15	United California Bank	[1] 5.18	[1] 4.85	6.8
16	National Bank (Detroit)	6.07	5.60	8.4
17	1st National Bank (Boston)	6.93	5.75	20.5
18	Marine [2] Midland Banks	5.69	6.19	[1] 8.1
19	Franklin National	4.31	3.89	10.8
20	1st Pennsylvania Bank & Trust	2.46	2.15	14.4
21	Cleveland Trust	10.40	10.07	3.3
22	Union Bank (Los Angeles)	4.14	3.55	16.6
23	Girard Trust	6.27	6.21	1.0
24	Philadelphia National Bank	3.90	3.28	18.9
25	Detroit Bank & Trust	7.72	7.53	2.5
26	Seattle 1st National Bank	4.27	4.24	0.7
27	Northern Trust	9.53	6.65	43.3
28	Manufacturers Bank (Detroit)	6.33	5.71	10.9
29	Bank of California	2.37	2.28	3.9
30	1st National Bank (Oregon)	2.66	2.59	2.7
31	Bank of New York	4.03	3.53	14.2
32	National Bank of Northern Arizona	3.71	3.16	17.4
33	Harris Trust	7.47	6.03	23.9
34	Valley National Bank (Arizona)	[1] 1.65	[1] 1.57	5.16
35	Pittsburgh National Bank	6.85	5.93	15.5
36	U.S. National Bank (Oregon)	3.15	2.67	18.1
37	1st National Bank of Dallas	3.64	2.60	40.0
38	Citizens & Southern	1.65	1.14	44.7
39	Wachovia Bank & Trust	3.68	3.13	17.6
40	[3]			
41	Republic National Bank (Dallas)	2.90	[3] 1.07	35.5
42	Fidelity Bank of Philadelphia	3.80	2.57	47.9
43	[3]			
44	National City Bank (Cleveland)	5.05	4.16	21.3
45	1st Wisconsin National Bank	3.94	3.53	11.6
46	North Carolina National Bank	2.04	1.63	25.2
47	Bank of Commonwealth (Detroit)	[4]	2.48	
48	Central National Bank (Cleveland)	2.17	2.88	[1] 24.7
49	Michigan National Bank (Lansing)			
50	1st City National Bank (Houston)			

[1] Before security transactions.
[2] Not supplied.
[3] Adjusted for a 2 for 1 stock split.
[4] Not given for 1970.

NO TEARS FOR THE BANKS: NATIONWIDE SAMPLE SHOWS AVERAGE PROFITS GAIN OF 9 PERCENT

(By John Cunniff)

NEW YORK.—Don't worry too much about the banks. Through tight money, interest rate problems, recession, declining corporate income and consumer and business gloom, they're coming in with their usual report: Profits.

Somehow, a popular misconception spread throughout the land, perhaps fostered by the knowledge that even some very good customers couldn't beg a loan during 1970, that the banks were hurting. Not so.

It is true that they were crimped in their style of lending and that they couldn't lend as much money as they would have liked, but as in any other business, a short supply and big demand means you get your price.

CHANGES IN PROFITS

A sampling of banks that reported last week shows these percentage advances in profits for the year:

J. P. Morgan & Co. 21.9, Hartford National Corp. 10.9, First Chicago Corp. 14.3, First National Bank in Dallas 19.2, Valley National Bank of Arizona 5.1, Crocker National Corp., Calif. 9.2.

Averaged out, bank profits for 1970 are likely to be about 9 percent higher than a year earlier, based on an index maintained by Keefe, Bruyette & Woods, one of the nation's leading dealers in bank stocks.

As a spokesman for the company puts it: "It was a very, very good year for the banks no matter how you slice it, no matter where the profits came from." Many banks profited not only on loans, but from their trust departments and investments.

"Undoubtedly," he continued, "there was more prosperity last year among banks than other types of businesses. Corporate earnings headed downward, and utility earnings were under pressure. But the banks came through."

There was hardly anything unusual about the performance except in contrast to the declining fortunes of other businesses. In years past, many banks have done even better.

Going back through the years, the KBW figures show that profits rose 11 percent in 1969, 13 percent in 1968, 8 percent in 1967, and 11.8 percent, 7.9 percent and 10.8 percent for 1966 through 1964.

EXPLANATION OFFERED

One explanation for the fine performance last year lies in the spread, or the difference in the prices banks pay for the money they raise compared with that at which they lend.

The rates at which banks borrowed fell with unusual sharpness late in the year, but declines in the rates at which they lent came somewhat more slowly. The spread was widely in favor of the banks, although it may be narrowing again.

Curiously, the strong performance at the teller's cage was almost ignored by the stock market, at least in part, it seems, because of the same general attitude as held by the public in general, that things were bad in banking.

Some observers blame the prevalence of this attitude on the bankers themselves, who somewhat reluctantly feel compelled to warn, caution or criticize, and who seldom erupt in enthusiasm.

Whatever the reason, from year end 1969 to year end 1970, the price of bank stocks, as measured by the Keefe Banks Index, rose 3.6 percent. But in the same period, the Dow Jones Industrial Average rose 4.8 percent and the utility average 10.7 percent.

Now that the earnings figures are being released for the year, however, the stock market situation may be changing. Bank stocks through last Friday showed an increase for 1971 of 2.6 percent.

During this same period the industrial average fell slightly and the utility average showed only a small gain.

SECRETARY ROMNEY AND THE LOW-INCOME HOUSING ABUSES

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

Mr. PATMAN. Mr. Speaker, the Banking and Currency Committee has been actively investigating for the past 9 months the abuses which have become apparent in the operation of various low-income housing programs administered by the Department of Housing and Urban Development.

When the committee's report was released in January, it was immediately and bitterly attacked by the Secretary of Housing and Urban Development, George Romney. Mr. Romney, I am happy to report, has now changed his mind and is making an effort to investigate the abuses and, hopefully, to bring about the necessary corrections. Needless to say, the Banking and Currency Committee plans to pursue this issue actively and to insist that Secretary Romney put the program back on the track quickly without the abuses and the fraud.

Mr. Speaker, a number of newspapers have commented on the housing investigation and Mr. Romney's statements. I place a sampling of these newspaper comments in the RECORD:

PATMAN WINS ACTION TO CURB HOUSING PROGRAM SWINDLERS

Rep. Wright Patman (D., Tex.), chairman of the House Banking Committee, has won a victory in his fight for elimination of alleged gross abuses in low and moderate income housing programs, aided by Federal subsidies.

His committee had investigated a program under which the Federal Housing Administration subsidizes loans on homes bought with as little as $200 down payments. The report charged widespread abuses by slum "real estate operators out for a fast buck." These speculators, the report said, raked in huge profits selling patched-up dwellings to poor people while federal appraisers look the other way.

"It is common practice in the inner city (for these operators)," the report declared, "to pick up houses for minimal amounts, perform a so-called 'paste-up' or 'cosmetic' rehabilitation which, in many cases, amounts to a few hundred dollars and then resell the property . . . for a profit of thousands of dollars." Countless buyers of such property, it asserted, are victims of "sheer fraud."

WHERE ABUSES OCCURRED

The abuses occurred, the committee said, in a trail-blazing program authorized by Section 235 of the Omnibus Housing Act of 1968. Under that program, the government subsidizes most of the interest charges on mortgages for new or old homes, bought by families in low income brackets.

The report cited these specific cases, among others:

A house in Paterson, N.J., was sold to a speculator for $1,800. He did electrical repairs estimated to cost about $450, then sold the house for $20,000. The city subsequently condemned the house as unfit for human habitation and ordered it vacated.

Some 100 building code violations were discovered in 10 properties of the same speculator, which he had sold and at markups ranging from $7,650 to $18,000.

"INSTANT SLUMS"

New housing built under the program in Elmswood, Mo., and Everett, Wash., became "instant slums" because the construction was so poor. Some of the homes began falling apart almost immediately.

In many areas, poor people who paid slum speculators premium prices for their homes had to desert them because they were uninhabitable.

In numerous cases investigators found "faulty plumbing, leaky basements, cracked plaster, faulty or inadequate wiring, rotten wood, lack of insulation, faulty heating units" and other defects in property that had been approved by FHA for sale to the poor.

REVERSAL BY ROMNEY

Touched to the quick, the Administration's Secretary of Housing and Urban Development, George Romney, at a press conference, accused Patman of releasing an "inaccurate, misleading and very incomplete report."

Later, Romney backwatered. After a meeting with 250 key FHA field personnel, he conceded the abuses are "more prevalent and widespread than previously evident." He ordered a suspension of the program, as applied to older houses, until the abuses are cleaned up and adequate safeguards are instituted.

Also, he said the new housing segment of the program is being checked "to determine what improvements may be necessary." Further, he promised action to root out fraudulent practices and to assist home buyers who were victimized. He blamed the situation in part on failure of Congress to provide adequate funds for an inspection staff.

Patman, who had earlier blasted Romney's attitude, hailed the HUD chief's newest move as doing "much to restore confidence" in housing programs administered by the agency. Patman urged speedy action to correct the deficiencies so that the suspension can be kept short.

A STRONG SMELL OF SCANDAL

When Rep. Wright Patman's House Banking Committee charged recently that a federal program to aid low and moderate-income families to purchase used homes had been badly abused by profiteers, Housing Secretary George Romney shrugged it off.

Mr. Romney said the report of the committee was "misleading, irresponsible and incomplete" and dismissed the suggestion of the committee that a national scandal might be in the making.

On Thursday of last week, Mr. Romney, after a hurriedly-called conference of the department's field personnel, held a press conference and announced the housing aid program was suspended.

"It is apparent that abuses in the program are more prevalent and widespread than had previously been evident," Mr. Romney said. He added that he didn't believe a national scandal existed, but said problems were of such magnitude to warrant a suspension of the used-housing portion of the aid program.

Mr. Romney's actions have raised more questions than they have provided answers, but hopefully the Secretary doesn't intend to let the matter rest there. If there had been fraud against the government of the United States and its citizens, Mr. Romney should leave no stone unturned to bring the guilty ones to justice and to force redress for victimized home buyers.

CAT OUT OF THE BAG MUCH TOO SOON

Housing Secretary Romney has admitted his agency found some "shocking" cases of shoddy building having been foisted on his department by contractors engaged in federal "low cost" housing for the poor.

At the same time Mr. Romney flayed Rep. Patman, of Texas, for having made the scandal public before Mr. Romney's office had an "opportunity to investigate the abuses."

And, one suspects, also had a chance to sweep the whole mess out of sight under the carpet.

THE HOUSING PROFITEERS

Confronted publicly the other day with a Congressional report charging "sheer fraud" by real estate speculators in a key housing subsidy program, Secretary of Housing and Urban Development Romney raised the roof. Regrettably, he did not look very carefully underneath it.

Instead, the Secretary angrily assailed the staff of the House Banking and Currency Committee for producing an "inaccurate, misleading and very incomplete" report and went on to protest that he was "shocked" by the conduct of Chairman Patman (D-Tex.).

Now Romney has conceded that the instances of wholesale profiteering by realty operators—on quickie sales of cheaply "renovated" houses to moderate and low-income families—"are more prevalent and widespread than had previously been evident." He has suspended operation of the home ownership-subsidy program pending investigation and reform.

There is an opportunity, as a result, for a fresh, cooperative start by HUD and Congress on remodeling the program. More federal manpower seems to be needed; some assistance and training in elementary home maintenance may also be required. A joint effort instead of the split-level feud of recent days would be a real home improvement.

GOVERNMENT-SPONSORED SWINDLE

The FHA 235 program, by which the federal government has tried to assist the poor to become homeowners, was best summed up by Rep. Wright Patman of Texas, chairman of the House Banking and Currency Committee. "It lends itself to corruption," he said.

It does indeed. The story of the Gurley family of Paterson, which was "helped" by FHA 235 to buy for $20,000 a house which had been purchased in 1969 for $1,800 by a New Yorker, makes that clear. Now the family faces eviction from the house because it was unlawfully converted from a saloon to a dwelling by the former owner.

And the Gurley family is only one of many which have been victimized in this state and in other parts of the country under FHA 235. Obviously the sharpies couldn't do it all by themselves. They had to have help from representatives of the federal government.

Federal law enforcement authorities have been looking into the activities under FHA 235 in North Jersey for several months. A federal grand jury sitting in Newark has been hearing testimony. We will have to wait until the inquiry is finished to find out what the government intends to do.

The charge made by Housing Secretary George Romney that Rep. Patman acted irresponsibly in releasing the study of FHA shenanigans is shocking. There is nothing healthier for FHA 235 and Mr. Romney's bureaucracy than publicity about shortcomings like permitting a building which cost $1,800 to be resold to a poor family for $20,000. Mr. Romney damages his credibility and usefulness as an official when he rants about the irresponsibility of informing the public about that.

FHA 235 may have justification, although it is difficult to understand why the taxpayers should pay to help poor families buy homes when the same taxpayers are being forced to give up their own homes because of taxes. If poor people are to be helped to acquire homes, the federal government—to be specific, Mr. Romney's department—ought to see to it that they are not suckered into buying homes in municipalities where real estate values are falling and real estate taxes are rising out of sight. The government is not helping a poor family by saddling it with a burden like that.

FHA 235 is another example of governmen do-good efforts which have been boons to those individuals in our society who are willing to enrich themselves on the misfortunes of others. Welfare is another example. It has made slumlording an extremely profitable enterprise.

QUESTIONABLE INSURANCE POLICY TO PROTECT CORPORATE OFFICERS AND DIRECTORS AGAINST WRONGDOING

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

Mr. PATMAN. Mr. Speaker, last month, the Associated Press revealed that the Penn Central Transportation Co. had purchased a $10 million insurance policy to protect the officers and directors of that company from charges of wrongdoing.

Such insurance, in my opinion, is against the public interest. The board of directors have a fiduciary responsibility to represent the stockholders honestly and fairly, and now it appears that the company paid for an insurance policy which effectively relieved the directors of their sworn duties.

After learning of this $10 million policy for the Penn Central officers and directors, I asked the Chairman of the Interstate Commerce Commission, Mr. George Stafford, to investigate the matter. He has sent me an initial reply stating that Penn Central violated ICC rules in listing the insurance premiums as a business expense.

Mr. Speaker, I place in the RECORD a copy of the exchange of correspondence with Mr. Stafford:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., January 25, 1971.

Hon. GEORGE M. STAFFORD,
Chairman, Interstate Commerce Commission,
Washington, D.C.

DEAR MR. STAFFORD: You have undoubtedly read the news stories in today's newspapers concerning the purchase of a $10 million Lloyd's of London policy to protect the director's and officers of Penn Central from charges of wrongdoing. I strongly question the propriety of Penn Central paying out huge premiums on this insurance which was apparently designed to set up a wall of protection for the officers and directors against their stockholders and the public.

I urge that the Interstate Commerce Commission move immediately to investigate the circumstances behind this insurance and to determine its legality. It is also important that ICC discover who actually paid the premiums and whether it was charged off as a business expense or listed in some other fashion on the company's books.

In my opinion the existence of such an insurance policy would greatly reduce the incentive for the officers and directors to perform their duties in the public interest and in the interests of the stockholders. I would be most interested to learn whether ICC has any policy position on insuring officers and directors against charges of wrongdoing.

If you do not feel that existing legislation is sufficient to control this problem, I hope that you will forward without delay your suggestions for legislative remedies. I am sure that the Congress would look favorably on anything which would prevent such activity in the future.

I hope I can have a full report from you on the issues raised by this Lloyd's of London policy.

Sincerely,

WRIGHT PATMAN.

INTERSTATE COMMERCE COMMISSION,
Washington, D.C., February 1, 1971.

Hon. WRIGHT PATMAN,
Chairman, Committee on Banking and Currency, House of Representatives, Washington, D.C.

DEAR CHAIRMAN PATMAN: This is in reply to your letter of January 25, 1971, wherein you requested information with respect to insurance purchased by Penn Central to protect their officers and directors from charges of wrongdoing.

During the course of the current investigation of Penn Central, our staff has developed information concerning the policies referred to in your letter. We will be pleased to make our file available to a member of your staff at your convenience.

The premium was paid from Penn Central Transportation Company's funds and charged off as a business expense. This is in violation of our accounting rules. Although we do not have a regulation forbidding carriers from purchasing this type of insurance, it is our policy to require premium payments to be charged off as a nonoperating expense not chargeable to the consumer. Insofar as the legality of the insurance is concerned, the State of Pennsylvania recently passed legislation permitting companies incorporated in the state to pay the full premiums on directors' and officers' insurance.

Insurance of this kind is not uncommon in the transportation industry and generally protects officers and directors for wrongful acts, neglect, or breach of duty. Wrongful acts entered into for personal gain or resulting from dishonesty are not covered. This matter will be carefully evaluated during the course of the present investigation of Penn Central. Any recommended legislative remedies will be promptly submitted to the Congress.

Sincerely yours,

GEORGE M. STAFFORD,
Chairman.

Mr. Speaker, apparently a number of States are considering an amendment to the Model Business Corporation Act which would permit corporations to buy insurance to protect their officers and directors against all types of criminal and and civil wrongdoing. I have written Missouri Governor Warren Hearnes, Chairman of the National Governor's Conference, to let him know that there is a movement to push this law through various legislatures.

This new provision of the corporation law, in my opinion, is contrary to public policy and contrary to the best interests of stockholders and consumers. When Congress provided in Federal law for fines and liability for unlawful conduct, it did not intend that corporate officers and directors should defeat these laws through insurance. The fact that the insurance may be paid for by the corporation and thus its stockholders and ratepayers, compounds the evil. The proposed amendment, which has been urged by a group of corporate lawyers whose primary concern is protecting the officers and directors of large corporations, would sweep away at least 30 years of court decisions and State legislation prohibiting unlimited indemnification of corporate officers and directors against wrongdoing.

The only situations in which such officers' and directors' insurance may be proper is where the officer or director has been vindicated by a court or is guilty only of an honest business error not involving a violation of a statute.

As stated by the New York Supreme Court 30 years ago:

Liability to suits is considered a risk attendant on directorships, to be assumed, together with the more compensatory features of that office.

Mr. Speaker, I place in the RECORD a copy of my letter to Governor Hearnes:

FEBRUARY 8, 1971.

Hon. WARREN E. HEARNES,
Chairman, National Governors' Conference, Washington, D.C.

DEAR GOVERNOR HEARNES: I am writing to alert you and your fellow governors to a problem which has arisen under many state corporation laws.

As you know, the Model Business Corporation Act is sponsored by the Committee on Corporate Laws, Section of Corporation, Banking and Business Law of the American Bar Association. The Act has been adopted in whole or in part in many states. My alert to you is with respect to only one provision, Section 5(g) of the 1969 revision, which I believe undermines essential safeguards of federal and state law by authorizing a corporation to furnish its directors and officers with insurance against their own wrongful conduct.

The Committee on Banking and Currency learned of this problem through disclosure that the directors and officers of the Penn Central Transportation Company caused the corporation to purchase a $10 million policy from Lloyd's of London indemnifying them personally against charges of wrongdoing.

Such insurance is authorized by Section 5(g), which apparently has been adopted in Delaware, Nevada, Oregon, Washington, Alabama, Georgia, Iowa, Pennsylvania, New Jersey, Utah and Louisiana and proposed in many other states. The section provides:

A corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, *whether or not the corporation would have the power to indemnify him against such liability under the provisions of this section.* (Emphasis added.)

Thus, Section 5(g) permits the purchase by a corporation, out of funds belonging to stockholders, of insurance against all types of wrongdoing by the directors and officers. Included might be fines, penalties, judgments, settlements, court costs and expenses in defense of both civil and criminal actions against the directors and officers for violation of their duty to the stockholders and the public. Some of the federal statutes which would be undermined by such insurance are the Securities Act of 1933, the Securities Exchange Act of 1934, the Sherman Act, the Internal Revenue Code and various federal safety statutes imposing civil liabilities on responsible corporate officials.

I believe that the policy underlying comparable state statutes would also be impaired. In addition, state laws limiting direct indemnification by the corporation to its officers and directors to situations where the defendant has acted reasonably and in good faith, or where he has prevailed in litigation would be completely circumvented. Such safeguards are, in fact found in other subsections of Section 5 of the Model Business Corporation Act itself.

I am calling this matter to your attention so that in the event the above provision of the Model Business Corporation Act is in force or proposed in your state, you will be able to evaluate its propriety from a public policy point of view.

I am sending a copy of this letter to the Chairman of the Committee on Corporate Laws, Section of Corporation, Banking and Business Law of the American Bar Association.

With kindest regards and best wishes, I am

Sincerely yours,

WRIGHT PATMAN.

PRESIDENT'S PLAN TO CREATE FEDERAL EXECUTIVE OFFICE

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

Mr. DULSKI. Mr. Speaker, on February 2, President Nixon sent a special message to the Congress in which he recommended the enactment of legislation to establish a new Federal executive service in the executive branch.

On the same day, the specific legislative proposal was transmitted by letter from Chairman Robert E. Hampton of the Civil Service Commission to the Speaker of the House.

Accompanying the proposal were rather extensive documents explaining the proposal and including a section analysis of the bill. The proposal was referred to my Committee on Post Office and Civil Service.

Today, the ranking minority member of our committee, Mr. CORBETT, and myself are joining in introducing the President's recommended bill.

BILL IS INTRODUCED

We have taken the initiative in introducing this bill as a matter of courtesy to the President to see that his recommendation is properly entered into the legislative process.

I have not had the proper opportunity to become as familiar as I would like with this extensive proposal. However, it is obvious that it represents a radical new concept in executive personnel management and quite likely will prove to be controversial in many aspects.

Nevertheless, I am confident that my committee will give the proposal careful consideration, and if the need can be established for what the President describes as "landmark" legislation, my committee will be up to the challenge.

We are certainly no strangers in this field as witness our "landmark postal reform legislation" and our "landmark Federal pay comparability legislation," both enacted in the last Congress.

I am including for the information of the Members the explanatory documents which accompanied the President's legislative proposal:

CIVIL SERVICE COMMISSION,
Washington, D.C., February 2, 1971.

Hon. CARL ALBERT,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: President Nixon, in his message today to Congress, recommended enactment of a legislative proposal to establish a new Federal Executive Service in the executive branch.

Accordingly, we are forwarding for con-

sideration by the Congress this request to establish such a new personnel "Service." In addition to the draft bill to amend Title 5, United States Code, to establish and govern the Federal Executive Service, we are enclosing a section analysis and a detailed explanatory document entitled "The Federal Executive Service."

There is a growing recognition that the success of Government programs depends on the effectiveness of men and women who manage them. There is increasing concern voiced by responsible leadership in and out of Government that the way in which the Federal Government manages its executive manpower, particularly its career executives, is not adequate. The calls for change have come from many quarters: Administration spokesmen, Members of Congress, political managers, career executives, Federal personnel managers, and the academic community.

The Civil Service Commission recognized the need for, and has now completed, a thorough review and analysis of the current executive manpower program. We have concluded that basic changes requiring new legislation are needed.

The proposed bill establishes in the executive branch a Federal Executive Service covering all positions previously established at grades GS–16, 17 and 18, and most of the other executives falling within the same pay range under other pay authorities (about 7,000 current executives). The coverage of the service is based on level of duties and on salary levels, not on individually classified jobs.

The coverage will be extremely broad in order to correct, as far as possible, the existing fragmentation of present appointment authorities and personnel systems. It includes all present and future groups of civilian executives in the executive branch, *except* those specifically excluded in the statute, and those subsequently excluded by the President. It establishes similar programs in non-executive branch agencies, except that there would be a direct relationship between those agencies and the Congress.

The personnel management system called for in the proposal is especially designed to meet the unique problems of executive level employment. It is characterized by a greater degree of managerial freedom than now prevails and a special concern for the employment and utilization of career officials.

One of the most important benefits anticipated from the Federal Executive Service is the elimination of many restrictions which have inhibited the flexible assignment and utilization of personnel as needed within their agencies. We expect that the removal of these constraints will bring about a significant increase in the mobility of executives within their departments and agencies. This new program should serve to erode narrow perspectives and parochial loyalties, and to foster broader experiences and outlooks on the part of executives. We believe such intra-agency mobility is a necessary first step toward increasing the mobility of executives across agency lines.

The Federal Executive Service also includes special features addressing the concerns expressed recently by the Congress that the number of upper level spaces have increased without regard to program priorities and budget allocations. Agency heads share that concern and the additional concern of the Congress that the authorizations of positions are becoming increasingly fragmented. The bill does away with the many special authorities and special quota provisions of the present system. The new system will be far more understandable to all and more easily managed.

A new and comprehensive reporting system will provide the President and the Congress with detailed information about executive manpower management which, heretofore, was not readily available, thereby facilitating the Administration's overview of this vital resource. Furthermore, the interest in and responsibility of the Congress for monitoring executive employment and utilization and providing legislative oversight is fully recognized in the provisions for this stewardship report.

A detailed discussion of the provisions in the bill is contained in the accompanying documents. The general features of the proposal have been discussed at length with many interested groups in and outside the Government.

A similar letter is being sent to the President of the Senate.

The Office of Management and Budget advises that the proposed legislation is in accord with the program of the President.

By direction of the Commission.

Sincerely yours,

ROBERT E. HAMPTON,
Chairman.

A PROPOSAL FOR IMPROVING FEDERAL EXECUTIVE MANPOWER MANAGEMENT

SECTION I.—SUMMARY OF KEY FEATURES OF THE PROPOSED FEDERAL EXECUTIVE SERVICE

I. *Coverage.*—The Federal Executive Service will include the approximately 7,000 civilian executives, with certain exceptions, now in grades GS–16, –17, and –18 and their equivalents in the executive branch. (The Appendix describes the size and make-up of the current civilian executive workforce.)

II. *Size:*

Centralized position classification by the Civil Service Commission will be eliminated and each agency will apply a position management approach best suited to its own agency needs;

Agencies will annually review their executive manpower needs and request a specific number of executives;

The Civil Service Commission will review agency requests in collaboration with the Office of Management and Budget and authorize the number of executives for each agency; and

The authorizations will be reported annually to Congress and become effective in 90 days.

III. *Career and Noncareer Categories of Executives:*

Appointments to the Federal Executive Service will be in two categories: Career and noncareer.

Noncareer appointments will be for executives whose employment will likely be of a temporary nature.

Career appointments will be for executives whose general employment outlook and expectations will be oriented toward Federal service.

Each category will have a different type of appointment with different conditions of employment.

Noncareer executives will be appointed and removed at the pleasure of the agency head.

Career appointments must have prior approval of a Qualifications Board.

IV. *Establishing and Controlling Career and Noncareer Relationships:*

The Civil Service Commission after collaboration with the Office of Management and Budget will authorize a career/noncareer ratio for each agency based on individual agency requirements.

The aggregate Government-wide number of noncareer executives will be limited to no more than 25% of the total Federal Executive Service.

V. *Compensation Arrangements:*

Agency heads will have authority to set and adjust salaries of career and noncareer appointments within a range corresponding generally to that encompassed by GS–16 through GS–18 positions. Salaries may be raised but not reduced.

The Civil Service Commission will establish a government-wide executive salary dollar figure which may not be exceeded by the average executive salaries of individual agencies.

VI. *Assignments:*

Agencies may assign and reassign executives to any duties within the scope of the Service.

There will be no externally administered position classification system.

Career and noncareer executives may be used interchangeably.

VII. *Qualifications Boards:*

Qualifications Boards operating as agents of the Civil Service Commission must approve the qualifications of *career* executives prior to their initial appointment.

Members of Boards will be appointed from within and outside the Federal service.

VIII. *Employment Agreements for Career Executives:*

Employment of career executives will be governed by employment agreements;

Initial agreements will be for a period of three years. Agreements will be renewable for three-year periods;

When an employment agreement expires and an agency does not offer the executive a renewal, or makes such an offer and it is declined by the executive, the agency may involuntarily separate the executive from the service if he has completed 30 years of service and is otherwise eligible for an annuity;

If an agreement is not renewed and the executive is not separated under the "30 years of service" provision described above, the executive must be offered a GS–15 appointment in the competitive service with salary saving for two years. Thereafter, he will receive appropriate GS–15 salary with time in grade credit for his service at GS–15 and above;

In addition, if the agency does not offer an agreement renewal, the executive will be eligible for discontinued service retirement, if he meets the criteria or for severance pay;

During the period of an employment agreement the agency agrees to assign the executive to appropriate duties, to provide training and development opportunities, not to reduce his salary, and not to retire or remove him except for offenses calling for adverse action procedures;

The executive agrees to serve where needed and to participate in training and development activities. He may resign at any time.

He may appeal assignments to duties or locations which he believes were made for reasons other than the efficiency of the Government.

If a geographical move would result in undue hardships, the executive may decline and has the following options: GS–15 employment with 2 year salary savings; discontinued service retirement if eligible; or severance pay.

The executive may transfer to another agency to complete the period of an existing employment agreement.

IX. *Appeals.*—Career executives may appeal inappropriate assignments, violations of conditions of employment, and removal on charges to the Civil Service Commission which has authority to direct corrective action.

X. *Reports.*—The Civil Service Commission will submit an annual Stewardship Report to the Congress with current executive authorizations and projections for the coming year. As a minimum, the Report will contain for each agency and government-wide the number authorized for the Federal Executive Service and the career/noncareer ratio.

XI. *Effective Date:* The Service will become operative no later than one year after enactment of legislation.

During this period, operating procedures and regulations will be developed.

XII. *Transition:*

Executives with career appointments will be offered initial employment agreements

without the requirement of qualifications approval.

Career executives who do not accept initial employment agreements may continue in their current appointments.

Some executives now serve under noncareer executive assignment (NEA) appointments. They will be given noncareer appointments in the Federal Executive Service.

Other executives now serve in positions which are excepted from the competitive service for a variety of reasons. Examples are: Attorneys in Schedule A positions; scientists and administrators in positions excepted by law.

At their option, agencies may offer employment agreements to these executives without the requirement of qualifications approval. If the individual accepts an employment agreement, he will receive a career appointment in the Federal Executive Service.

If the agency does not offer an agreement or if the executive does not accept the agreement, he may remain in his present appointment, retaining his current rights and privileges.

XIII. *Excluded Groups of Executives:*

Agencies within the executive branch having excluded groups will be encouraged to review and adopt appropriate features of the Federal Executive Service.

Agencies outside the executive branch having excluded groups will be required to establish their own executive services.

SECTION II.—BACKGROUND

In 1966, the executive branch took an important first step to establish a modern executive manpower program for the Government. This effort, the Executive Assignment System, established by Executive Order 11315, November 17, 1966, was designed to meet the need for personnel of the highest attainable qualifications to staff General Schedule positions at grades 16, 17, and 18 in the executive branch.

The Executive Assignment System was introduced to bring about improvements as rapidly as possible within the legal authorities already available to the President and the Civil Service Commission. In addition, as charged under the Executive order, the Commission initiated a study of operations under this System with a view to recommending basic changes for its improvement, including changes in legislation if necessary.

The objectives of the Executive Assignment System emphasized the responsibility of top agency management for hiring, assigning, and developing Government executives. Within this policy, the program was designed to assure a systematic approach to:

Agency and government-wide planning to meet present and future executive manpower requirements;

Providing the means whereby agency heads could select the most capable candidates available from the entire Federal service or from outside Government;

Giving incumbent executives and rising professionals greater opportunity to achieve their full potential for contributing to our Nation's progress and for career advancement, personal recognition, and success; and

Encouraging the development of executives committed to the overall purposes of Government as a whole as well as to those of a single agency or program.

These were sound objectives. The joint efforts of agencies and the Civil Service Commission to find executive talent and expand development opportunities have produced results beneficial to both management and the executives themselves.

One critical need was an ability to find and compare high quality people quickly to fill executive vacancies or to staff new programs.

This capability now exists through the Federal Executive Inventory. It is an automated government-wide inventory containing background information on more than 30,000 executives in grades GS–15 through –18 and their equivalents in other salary systems. Since it was established in November 1967, over 4,400 individuals have been referred to agencies for their consideration in filling about 1,200 positions.

The Executive Inventory also provides a unique source of information for understanding the composition and characteristics of the Federal executive workforce. It makes possible a variety of analyses as a basis for planning to meet the Government's future executive staffing needs.

While these results are a good beginning, many problems remain and new challenges are emerging. The increasing complexities and rapid changes facing society bring new responsibilities to Government executives.

There is a growing recognition that one way to insure the success of public programs is to enhance the effectiveness of the men and women who manage them; and there is increasing concern that more should be done to improve the authorities under which the Federal Government manages its executive manpower. The calls for review come from many quarters: Administration spokesmen, members of Congress, political executives, career executives, Federal personnel managers and the academic community.

In response to this concern, and drawing on 3 years of operating experience with the Executive Assignment System, the Civil Service Commission conducted a comprehensive study of current executive manpower practices and results. The study was conducted with the assistance of an advisory committee of agency personnel directors. The results of the study are:

A restatement of objectives for a modern executive manpower program.

An analysis of the problems to be overcome in meeting these objectives.

A proposal for a new approach to the management of executive resources requiring legislative change.

SECTION III.—OBJECTIVES

The goal of Federal executive manpower management must continue to be to provide the right number of executives with the right skills and attitudes, in the right places, at the right time, motivated to perform in the most effective way. Operating experience with the current program and recommendations of interested publics demonstrate the need for a redefinition of objectives within this broad goal.

To meet the Government's leadership needs in today's world, an effective executive manpower program must:

Require that top agency executives carry out their responsibility for executive manpower management and assist them in doing so;

Insure that executives who have responsibility for Government programs have commensurate authority over their executive resources in proper balance with the needs of the Government as a whole and the long-run needs for a career workforce;

Provide the quantity and quality of talent required by: forecasting needs; recruiting and developing potential talent at all levels; maintaining a pool of talent; and keeping it motivated;

Insure that the executives in the Federal Government are responsive to public policy as enunciated by the President and the Congress and responsive to the top political management of the Government, at all times;

Provide individual executives with opportunities to achieve their full potential for contributing to the Nation's progress and for personal growth, recognition, and work satisfaction;

Assure that high quality employees at entry level and at the midmanagement level perceive that they can rise to the top and get important and influential jobs with reasonable security; and

Provide a central source to review, analyze, and make recommendations on all aspects of executive manpower management, including a means for the President to hold agency heads accountable for the management of their executive manpower resources.

Major problems

The study highlighted several problems as barriers to effective executive manpower management. Not all agencies face all these problems, nor do they exist in the same degree in the agencies which do have them.

If it is agreed that these are the major executive manpower problems facing the Government as a whole, then it is essential that action be taken to correct them. Any changes in the ways in which executive manpower is managed must address itself to these problems.

The problems are:

1. Government executives (both career and noncareer) must cope with a variety of constraints on their decisions to organize programs and on hiring, assigning, and removing their key subordinates (both career and noncareer). While such restrictions may have served a purpose in the past, today they frequently inhibit the executive from accomplishing his objectives. New systems are required which remove the unneeded constraints and let executives operate more effectively, recognizing that the Congress will continue to serve as an "overseer."

Over a dozen personnel programs govern the selection, pay, assignment, and tenure of executives. Many agency heads must deal with several of these personnel programs. They may receive manpower authorizations under a number of different laws and regulations. They may pay executives under different pay systems. They often must consider a variety of career rights when they want to take any actions affecting their key subordinates. The results are:

Opportunities for friction among members of different programs;

Difficulties in assigning people into and out of different programs;

Unnecessary administrative loads; and

Continuing frustrations for new executives who try to understand and use these systems.

Another problem is that each personnel program carries a number of prescriptive and restrictive requirements that greatly reduce the executives' staffing and unnecessarily restrict his authority to decide how programs will be administered. These requirements affect every aspect of personnel management: position authorizations, position classification, qualifications of nominees, pay, promotions, assignments, and retirement. Many of these rules no longer serve the best interests of the public. The results are:

Difficult distinctions among grade levels at GS–16, –17, and –18;

Undue emphasis on prestige and status factors in determining grade levels;

Meaningless distinctions among *positions* designated as career or noncareer;

As unwillingness of agency heads to fill important executive posts labeled as "career" with individuals whom they don't know well and whom they fear will become "locked in";

An appeals system for reduction-in-force actions unsuited to the executive workforce; and

Inflexible authorities for paying executives that lead to inequities in individual situations within an agency or across agency lines.

Finally, agency heads are faced with severe

limitations on the numbers of executives they may hire because of the various quotas limiting the number of executive positions. These ceilings do not allow the Civil Service Commission or the agencies to assign executive resources to changing program needs on a timely and rational basis.

2. Executive manpower planning is grossly inadequate. There is almost a complete lack of planning to identify and meet future executive manpower needs and to explore and develop sources of supply. Both short-range and long-range planning are needed at the agency level and for the Government as a whole.

This lack of planning hampers executive recruitment and executive development efforts. With only a few exceptions, agencies are not forecasting executive needs—either to replace the executives they now have, or to meet changing demands resulting from modifications in program size or emphasis. For example:

Agencies have only general ideas of the number and kinds of executives to be replaced over the next five years because of retirement, death, transfer, or resignation;

The sources of supply to meet future executive needs on either a short- or long-range basis have not been identified. Legislation for new programs is typically proposed and approved with no analysis of the sources of the necessary management talent; and

Executive manpower resource planning is not incorporated into program planning. Program and financial plans are not supported by the appropriate analyses of executive manpower requirements.

3. Political executives, Congress, the general public, and academics express concern that the bureaucracy (both the system and the people) is not responsive to new political and program direction.

The issue is "how to insure that the bureaucracy reflects public policy expressed through the political process."

Unnecessary friction between career and political executives frequently accompanies changes in Administrations or administrators.

The new agency head is confronted by complicated and constraining personnel systems. He finds it difficult to look immediately to the career "bureaucracy" to help him with these problems because rightfully or not, he sometimes perceives them as part of the problem.

New agency heads perceive that many of their key subordinates are "locked in," and that they have no control over who does what work. Moreover, they feel they cannot appoint new men because they cannot easily establish new positions.

Past staffing actions tend to undermine the confidence of new agency heads, especially where career employees have been placed into political jobs and political "types" into career jobs.

Present personnel systems do not adequately recognize the value of providing to agency heads a reasonable number of "their own men" to serve as advocates. This is not necessarily a partisan issue, but it is essential to building a unified and harmonious management team.

4. Agency heads must confront a great variety of pressures concerning whom they choose for their executive positions.

The growing trend to the greater professionalization of top mangement continues to have an increasing impact on manpower management at the executive level. Alliances develop among professionals in and out of Government to:

Influence program direction and size; and

Maintain professional credentials in the staffs of agencies.

Other staffing pressures come from such sources as:

Interest groups, for their advocates;

Partisan sources, to reward party faithful; and

Congress, for constituent representation.

While on the one hand these pressures are designed to influence staffing so that programs will be conducted in ways that agree with the desires of the groups exercising the pressures, on the other hand, the success of programs frequently depends upon the support of the pressure groups. Therefore, the agency head needs some way to accommodate to these pressures.

5. The Government has no assurance that the best available executive talent is being identified, developed, and utilized. It is generally agreed that the demand for high quality leadership talent in the society as a whole is already greater than the supply. Some leaders feel that important public programs frequently do not meet their objectives partly because some of the executives in those programs lack sufficient managerial skill. The Government must be prepared to develop the talent it needs now and will need in the future.

This problem has several important dimensions:

Many career executives feel frustrated because they cannot look ahead confidently to progression and career growth in the programs or organizations that interest them and to which they believe they can make their best contributions. Neither can they or their agencies assess their opportunities or plan their development and training;

Closely related to the above is the lack of clearly identified career fields, promotion ladders, or career development programs. Thus, clear career goals are not available as a basis to recruit, develop and train executives;

A meaningful way has not been found to assess and communicate the quality of an executive's performance or to predict future performance. Thus, agency heads who are trying to fill executive vacancies frequently cannot identify potentially high quality talent and systematically develop this potential; and

In most agencies systematic training and development of executives has not been made an integral part of the total management process. Thus, executive development frequently lacks institutionalized continuity and adequate attention by top agency executives.

6. Currently, there is inadequate centralized leadership and responsibility for management of executive resources. Under present arrangements, the President undoubtedly finds it difficult to hold his appointees accountable for this. The Government as a whole lacks a system to insure effective, integrated, and coordinated management of executive manpower resources across agency lines. The causes underlying this problem are:

Manpower resources, particularly executive resources, do not receive the degree and level of management attention that is devoted to financial resources. No single agency has responsibility for monitoring the total results of executive manpower management. The Civil Service Commission's responsibilities do not encompass several important personnel program areas; moreover, the Commission has only limited responsibility for other programs; and

There is no systematic review and analysis to determine the government-wide effectiveness of the management of executive manpower. The President does not receive periodic reports of the stewardship of this resource, nor does he receive systematic recommendations for needed improvements.

SECTION IV.—A PROPOSAL FOR A NEW FEDERAL EXECUTIVE SERVICE WITH PURPOSES AND JUSTIFICATION

To respond to the deeply felt needs for major improvements in the use of the Government's executive manpower resources, it is proposed to establish a Federal Executive Service with the features described below.

Coverage

The Federal Executive Service will include all civilian executives now in the range of the General Schedule grades 16, 17, and 18 and certain other executives falling within the same range under other pay authorities. This coverage will include about 7,000 current executives. (The Appendix describes the size and make-up of the current civilian executive work-force.) From this base, future adjustments of the size of the Service will be made and justified.

The coverage of the Service will be based individually classified jobs. It will include on level of duties and on salary levels, not on all present and future groups of civilian executives in the executive branch, *except* those specifically excluded in the statute establishing the Service and those subsequently excluded by the President.

The coverage will be extremely broad in order to correct, as far as possible, the existing fragmentation of present appointment authorities and personnel systems.

This broad coverage and elimination of duplication will:

Allow new executives to understand easily and quickly the personnel management system governing their executive manpower;

Simplify and reduce the variety of redundant administrative procedures which now accompany executive staffing;

Eliminate differences in rules governing pay, rights, fringe benefits, and recruiting which often cause misunderstandings among executives in the same organization;

Eliminate the preferential treatment previously given to some programs in requests for executive manpower resources when needs no longer exist;

Foster a government-wide career outlook on the part of executives and potential executives;

Increase opportunities for executive mobility among agencies and programs; and

Permit the Administration and the Congress to exercise a more comprehensive and systematic overview of executive manpower management.

Many of the personnel systems which now operate under special authorities will be included in the new Federal Executive Service. These special authorities were originally established to give particular agencies flexibilities for special purposes at specific points in time. The new Federal Executive Service will contain enough flexibilities to make it appropriate to encompass these separate systems.

Exclusions within the executive branch

Seventeen groups of executives within the executive branch will be excluded from the Federal Executive Service, because they have unique problems or needs that make their inclusion under a general Federal Executive Service infeasible at this time. The groups are:

Executive Levels I–V.

The Foreign Service of the United States.

The Foreign Information Service.

The Peace Corps.

The Postal Field Service.

United States Attorneys, and the Federal Bureau of Investigation, Department of Justice.

Hearing Examiners.

Atomic Energy Commission.

Central Intelligence Agency.

Tennessee Valley Authority.

The National Science Foundation.

The Council of Economic Advisers.

The Department of Medicine & Surgery, Veterans Administration.

Federal Deposit Insurance Corporation.

Federal Reserve Board.

Panama Canal Company.

Canal Zone Government.

The Office of the Comptroller of the Currency, and the Office of the Assistant Secretary (International Affairs), Treasury Department.

Agencies outside the executive branch

In addition, executives in agencies outside the executive branch will be excluded. They are:

General Accounting Office.
Library of Congress.
Government Printing Office.
Architect of the Capitol.
Botanic Garden.
Tax Court of the United States.
Administrative Office of the United States Courts.
District of Columbia Government.

These will be excluded because the Federal Executive Service:

Will be established to provide a more unified, capable and harmonious management team for the President in his role as head of the executive branch; and

Assumes the need for a total coordination of executive resource management with the management of other resources in relation to the programs being managed—a task the President cannot perform for the agencies outside the executive branch.

In addition, for positions now subject to Civil Service Commission purview in agencies outside the executive branch, the proposal contemplates establishing an Executive Service in each agency to be administered by that agency.

This will permit flexible interchange of executives among all branches of the Government even though the executive branch does not have operational responsibilities for the other systems.

Size of the Federal Executive Service

The Federal Executive Service will initially consist of approximately 7,000 individuals. The size of this group will change from time to time because of changes in program requirements. No changes will result solely from establishing the new Service.

Centralized position classification by the Civil Service Commission will no longer be used as a basis for authorizing executive resources, establishing pay grades for individuals, controlling assignments, or establishing qualifications of individuals. This will:

Eliminate the existence, in practice, of two personnel systems, one for positions and one for people, which frequently are not in harmony with each other;

Permit an agency and the Administration to consider the overall leadership needs of the agency or program rather than individual position requirements;

Allow more equitable distribution of executive resources among agencies;

Permit the utilization of executives on the basis of broad career qualifications rather than on the basis of narrow professional specialization;

Eliminate grade as a status factor and substitute the prestige of membership in the Federal Executive Service; and

Permit each agency to assign individuals flexibly to whatever duties are required and appropriate.

In lieu of centralized position classification, the agencies and the Civil Service Commission in collaboration with the Office of Management and Budget will have the responsibility to plan for and relate executive manpower requirements to overall program needs and priorities.

Agencies will annually review their executive manpower needs and request an authorized number of executives. The Civil Service Commission will review these requests in collaboration with the Office of Management and Budget and authorize a number for each agency.

These reviews will consider each agency's total requirements, not just changes. There will be no assumption that the same needs continue from year to year.

The annual request of the agencies; the joint review of the Civil Service Commission and the Office of Management and Budget; and the Civil Service Commission's final authorizations will be based on such factors as:

The current level of program and budget.
The current level of executive staffing.
Anticipated program and budget requests.
Pending legislation.
The level of work to be done.

The Commission will annually report the authorizations to the Congress. The authorizations will become effective 90 days after the report.

The purpose of this arrangement of request, justification, and review will be to:

Require that the Civil Service Commission, in conjunction with the agencies, relate executive manpower requirements to expanding or contracting needs;

Require that all program changes and legislation be accompanied by plans for meeting executive manpower requirements;

Assure that agency executive manpower planning is in consonance with the agency's program and financial plan as approved by Office of Management and Budget in the program review and budget process; and

Assure that both within the agencies and government-wide, executive manpower is more effectively allocated in accordance with the program priorities established by the President and the Congress.

The new and comprehensive reporting system to the Congress will be provided to:

Permit the current Administration to improve and make more meaningful the overview of executive manpower management; and

Allow the appropriate Committees of the Congress to offer guidance to the agencies and the Administration through the legislative oversight process.

The Civil Service Commission after collaboration with the Office of Management and Budget will also have authority to adjust the size of the Service authorized any agency for one year for emergency purposes. This authority will be subject to the following controls:

Changes may be made only for special circumstances clearly unanticipated at the time of the annual authorization;

The Commission must notify the Congress of its use of this authority and give its reasons; and

The Commission may not increase the authorization in any one year by more than 1% of the total authorization.

Career and noncareer categories of executives

The members of the Federal Executive Service will be in two appointment categories: career and noncareer.

Each category will have a different type of appointment with different conditions of employment.

Noncareer

A noncareer category will be established in the Service to accommodate the agency's need for three different kinds of executives whose employment will likely be of a temporary nature as described below:

Executives whose relationships to the agency head require an interdependence based on such factors as program philosophy, political agreement or personal confidence;

Executives who work on relatively short-term projects; and

Executives whose employment is more oriented toward their professions or occupations than to particular employers. These are the highly mobile people who move freely in and out of private employment, universities, private practice, and government in pursuit of their specialized interests (the so-called "in and outers").

Noncareer appointments will be made at the discretion of the agency head and serve at his pleasure.

Such appointments will not be subject to prior approval or review by a qualifications review board (see later discussion).

Agency heads will be given the authority to approve the qualifications of noncareer executives so that they will have the flexibilities they need to:

Accommodate to a reasonable degree the many staffing pressures they face; and

Hire a limited number of assistants with political or personal relationships or who agree on program philosophy.

Career

The career category will be composed of executives whose general employment outlook and expectations are oriented toward Federal service generally.

The majority will probably come from lower levels of Federal career employment through the promotion process.

A small number will enter laterally from outside the Federal career service expecting to make Federal employment a career in the future.

To make long-term Government service attractive and highly prestigious, considerable emphasis will be given to strengthening career appointments and to establishing an open and public review process for entry into the Service.

Career appointments will be made strictly on the basis of merit and fitness.

Provision will be made for merit entry into the career category from all sources; i.e., from the ranks of the General Schedule, from other Federal Government personnel systems, from the noncareer category, and from outside the Federal service.

All career appointments will be reviewed and approved by a Qualifications Board prior to appointment (see later discussion).

Assignments will not be designated as career or noncareer. This will overcome the following difficulties:

It is very difficult to make realistic distinctions between career and noncareer assignments.

Drawing clear lines between policy development and administration of policy on an individual position basis frequently cannot be done realistically.

There are tremendous pressures to exempt positions from the career service despite the real content of the jobs, especially when new positions in new programs are established on a projected basis.

Designation of positions as noncareer has restricted job opportunities for career executives.

In many agencies, noncareer positions have been grouped at the top of the executive structure with the career positions grouped at the lower levels.

Many competent career executives consider assignments to noncareer positions undesirable because of the complete loss of security that goes with such assignments.

Designation of positions as career and noncareer curtails the use of a flexible management structure and the flexible use of people within that structure.

Establishing and controlling career and noncareer relationships

In lieu of designating an authorized position or list of duties as career or noncareer, each agency will be authorized a ratio of career/noncareer executives.

This will be done to allow an agency to build a management team that includes:

Executives to provide the continuity and experience needed by modern Government programs;

Executives in whom management has special confidence because of a personal or political relationship, or because of the executive's program philosophy; and

Executives with specialized skills for short-term public projects or with only a temporary interest in a Government assignment or program.

The use of the career/noncareer ratio will accommodate a wide variety of problems now faced by agency heads. It will provide:

A mix of the skills of career professionals and appointed officials;

An opportunity for agency heads to make reasonable accommodations to requests for appointment of political party constituents, interest group advocates, academics, and professional group members; and

A means for the Congress and the Administration to ensure that the executive staffs of the agencies can be made responsive to the public will expressed through the political mandate.

The Civil Service Commission after collaboration with the Office of Management and Budget will authorize a career/noncareer ratio for each agency based on individual agency requirements.

The aggregate government-wide number of noncareer executives will be limited to no more than 25% of the total Federal Executive Service.

Agencies will annually review their current ratios and justify continuing or changing them.

After a review of the requests and justifications, the Commission will authorize specific agency ratios.

The Commission will not apply a uniform or set ratio to all agencies.

The ratios of individual agencies will vary greatly depending on the type of program involved, the characteristics of the executive workforce, and the degree of involvement in controversial and sensitive public programs.

As with size authorizations, the ratios will become effective 90 days following the Commission's annual report to Congress.

The present ratio of career to noncareer executives in the General Schedule is approximately 76% to 24%. Experience indicates that limiting the percentage of noncareer appointments to not more than 25% of the executive workforce will provide a very satisfactory and realistic arrangement to meet executive staffing requirements on a government-wide basis.

It will permit a wide variation of the ratio from agency to agency in recognition of program needs.

It will provide a mix of career and noncareer executives throughout the top organizational structures of agencies rather than a bunching of the career group at the bottom of the executive levels as it is now in many agencies.

Compensation arrangements

Agency heads will have authority to set and adjust the salaries of career and noncareer appointments to the Federal Executive Service according to their judgement of the value of the individual to the organization and the responsibilities and duties he carries.

This will allow the Government to be competitive in attracting and keeping high talent.

It will remove the restriction on entry pay rates.

It will allow the career executive appointed from a lower level within Government to be paid on a comparable basis with those appointed from outside the Government.

It will allow salaries to be set within broad limits in accordance with the estimate of a person's worth and how the agency intends to use him.

It will allow pay increases to reward outstanding performance.

It will recognize the need at the executive level for a different pay concept than the present automatic, periodic pay increases.

It will eliminate the disparities in compensation systems and requirements affecting similar types of executives in the same agency.

Agency heads may increase salaries. However, as an inducement to potential career executives inside and outside of the Government to accept the conditions applicable to the Federal Executive Service, the salaries may not be reduced.

This pay protection will be part of the compensation for the obligation to serve wherever assigned either organizationally or geographically.

It will provide a stability of income to make the Service more attractive.

It recognizes that in those salary systems where agencies can presently reduce salaries, they practically never do so.

Agency authorities will be limited to an authorized salary range for the Federal Executive Service.

The Civil Service Commission after collaboration with the Office of Management and Budget will recommend the range as part of its overall salary recommendation.

This range will approximate that which has been encompassed by General Schedule positions in grades GS–16/18 in the past.

In addition, agencies will be required to manage their executive salaries so that an average salary will be maintained within the limits designated by the Civil Service Commission after collaboration with the Office of Management and Budget.

The Civil Service Commission after collaboration with the Office of Management and Budget will establish a dollar figure within the executive salary range for application to all agencies. Without specific authorization this dollar figure may not be exceeded by the average salary levels within individual agencies.

The Commission after collaboration with the Office of Management and Budget may authorize exceptions to this requirement for particular agencies which have special executive staffing circumstances, such as:

Agencies with only a few executives so that an average becomes meaningless; and

Agencies which have unique responsibilities that have resulted in average executive salaries near the top of the present GS–16/18 range.

This salary device:

Will prevent escalation of all salaries to the top of the range; and

Will achieve reasonable equity and uniformity throughout the Government.

To provide equity for the Federal Executive Service, executives will automatically receive comparability pay increases and other fringe benefits when they are authorized for other Federal employees.

Assignments

Agency heads may assign and reassign career and noncareer executives to any duties anywhere (organizationally or geographically) which properly fall within the scope of the Service (duties higher than those classifiable at GS–15 or the equivalent).

The Federal Executive Service will not provide for a government-wide system of position classification. Agencies will devise and operate their own organization and position management systems.

Duties to which executives are assigned will not be designated "career" or "noncareer." Career and noncareer executives will be used interchangeably.

Executives may appeal, to the Civil Service Commission, reassignments to duties or locations which the executives believe were made for reasons other than the program efficiency of the Service.

In this way agencies will have the flexibility to use people based on where they are most qualified to serve or most needed, rather than on salary structure, position structure, tenure rules, or classification distinctions.

It will allow a mix of career and noncareer executives above the GS–15 level throughout the organizational structure of agencies.

Executives may be used on the basis of broad career qualifications rather than on the basis of narrow professional specialization or political background. Thus, agency heads will be able to accommodate to shifting personal relationships in accordance with individual talents and qualifications.

Agencies will be able to organize and structure executive relationships to accommodate to the needs of particular agency programs.

Qualifications boards

The Federal Executive Service will give particular attention to the needs for special arrangements to insure high quality appointments to the career service.

Agency heads will continue to select their career executives, but their appointments will be subject to the prior approval of a Qualifications Board.

This feature will insure that the Federal executive manpower management program:

Recognizes the long-run implications of career appointments for carrying out public programs;

Maintains the confidence of the public that decisions on career executive appointments will be based only on objective consideration of the needs of the Government and not to favor special groups or individuals;

Encourages agency heads to select on the basis of the best qualified;

Gives agency heads a means to resist unreasonable interest-group pressures on staffing;

Assures high quality membership in the Federal Executive Service by screening out weaker nominees; and

Makes appointment to the Federal Executive Service a matter of high prestige.

The Civil Service Commission will establish the Qualifications Boards. These Boards, acting as agents of the Commission, must give prior approval to agency selections for initial career appointment in the Federal Executive Service.

The approval of a Board will *not* be required for:

Noncareer appointments.

Renewals of employment agreements (discussed later).

Assignment or reassignment to duties within the agency.

Transfers to the Federal Executive Service in another agency.

Incorporation into the Federal Executive Service of present career executives upon implementation of this proposal.

The Boards will be established as agents of the Civil Service Commission in order that they may be appointed and serve as objectively as possible.

Members will be highly qualified experts in their own occupations and generally known and accepted as such.

Members will be appointed from within and outside the Federal service so that varying points of view will be represented and so that the decisions of the Boards will not be unduly influenced by any particular groups. Outside members will be paid for their services.

A number of separate Boards based on broad career programs or occupational areas will be established so that each Board will be composed of adequate program and professional expertise.

Board members will provide a high degree of personal knowledge of the kinds of people needed, who should be considered for career appointments in the Federal Executive Service, and where they are located.

The Qualifications Boards will be charged with the responsibility for insuring that initial career appointments are made with a view to the long-run needs of the Service. They will take into account:

The potential of the individual for long-term contributions in broad career areas: Short-term staffing pressures will not be allowed unduly to influence career selections; these should be met through appointments to the noncareer category; Such broad and thorough career consideration at the time of appointment will make it unnecessary for the Qualifications Boards to review subsequent reassignments of members of the Federal Executive Service.

The nominee's past and present performance to insure that he has as great a likelihood of being successful in the Federal Executive Service as possible.

Employment agreements for career executives

The employment of a career executive in the Federal Executive Service will be governed by an employment agreement between the executive and the agency.

This agreement will recognize the special nature of career appointments and the need to provide attractive and stable career opportunities for the career service as viewed by entry-level and mid-level employees.

The agreement will be founded upon mutually understood conditions of service agreed to by the agency in offering employment and by the career executive in accepting the employment.

A fixed-term employment agreement will be provided to:

Avoid the perception on the part of agencies and executives that incumbents are "locked in" to particular jobs or levels;

Assure that retention of executives is based on merit rather than tenure and longevity by providing periodic reviews of incumbents at the termination of their employment agreements;

Establish a clear obligation on the part of the Government to use executives productively during the period of their agreements regardless of the types of sensitive or controversial programs with which they have been or are involved;

Give executives realistic and practical employment and salary protection for fixed periods of time and to avoid: The perception that reduction-in-force actions can be and are designed to get around the legalistic procedures now used to provide security; Unrealistic situations where executives must appeal against the management team of which they are a part.

Give agencies a greater means of assuring that executives are responsive to public policy; and

Assure that high-quality employees at entry level and at the mid-management level perceive that they can rise to the top and get important and influential jobs with reasonable security.

The initial employment agreement will be for a period of 3 years.

Initial agreements will be made without regard to the person's age or eligibility for optional retirement (age 62 with 5 years of service; age 60 with 20 years of service; age 55 with 30 years of service).

Unless three years would carry the executive past the time of mandatory retirement (age 70 with 15 years of service), in which case the initial agreement would terminate on that date.

A period of three years will be provided:

To insure that the initial agreement will be long enough to attract high quality people and long enough to allow reasonable productivity on the part of the incumbent; and

To provide a reasonable time for management to observe the performance of incumbents and reach a judgement as to whether their employment should be continued.

During the period of an employment agreement the agency will agree:

To assign the career executive for the whole period to duties properly falling within the scope of the Service;

Not to reduce the career executive's salary;

Not to remove the career executive except for offenses calling for adverse action procedures. A career executive may not be removed in consequence of a reduction-in-force or reorganization;

To provide training and career development opportunities based on individual and organizational needs, the program of the President, and congressional concern and interest; and

This provision recognizes the need for the continuing, long-term development of executives to meet the Government's needs and helps overcome the short-term perspective of many agencies faced with immediate pressures for program success.

The career executive who accepts appointment into the Federal Executive Service will be governed by a number of features designed to encourage positive executive manpower management.

To allow mobility, and preclude unnecessary restrictions on personal employment choices, the career executive may:

Resign from the Federal Executive Service at any time;

Transfer to any agency or employment group excluded from the coverage of the Federal Executive Service;

Transfer to the Federal Executive Service in another agency. In this case, to insure periodic review of all Federal Executive Service appointees, his new agreement may only be for a period of time equal to the remaining time of his old agreement. Thereafter, his employment agreement may be renewed by the new agency;

Retire or be retired for medical disability; and

Retire if eligible.

The executive recognizes that he will be required to serve in whatever capacity he will be needed in the organization and wherever he will be needed geographically.

He will be protected by a requirement that any duties he is given must fall properly within the scope of the Federal Executive Service.

He may appeal assignments to duties or locations which he believes were made for reasons other than the efficiency of the Government.

If the acceptance of a geographical move results in undue hardship, an executive will be able to decline the move and choose one of the following options:

GS–15 employment with 2 years salary saving;

Discontinued service retirement if eligible; and

If not eligible for retirement benefits, he may resign and receive severance pay.

If an employment agreement is not renewed after a geographical move, the executive will be able to move back at the expense of the Government to his location at the time he entered into his initial employment agreement.

By his entry into the Federal Executive Service, the executive will accept the responsibility to continue his development both as an executive and as a professional within his field. At the time of his consideration for an employment agreement renewal, the agency will take into account the effort and progress the executive has made in his own continuing development.

Agencies will be encouraged to strengthen their executive manpower management program by establishing boards within the agencies to assist them in reviewing nominees for initial executive appointments or renewal of agreements.

Renewal of employment agreements

A number of specific arrangements will be provided to give the agency flexibility in continuing the employment of a career executive upon the expiration of an employment agreement and for protecting the individual should he or the agency not wish to renew the agreement.

To give the agency as much flexibility as possible, it may offer an employment agreement renewal for three-year periods until the executive becomes eligible for mandatory retirement.

The agency may offer renewal, and the executive may decline. In that case:

If the executive has completed 30 years of service and is otherwise eligible for an annuity, the agency may involuntarily separate the executive from the service;

If the executive is not separated from the service under the "30 years of service" provision described above, the agency must offer the executive a bona fide continuing position for which he is qualified at the GS–15 level in the competitive service. This offer may not cause adverse actions to any employee already serving in a GS–15 appointment; and

The agency must (as under present statutes) continue paying the employee for two years at the rate of his last salary in the Federal Executive Service.

The agency may choose not to renew an agreement. In that case:

If the executive has completed 30 years of service and is otherwise eligible for an annuity, the agency may involuntarily separate the executive from the service;

If the executive is not separated from the service under the "30 years of service" provision described above, the agency must offer the executive a bona fide continuing position for which he is qualified at the GS–15 level in the competitive service with two years of salary saving; and

If the executive does not accept the GS–15 appointment, he will be separated by the expiration of his agreement. This will be considered an involuntary separation.

If he will be eligible for discontinued service retirement, he will be entitled to those benefits (age 50 with 20 years of service, any age with 25 years of service).

Otherwise, he will be eligible for "severance pay" benefits.

If the executive accepts GS–15 employment:

He will have two years of saved salary;

When the saved salary period expires he will continue in his GS–15 employment at whatever salary step would be appropriate on the basis of total time served at grade GS–15 or above: and

While serving at GS–15, he will be subject to all protections and conditioning of employment applicable to all other GS–15's serving in the competitive service.

Appeals

As with all personnel systems, the Federal Executive Service will have a means, independent of management, for its members to appeal and seek relief if they feel the agency has not met its obligations or is acting contrary to official requirements.

The present rights to appeal adverse actions and involuntary disability retirement will be included;

In addition, for those rare cases when an executive feels that the agency has not met its obligations under the employment agreement regarding assignments, utilization or conditions of employment, the executive may, as a last resort, seek adjudication and redress; and

To assure an independent and objective hearing the appeals will be made to the Civil Service Commission which will be given final administrative authority to take corrective action if it finds the appeals should be sustained.

Stewardship report to the Congress

A provision for a stewardship report to Congress and a congressional review will be made in recognition of the historical and appropriate interest of the Congress in the authorization and allocation of executive resources and in the general management of the Government's executive manpower.

An annual report of agency and govern-

ment-wide authorizations including career and noncareer ratios will provide the Congress with periodic opportunities to review and influence the Government's executive manpower program.

This report will also be the means by which the general public will be periodically informed of the actions its Government is taking in the management of executive resources. The report will provide the openness of information that is the foundation of an effective merit system.

The Civil Service Commission will make this detailed report showing the following information *for each agency and government-wide.*

The current and projected size of the Federal Executive Service.

The current and projected ratios of career to noncareer appointments within the Service.

The current and projected salary cost of the Service.

The current and projected distribution of salaries and the average salaries.

The Civil Service Commission's actions and supporting justifications in authorizing appointments for emergency needs.

Information on the overall program for management of the Government's executive manpower resources which might be helpful to the Congress in exercising its general oversight.

Career development activities.

Training activities and plans.

Analytical studies.

After 90 days following the submission of the report to Congress and in the absence of contrary action decided upon through the legislative oversight process, the agency size and ratio authorizations may be implemented.

System responsibility placed in the central personnel agency

The administration of the Federal Executive Service will be placed in the Civil Service Commission for the following reasons:

To fix leadership responsibility for the development and operation of a positive personnel program for the upper levels that will:

Interrelate manpower management throughout all levels from professional entry to the executive levels by defining career fields and patterns of progression and insuring that developmental and training opportunities required for career progression will be provided.

Insure that manpower resources, particularly executive resources, will receive comparable top management attention to that given other resources so that:

Manpower requirements will be related to program plans, priorities, and pending legislation; and

Staffing needs will be projected and sources of supply will be developed.

To enlarge the overview of the central personnel agency and give it more responsibility for stewardship and responsiveness to Congress and the Administration. This will:

Establish a single focal point for the President to manage and control the utilization of the great majority of the Government's executive resources.

Provide a unified source that will:

Be a single authority accountable for executive resource stewardship; and

Assure government-wide consistency in the application of the various regulations of the Federal Executive Service.

To encourage a government-wide outlook on the part of agency management so that there will be:

A government-wide approach to executive manpower management; and

Increased opportunity for mobility of executives and potential executives among agencies and programs.

Effective date

The Federal Executive Service will come into being and the operating provisions will become effective no later than one year after enactment of the proposed legislation. During this period, operating procedures and regulations will be developed.

The Civil Service Commission will be authorized to issue such regulations as will be necessary to carry out the legislation.

Transition to the Federal Executive Service

Executives with career appointments

To give present career executives maximum opportunity to participate in the Federal Executive Service, all present career executives will be offered employment agreements:

All career executives may take 3-year agreements if that does not carry them beyond mandatory retirement. If they are subject to mandatory retirement before three years, they may take agreements for periods up to mandatory retirement; and

Career executives accepting employment agreements will be exempt from the requirement of qualifications approval provided the agreement offer is accepted within a reasonable time to be established by implementing regulations.

To insure that any rights or protections presently enjoyed by career executives will be preserved, executives:

May choose not to take an employment agreement, but to continue under their current appointments with all of their rights and privileges;

Thus, incumbents will not be forced to make a change; and

In the event of reduction in force, there will be no competition between executives in the Federal Executive Service and those holding other types of appointments.

To avoid inequities and hardship, the Civil Service Commission will have authority to regulate the details of the transition and to correct administrative errors and oversights in complying with its regulations.

Executives With Excepted Appointments

The status of executives now serving under noncareer executive assignment (NEA) appointments will not change. They will be given noncareer appointments in the Federal Executive Service.

All of the protections of other executives serving in positions which are excepted from the competitive service will be preserved:

Because some of these appointments are actually career types of appointments (e.g., some attorneys in Schedule A), the agency, at its option, may offer individual executives career appointments with employment agreements without the requirement of qualifications approval; and

Those other executives who may not be offered an employment agreement and those who do not accept an agreement, will be protected by being allowed to remain under their present appointments. They will retain all of the rights and privileges of those appointments.

Application to excluded groups

Because the features of the Federal Executive Service merit consideration for executive manpower management programs throughout the Federal Government, executive branch agencies with excluded groups will be encouraged to consider the adoption of appropriate features.

Because the Civil Service Commission now has responsibilities for certain personnel functions for executives in agencies outside of the executive branch, provision will be made for those agencies to establish their own executive services, with the agency head as the regulatory, administrative, and reporting authority.

This will be done because:

Executive manpower management should be integrated with the management of other resources in relation to the programs being managed. Since, outside of the executive branch, the agency head will determine his program plans and receive his resource authorizations in a direct relationship with Congress, it is more appropriate for that agency head to deal directly with the Congress on the administration of his executive service;

Similar executive services in the executive, judicial, and legislative branches will facilitate the exchange of executives throughout the Government; and

There no longer will be new positions at GS–16, –17, or –18 established anywhere in the Federal service, in or out of the executive branch.

Appeals will continue to be heard and finally adjudicated by the Civil Service Commission.

So that any Federal agency will be able to have the benefit of the best executive manpower management services available, the services to be provided by the Civil Service Commission, such as the Executive Inventory, will be made available to any agency.

SECTION V.—OPERATION OF THE FEDERAL EXECUTIVE SERVICE

Determining the size of the FES would begin within individual agencies, where reviews of executive manpower needs would be conducted annually. To make their request for executives consistent with the relative importance and priority of agency programs, agency reviews would be based on such factors as:

Current level of program and budget;

Current level and nature of executive staff;

Anticipated program and budget requests;

Pending legislation; and

Nature and level of the work to be performed.

Agencies would submit to the CSC on or about February 1 their requests for:

Number of executives required;

Career/noncareer ratio; and

Proposed average salary.

The CSC, after collaboration with OMB, would authorize a maximum number of executives, a career/noncareer ratio and an average salary ceiling for each agency.

The ratio of noncareer could not exceed 25 percent of the authorized FES total government-wide, but it would vary from agency to agency.

Except as specifically authorized, the average salary for an individual agency could not exceed the government-wide figure.

The CSC would report its authorizations to Congress on April 1. The authorizations would become effective in 90 days, unless Congress acted to the contrary.

Agencies could appoint (hire) executives from inside or outside of Government up to the numbers authorized and in accordance with the career/noncareer ratio.

Agencies would not have to justify appointment of individual executives based on centrally approved position classifications—instead, agencies would develop tailored position management systems.

Individual executives could be paid salaries anywhere within the salary range for the Federal Executive Service—but the agency would have to stay within its authorized average salary ceiling.

Agencies would have complete authority to hire and remove *noncareer* executives.

Agencies would appoint *career* executives according to the following procedures:

Following an intensive search based on merit principles, the agency would make a selection subject to approval by the CSC.

Agencies would be encouraged to establish and utilize internal boards for recruiting and qualifications review.

Candidates from both inside and outside Government could be selected.

Within the CSC, selections would be presented to the appropriate qualifications board for approval prior to formal appointment by the agency head.

There would be 15–20 qualifications boards, based on occupations.

As agents of the CSC, each board would operate government-wide for the occupations within its cognizance, and be composed of recognized leaders in the Government, academic and private sectors.

The boards would review the agency's selectee in terms of:

How the agency identified likely candidates;

The selectee's potential for long-term contributions to the Federal service;

The appropriateness of his qualifications compared to the qualifications needed to carry out the agency's programs (and the qualifications on which recruiting was based); and

His professional qualifications and stature in the occupation.

Qualifications boards would not review assignments following appointment, or renewal appointments.

Agencies would have maximum flexibility in the assignment of executives.

Career and noncareer executives could be assigned to duties interchangeably—positions or duties would not be designated as career or noncareer.

All executives could be assigned wherever needed, regardless of the nature of the duties, or their organizational or geographic location, provided the duties were of executive calibre, and assignments were not made arbitrarily or capriciously. There would be a procedure whereby executives could appeal if they felt these latter provisions were not met.

Career appointments would be made on the basis of 3 year, renewable employment agreements, which would obligate the agency:

Not to reduce the executive's salary for the three-year period (although increases would be allowed at the agency's discretion);

Not to separate the executive except for cause, or to demote him from executive status by reduction-in-force or assignment of inappropriate duties; and

(The executive would agree to serve wherever needed, as described above and could resign or retire (if eligible) at any time.)

When the agreement expired, the agency would have the option of offering the executive a renewal—for 3 years. The number of renewals would be limited only by the executive's reaching the mandatory retirement age.

Each agency would administer the renewal process in the manner most appropriate to its needs.

A formal review would not be mandatory; renewals could be handled informally.

Agencies would be encouraged to set up advisory boards to advise and assist the agency head as to the renewal of individual employment agreements.

If the agency chose not to offer a renewal, or if such an offer were made and declined by the executive, the agency may involuntarily separate the executive from the service if he has completed 30 years of service and is otherwise eligible for an annuity. In all other cases, the agency would have to offer the executive a continuing GS–15 position in the career service (without displacing any other employees). He would then be paid for two years at the rate of his last FES salary, before reverting to the appropriate rate of the GS–15 schedule.

Executives who chose not to continue employment as an executive or as a GS–15 and are not separated by the agency under the "30 years of service" provision, could elect optional or discontinued service retirement, if eligible, or separation with severance pay.

NOTE.—This proposal presupposes maximum emphasis on the use of talent files within the agency and on a government-wide basis; on a greatly increased attention to managerial and professional development of executives; and on a much improved system of effective executive appraisal. These program approaches are not detailed as part of the FES proposal since their accomplishment does not depend on legislative system changes.

THE FEDERAL EXECUTIVE.—(UNDER CURRENT PERSONNEL SYSTEMS)

There is always some confusion about who is a Federal executive. No adequate definitions exist, but salary level is a frequently used criterion. Thus, "Federal executives" could mean all of the full-time employees of the executive branch who earn as much as the beginning salary ($26,547) of a General Schedule grade 16. The table below shows the numbers of civilian executives for various personnel programs who would meet that criterion.

TABLE 1

(As of Oct. 1, 1970)

Personnel program	Number	Percent
Executive level (levels I–V)	580	5
General schedule (GS 16–18) [1]	5,679	52
Public Law type [1,2]	1,244	12
Foreign Service (FSO and FSR levels 1 and 2)	2,117	19
Other [3]	1,265	12
Total	10,903	100

[1] The focus of attention of the existing Federal executive manpower program and the executive assignment system is on the 6,941 General Schedule and Public Law type positions which comprise 64 percent of the total.

The nature of this universe of 6,941 positions is better understood when they are broken down by type of authorization (Government-wide quota, nonquota, etc.) and by career/noncareer. Of the 1,244 Public Law type positions, 814 are in the competitive career service. The distribution of the 5,697 positions in the General Schedule is shown in table 2.

[2] Certain limited scientific and professional positions involved in research and development activities requiring the services of specially qualified persons and paid at special salary rates not less than GS–16 or more than GS–18.

[3] Consists primarily of positions in TVA, AEC, Department of Medicine, and Surgery of VA, and the Postal Field Service.

TABLE 2.—GENERAL SCHEDULE POSITIONS IN GRADES 16–18 [1]

(As of Oct. 1, 1970)

Authorities	Total		Competitive career	Excepted/Noncareer				
	Number	Percent		NEA	Schedule A	Schedule B	Other	Total
Government-wide quota	2,734	48	1,839	491	339	3	62	895
Defense quota	407	7	320	34	48	5		87
Nonquota	1,953	34	1,831	35	44	11	32	122
Special authorities	603	11	344	1	11		247	259
Total	5,697	100	4,334	561	442	19	341	1,363

[1] GS–16=4,054 (71 percent), GS–17=1,175 (21 percent), GS–18=468 (8 percent).

Explanation of Terms:

Competitive/Career: The "competitive service" refers to those positions where the rules of the Civil Service Act regarding entry into service must be followed. The "career service" is a generic term used to refer to those positions and incumbents governed by Civil Service Commission rules and regulations concerning recruitment, development, promotion, and tenure. This narrow definition does not take into account many career type personnel systems or positions which are excluded from the Civil Service Act. All positions are considered to be "Competitive/Career" unless specifically exempted under the various procedures for doing so.

Excepted/Noncareer: Those positions and incumbents specifically exempted from the competitive service by law or regulation.

Government-wide Quota: The number of positions authorized by the Congress and allocated to agencies by the Civil Service Commission. It is a ceiling on the number of positions which may be established.

Defense Quota: A special allocation of positions for exclusive use by the Defense Department.

Nonquota: Congress has authorized certain types of positions that may be established outside the government-wide quota. These nonquota positions may be authorized for professional engineering positions primarily concerned with research and development and professional positions in the physical and natural sciences and medicine.

Special Authorities: These are positions specifically earmarked by legislation for particular programs or organizations.

SECTION ANALYSIS

To accompany the draft bill to amend title 5, United States Code, to establish and govern the Federal Executive Service, and for other purposes

The bill is divided into six sections. Section 1, which is divided into ten paragraphs, amends title 5, United States Code, to establish and govern the Federal Executive Service. Sections 2 through 6 are not amendments of title 5, but contain provisions needed for the transition from the Executive Assigment System to the Federal Executive Service. The separate sections, paragraphs, and subparagraphs of the bill are discussed hereinafter.

Section 1

Paragraph (1) adds a reference to 5 U.S.C. 3143(c) in 5 U.S.C. 1305 so that the Civil Service Commission is authorized to perform all actions regarding hearing examiners paid under the newly added section 3143(c) that it has been performing with respect to hearing examiners paid under the General Schedule.

Paragraph (2) adds a new subsection (f) to 5 U.S.C. 1308, "Annual reports," which requires an annual stewardship report by the Civil Service Commission to Congress on the Federal Executive Service. This annual stewardship report serves three important purposes. First, it will fully inform Congress on the operation of the Federal Executive Service for the previous fiscal year. Second, it will fully inform Congress as to the proposed scope and operation of the Federal Executive Service for the coming fiscal year. This will enable Congress to maintain an informed and positive legislative oversight over the Federal Executive Service. Third, the detailed and comprehensive nature of the stewardship report required by the new subsection will serve to inform the general public of the actions that its Government is taking, and proposes to take, with respect to the management of its executive resources.

The stewardship report is required to be submitted before April 1 of each year in order that Congress will have a full 90-day period to review it before the end of the fiscal year in which it is submitted and the start of the next fiscal year during which the newly proposed number of executive appoint-

ments, ratios, and executive pay average are to be applicable.

Under the new section 1308(f)(2), the Civil Service Commission allocations of the number of proposed executive appointments, the ratios of career to noncareer appointments, and the executive pay average are effective 90 days after the submission of the report.

Paragraph (3) is the "heart" of the bill. It makes several amendments to chapter 31 of title 5, United States Code, which establish and govern the Federal Executive Service. Paragraph (3) is divided into five subparagraphs, two of which are technical (subparagraphs (A) and (B) and three of which are substantive (subparagraphs (C), (D), and (E). They are explained separately as follows:

Subparagraph (A)

Subparagraph (A) will amend the chapter analysis of chapter 31 (some refer to it as the "table of contents") so that it will properly reflect the content of the chapter after the bill is enacted. As shown in the amended chapter analysis, a new subchapter has been added to chapter 31 of title 5, United States Code, which contains all permanent statutory provisions concerning the Federal Executive Service.

Subparagraph (B)

Subparagaph (B) will insert a new subchapter designation for the present provisions of chapter 31. This is a technical necessity caused by the new division of the present chapter into two subchapters creating a need for a new subchapter designation covering the provisions that were in the chapter before its amendment by the bill.

Subparagraph (C)

Subparagraph (C) would repeal 5 U.S.C. 3104 concerning the employment of specially qualified scientific and professional personnel. Section 3104 is a special employment authority which (together with 5 U.S.C. 5361) authorizes the filling of the positions described therein at GS–16, 17, and 18 of the General Schedule. As the General Schedule will no longer contain GS–16, 17, or 18, and as all such positions are now authorized by and paid under the provisions of this bill, the section is no longer necessary.

Subparagraph (D)

Subparagraph (D) would delete from 5 U.S.C. 3109, "Employment of experts and consultants; temporary or intermittent", the reference therein to 5 U.S.C. 5332, "The General Schedule", and in lieu thereof include a reference to 5 U.S.C. 3139 which is the new statutory pay authority for executives. This amendment means that the rate of pay for experts and consultants may not exceed the daily equivalent of the highest rate payable to a member of the Federal Executive Service.

Under 43 Comp. Gen. 509 it was held that experts and consultants in the fields of physical and natural sciences, engineering, and medicine could be paid at the rate of GS–16, 17, or 18 as there was no numerical limitation on positions of those types or those grades; whereas all other experts and consultants were limited to the equivalent of the highest rate for GS–15. Under the new subchapter II of chapter 31 of title 5 there will be no distinctions between the types of executives who may be appointed in the Federal Executive Service. Also, 5 U.S.C. 5108 which contained the language that distinguished positions in the fields of physical and natural sciences, engineering, and medicine from other positions will be repealed by this bill. Because of the absence of these distinctions, and in recognition of the need to adequately pay all experts and consultants, the pay maximum has been made the same for all experts and consultants. Agencies will, of course, still decide the correct pay rate on the basis of the individual expert's or consultant's qualifications.

Subparagraph (E)

Subparagraph (E) will add a new subchapter II to chapter 31 of title 5, United States Code. The new subchapter establishes and provides for the administration of the Federal Executive Service. The new subchapter contains thirteen sections which are discussed separately hereinafter.

§ 3131. Purpose. This section states the purpose of the subchapter and, in addition, the purposes of the Federal Executive Service.

§ 3132. Definitions. Paragraph (1) of § 3132 defines "agency." The definition covers each executive agency as defined in 5 U.S.C. 105 (except the General Accounting Office which is excluded by § 3132(1)(i) and each military department as defined in 5 U.S.C. 102. The military departments are mentioned specifically so that they may make executive appointments independently of the Department of Defense just as they may now do with regard to positions in GS–16, 17 and 18. The General Accounting Office is specifically excluded as it is the only non-executive agency included in the defined term "executive agency" in 5 U.S.C. 105 (by reason of 5 U.S.C. 104(2)). The paragraph excludes the twelve agencies named in clauses (i) through (xii), the two offices in the Treasury Department named in clause (xiii), and the Federal Bureau of Investigation named in clause (xiv), as one (the General Accounting Office) is outside the executive branch and the others have separate personnel systems for their executive-level employees which, by reason of the unique nature of their missions, are not suited for coverage under the Federal Executive Service and (with the exception of the United States Postal Service and the Federal Bureau of Investigation) presently have no positions allocated in GS–16, 17, or 18.

Paragraph (2) of § 3132 adds a definition of the term "executive" for convenient usage and for the purpose of limiting the use of the term in subchapter II of chapter 31 of title 5, United States Code, to executives paid at a rate that is not less than the sixth rate of GS–15 of the General Schedule and not more than the rate for level V of the Executive Schedule. These are essentially the same dollar amounts that now are fixed for GS–16 through GS–18 of the General Schedule. The definition serves as a means of excluding from the subchapter and from the Federal Executive Service the incumbents of the positions specified in subparagraphs (A) through (H) of § 3132(2).

Subparagraphs (A) through (G) are self-explanatory. Subparagraph (H) authorizes the President to issue regulations which exclude an employee or a group of employees from the Federal Executive Service on any one of three bases. An exclusion may be based on national security interests, foreign relations, or a finding that an employee or group of employees perform unique functions that cannot be readily adapted to the Federal Executive Service programs.

§ 3133. The Federal Executive Service. This section describes the make-up of the Federal Executive Service. The Service is made up of the executives (both career and noncareer) whose appointments are authorized under 5 U.S.C. 3134. There are no "positions" centrally established or authorized, as that term is commonly used, in the Federal Executive Service. After an executive is appointed in the Service he is given an assignment by the agency and is subject to the organization management system of the agency in which he is appointed.

§ 3134. Authorization of executive appointments and ratios. Subsection (a) of § 3134 requires that each agency examine its executive manpower needs and submit a written request to the Civil Service Commission, in accordance with regulations prescribed by the Office of Management and Budget and the Civil Service Commission, for authority to appoint a specific number of executives in the agency within the Federal Executive Service. This request is required to be based on the following factors:

(1) the current level of budget and program activity in the agency;

(2) the current level of executive staffing in the agency;

(3) the anticipated agency program activity and agency budget requests;

(4) pending legislation;

(5) the level of work to be done in the agency; and

(6) such other factors as may be prescribed from time to time by the Office of Management and Budget and the Civil Service Commission.

When this examination by an agency of its manpower needs is made, the Commission under its regulatory authority in § 3142, will require that the examination expressly cover the need to continue the number of executive appointments heretofore authorized.

Subsection (b) of § 3134 requires that each agency shall include in the request for executive appointment authority referred to in § 3134(a), the number of appointments requested that it proposes to fill by career appointment and the number it proposes to fill by noncareer appointment. Subsection (b) fixes the total percentage of noncareer appointments throughout the entire Federal Executive Service at a maximum of 25%, but expressly authorizes the Civil Service Commission to vary the ratios of career to noncareer appointments within separate agencies as the differing needs of the agencies require. This means, for example, that Agency A may have need for only a relatively few noncareer appointees and, accordingly, within that agency the Commission would authorize a ratio of 90% career executives to 10% noncareer executives. On the other hand, Agency B may have a legitimate need for relatively more noncareer executives in which case the Commission would authorize a ratio for Agency B of 60% career executives to 40% noncareer executives. At the same time that individual agency ratios are being authorized by the Commission, the Commission has the responsibility to ensure that the total number of noncareer executives throughout the Federal Executive Service does not exceed 25%.

Subsection (c) empowers the Civil Service Commission to determine when, within each year, the agency request for executive appointments and the ratios will be submitted and in what form that submission will be made. As 1308(f) of title 5, United States Code, requires the Commission to submit its annual stewardship report before April 1 of each year, the date by which the Commission will require each agency to submit its request will be fixed at a reasonable point before that April 1 date to allow for the preparation of the annual stewardship report. The Commission may, if it considers it appropriate and beneficial, require different agencies to report at different times.

Subsection (d) requires that the Commission, after its receipt of each agency's request for a specific number of executive appointments and a ratio, review the request and determine whether the request is justified and appropriate. In reaching its determination, the Commission will collaborate with the Office of Management and Budget in the Executive Office of the President. This collaboration recognizes the fact that executive manpower needs flow from approved programs and budgets.

Subsection (e) provides the Civil Service Commission with a limited authority to adjust, after collaboration with the Office of Management and Budget, the number of executive appointments and ratios in the Federal Executive Service when required by emergency circumstances and needs that were not foreseen when the annual stewardship report was submitted to Congress. The statutory limitation on this emergency authority is that the Service may not be enlarged more than 1 percent in a single fiscal year. As it is contemplated that the initial size of the Federal Executive Service will be 7,000 (approximately the current number of GS–16, 17, and 18 and Public Law 313-type employees), the maximum number of additional executive appointments that the Commission could include in the Service in one fiscal year in an unforeseeable emergency would be approximately 70. Whenever any adjustment of either the number of executive appointments or the ratios is made under this subsection, the Commission is required to include full information concerning the adjustment in its next annual stewardship report to Congress.

§ 3135. General authority to appoint executives; characteristics of career and noncareer appointments. The first subsection of § 3135 specifies that the head of the agency in which an executive is to be appointed has authority to determine whether the executive will receive a career or a noncareer appointment. The placing of this exclusive authority with agency heads is one of the paramount new features of the Federal Executive Service. If a career appointment is to be made, the appropriate review and approval procedures of a Qualifications Board, as contained in section 3136, must be followed.

Paragraphs (1) and (2) of § 3135(a) state the considerations that an agency head uses to decide whether a particular appointment is to be career or noncareer. This decision does not necessarily determine the nature of the assignment into which the executive is placed. The decision relates solely to the type of appointment to be made. Career appointments are for executives who are expected to make a career in Government; they are generally equivalent to the incumbents of positions that were in the competitive service in GS–16, 17, and 18 of the General Schedule before the establishment of the Federal Executive Service. Noncareer appointments are for executives in whom management has special confidence because of a personal or political relationship or because of the executive's program philosophy. This group also includes executives with specialized skills for short-term public projects or with only a temporary interest in a Government assignment or program. The noncareer executives are generally equivalent to the incumbents of positions that were in the excepted service in Schedule C and noncareer executive assignment positions in GS–16, 17, and 18 of the General Schedule before the establishment of the Federal Executive Service.

Subsection (b) sets forth the characteristics of the career executive appointee. Such an appointee is not required to serve a probationary or trial period as the recruitment and selection procedures required for such an appointment serve to guarantee that these appointees are exceptionally well qualified, making the principle of the probationary or trial period inapplicable to them. Also, it is expected that the vast majority of career appointments will be given to individuals who have served considerable periods of time in lower grade levels in the competitive service. The career executive is, from the first day of his appointment, in the competitive service and has a competitive status. This means that he is immediately covered by the adverse action procedures set out in 5 U.S.C. 7501 and 5 CFR Part 752 by reason of the fact that those procedures apply to an individual "in the competitive service" (see 5 U.S.C. 7501). Paragraph (3) of subsection (b) of § 3135 is included so there will be no doubt that a career executive who is a veteran (i.e., a preference eligible as defined in § 2108(3) of title 5 of the United States Code) is covered by the job protection provisions of section 14 of the former Veterans' Preference Act (now subchapter II of chapter 75 and § 7701 of title 5, United States Code) from the first day of his career appointment in the Federal Executive Service.

Subsection (c) of § 3135 contains the characteristics of the noncareer executive. Such a noncareer appointment does not place the appointee in the competitive service nor does it entitle him to a competitive status. The noncareer executive has no fixed tenure and he "serves at the will of the appointing authority". The quoted words are identical to those which appear in 5 U.S.C. 3323(b) relative to a reemployed annuitant. By reason of the inclusion of these words in § 3135(c), a preference eligible executive serving under a noncareer appointment is not entitled to the job protection benefits of section 14 of the former Veterans' Preference Act (now principally in 5 U.S.C. 7512 and 7701) regardless of how long he has served in such an appointment. By the same token, a nonveteran noncareer executive has no job-protection benefits. The decision to effect the separation of a noncareer executive (veteran or nonveteran) is exclusively that of the agency head. The reasons or bases for the agency head's decision are not reviewable by the Civil Service Commission or any other administrative authority, except when the separated noncareer executive contends that the separation was based on discrimination because of his "race, color, religion, sex, or national origin" in violation of the policy of the United States expressed in 5 U.S.C. 7151, or his "marital status" or "physical handicap" as referred to in 5 U.S.C. 7151 and 7153. An allegation of political discrimination, e.g., that the separation of the noncareer executive was based on political reasons, does not afford a basis for the Commission or any administrative authority to review the separation action taken by the head of the agency.

The noncareer executive does not serve under an employment agreement of any type and he has no continued employment guarantee. This means that the head of the agency in which the noncareer executive is employed may increase or decrease the noncareer executive's pay at will and without advancing any reason so long as the pay remains within the limits set out in 5 U.S.C. 3139. In addition, the absence of a continued employment guarantee means that regardless of how long a noncareer executive serves in such an appointment, or series of them, he is not entitled, when separated, to placement elsewhere in the agency or in the Government service, and he is not entitled to severance pay under 5 U.S.C. 5595. (The incumbents or these positions will be excluded from severance pay entitlement by the Civil Service regulations issued under 5595 just as those regulations now exclude positions filled by noncareer executive assignment and positions in Schedule C, see 5 CFR 550.701(b)(8) revised as of January 1, 1970.) It should also be noted that regardless of how long an executive serves under a noncareer appointment, or series of them, he is not entitled, if reduced in pay, to saved pay under 5 U.S.C. 5337 as he is not (as required by § 5337(a)(1)) "reduced in grade from a grade of the General Schedule."

§ 3136. Career appointments. Subsection (a) of § 3136 governs the recruitment and selection of candidates for career appointments in the Federal Executive Service. The high caliber of these candidates is assured by the dual requirements in paragraphs (1) and (2) of § 3136(a). The recruiting program is required to reach all sectors (private as well as governmental) and must evidence that the best talent available was considered. For the purpose of section 3136 the term "outside the civil service" includes, in addition to the private sector, State and territorial governments, any political subdivision of either a State or territorial government, and the government of the District of Columbia. Subsection (a) of § 3136 requires the Civil Service Commission to assist every agency in its recruiting and selecting activities. The Commission's assistance is to assure that the agency has before it for its consideration and selection the best talent available after a broad-base recruitment effort. The Commission will make full use of its Executive Inventory and all other Commission resources in aiding agencies under subsection (a) of § 3136.

Subsection (b) of § 3136 requires each agency which selects a candidate for career executive appointment to submit documentation that establishes his qualifications, and which shows the nature of the recruitment effort made, to a Qualifications Board. Except as provided in subsection (d) of § 3136, which is discussed subsequently herein, an agency may not make a career appointment to a position in the Federal Executive Service without the prior approval of a Qualifications Board.

Subsection (c) of § 3136 requires that an employment agreement be entered into between the employing agency and the candidate approved by a Qualifications Board before a career appointment to a position in the Federal Executive Service may be effected.

Subsection (d) of § 3136 authorizes career appointments in the Federal Executive Service without the approval of a Qualifications Board under two conditions. The first condition is when the appointment is by transfer from one career appointment in the Federal Executive Service to another career appointment in the Service. The second condition is when the appointment is by a renewal employment agreement entered into not later than 1 year after the executive's separation from, or the expiration of, a previous employment agreement. The 1 year limitation is to assure that the former executive's qualifications are current. If he is out of the Federal Executive Service for more than 1 year, his current qualifications must be evaluated again by a Qualifications Board.

§ 3137. Employment agreements. Subsection (a) provides for two types of employment agreements. The first employment agreement entered into by an executive is the initial employment agreement and each employment agreement entered into thereafter by that executive is a renewal employment agreement.

Subsection (b) of § 3137 fixes the employment period for an initial employment agreement at 3 years, except when the executive covered under the agreement is required to be separated sooner than 3 years by operation of the mandatory separation provision of the retirement statute. That statute, 5 U.S.C. 8335, requires the separation of an employee who becomes 70 years of age and who has completed 15 years of service, provided he served under the retirement system for at least 1 year within the 2 years immediately preceding his separation (5 U.S.C. 8331(b)). An executive separated because of age may be reappointed under a renewal employment agreement, but if this is done he serves at the will of the appointing authority by reason of 5 U.S.C. 3323(b).

Subsection (c) of § 3137 fixes the employment period for a renewal employment agreement at 3 years unless his separation in less than 3 years is required by operation of 5 U.S.C. 8335. However, when a renewal employment agreement is made by reason of a transfer from an initial employment agreement, the employment period may run only to the date the initial employment agreement would have ended.

Subsection (d) of § 3137 sets out 6 specific provisions obligating an agency with respect to every employment agreement (initial or renewal). Paragraph (1) requires that an agency shall not assign an executive to duties and responsibilities that are not truly of an executive caliber. For example, an agency could not assign an executive to duties properly classifiable at grade GS–15 or below of the General Schedule.

Paragraph (2) obligates the agency to provide the executive with training and career development opportunities. These have the dual purpose of enhancing the individual professional and managerial development of the executive and promoting the program needs of the agency.

Paragraph (3) bars an agency from reducing the pay of a career executive during a period of continuous service in the Federal Executive Service. This means that a career executive's initial rate of pay may not be decreased during his continuous service in the Federal Executive Service, and if an agency increases an executive's pay during his employment period he must continue to be paid at that higher rate of pay for the remainder of his continuous service in the Federal Executive Service.

Paragraph (4) prevents an agency from separating an executive during an employment period except for "cause" or when the Civil Service Commission finds that because of physical disability he is not able to perform useful and efficient service in the executive position. A separation for "cause" is, generally, a separation due to delinquency or misconduct. The term used, "for such cause as will promote the efficiency of the service" comes from 5 U.S.C. 7501 and 7512 which relate to adverse actions taken against employees in the competitive service and preference eligible employees (veterans for example). No other separations of executives during the employment period are permitted.

Paragraph (5) specifies that an executive is free to leave his current executive appointment at any time by resignation, transfer to other employment either within or outside the Federal Executive Service, or by retirement either for disability or by optional retirement.

Paragraph (6) obligates the agency, when the employment agreement for an executive expires, to either continue him in the Federal Executive Service under a renewal employment agreement, place him in a GS–15 position in the competitive service with saved pay for 2 years as required by 5 U.S.C. 3140 (b) and (c), or (when he has completed 30 years of service) separate him for retirement purposes under 5 U.S.C. 3140(a).

Subsection (e) of § 3137 requires that each employment agreement shall require the executive to agree that he will accept any assignment of duties that is a bona fide executive assignment. Such an assignment may be at any geographical location selected by the agency and the executive must agree to go to whatever location the agency selects. An agency's failure to give an executive a proper executive assignment is cause for an appeal to the Civil Service Commission under the newly created 5 U.S.C. 7702. An executive's failure to accept a valid executive assignment at a different geographical location is cause for the agency to separate the executive. However, in the event that a geographical move would entail undue hardship, by mutual agreement the executive may be placed in a position at grade GS–15 or below with 2 years salary saving, or he may be separated and receive severance pay or discontinued service annuity. If the executive and the agency cannot agree that a hardship exists, the executive may appeal to the Civil Service Commission whose decision will be binding. Regulations will be issued by the Civil Service Commission to carry out this provision. In the absence of a hardship situation, if the agency separates an executive for failing to move geographically, such a separation would not entitle the separated executive to either severance pay under 5 U.S.C. 5595 or a discontinued service annuity under 5 U.S.C. 8336(d). Subsection (e) also requires the executive to agree to participate in those training and career development activities which his agency decides will enhance his individual proficiency as an executive and will promote the agency's program needs.

§ 3138. *Qualifications Boards.* Subsection (a) of § 3138 requires the Civil Service Commission to establish Qualifications Boards as the agents of the Commission which will review the qualifications of candidates for career appointments in the Federal Executive Service, to determine that the candidate an agency has selected for appointment is among the most highly qualified of the candidates considered. The Board, in each case, in addition to reviewing the qualifications of the candidates, will review the agency's recruitment effort to make certain that it encompassed the full, broad-base coverage required by the newly added § 3136(a) of title 5, United States Code. If a Qualifications Board finds that the recruitment effort was not sufficient, or that the candidate is not among the most highly qualified, it will not approve the selection made by the agency and the agency will have to extend its recruiting effort, select another candidate, or present additional evidence to the Board supporting its selection.

Under subsection (b) of § 3138 the Commission may establish different Qualifications Boards for different programs, professions, and executive occupations. For example, a Board made up of managers or executives from both Government and the private sector, while qualified to pass on the qualifications for a candidate for a career executive appointment whose experience and background is in management, would not have the necessary expertise to pass on the qualifications of a candidate whose experience and background is in one of the sciences (e.g., medicine, physics, mathematics). Separate Boards—composed of specialists in separate fields—are essential to assure a truly informed review of each candidate's qualifications.

The Commission is responsible for appointing as members of each Qualifications Board individuals who are established to be experts in their field and are recognized as such by their colleagues. Board members who are employees of executive agencies (other than the Civil Service Commission) may serve on a reimbursable detail under 31 U.S.C. 686. Board members employed by the government of the District of Columbia may also serve on a reimbursable detail with subsection (b) of § 3138 constituting the specific authority for that reimbursement. All other Board members are appointed as experts or consultants under 5 U.S.C. 3109 and their pay is fixed by the Civil Service Commission at a daily equivalent that does not exceed the maximum payable to an executive under newly established 5 U.S.C. 3139.

§ *3139. Pay.* There are no "positions" in the Federal Executive Service and, accordingly, no "class" or "class of positions" as those terms are used with regard to positions covered by the General Schedule. The pay of a member of the Federal Executive Service is fixed by the agency in which is he employed. The agency has the authority to fix an executive's pay at any rate it selects within the minimum and maximum rates established by § 3139(a) so long as the pay of all executives in the agency does not exceed the executive pay average explained hereinafter. An executive's pay is based on such factors as his value to the agency, his duties and responsibilities in the assignment given him by the agency, and his job performance. The only restriction on the agency's general authority to fix the pay of the individual executives it employs is the statutory prohibition which prevents the average pay of all executives within the agency exceeding the executive pay average established by the Civil Service Commission after collaboration with the Office of Management and Budget. The executive pay average cannot be exceeded by an agency except when the Civil Service Commision determines that special executive staffing circumstances within a particular agency justify a higher average pay for that particular agency. Provision is made for automatic pay increases for executives whenever there is an increase in the sixth rate of GS–15 as long as the increase does not exceed the executive-pay ceiling set out in the section.

§ *3140 Continued employment guarantees; separation benefits.* Each subsection of § 3140 spells out the particular employment guarantees and separation benefits applicable to the different situations that may arise when a career executive's employment agreement (either an initial employment agreement or a renewal employment agreement) expires.

Subsection (a) covers the situation in which an executive has 30 years of service creditable for retirement purposes under 5 U.S.C. 8332 at the time of the expiration of his employment agreement. In that situation the agency may, at its election, separate the executive from the service without making him an offer of a continuing position in GS–15 as explained in the comment relative to subsection (b) of this § 3140. Such a separation is an involuntary separation for the purposes of 5 U.S.C. 8336(d) and the executive so separated is entitled to an annuity under that subsection or any other subsection of 5 U.S.C. 8336 is otherwise eligible.

Subsection (b) covers the situation in which the employment agreement expires and the agency either does not offer the career executive a renewal employment agreement or makes such an offer but the executive elects not to enter into the renewal employment agreement and (in the case of an executive with 30 years of service) the executive is not separated under subsection (a) of this § 3140. In this situation, the agency is obligated to offer the career executive continued employment in a GS–15 position in the competitive service in the agency. The offer must be to a continuing position which means one that there is reasonable cause to believe will last indefinitely. An offer to place the executive in what is known to be a temporary job or one that is known to have but a limited duration will not meet the statutory requirement in § 3140(b). In addition, as will be spelled out in the regulations of the Civil Service Commission authorized by § 3142, the Commission will require that the offer of the GS–15 position be made at such a time in advance of the expiration of the employment agreement that the executive has a reasonable opportunity to consider the offer (e.g., the nature of the position offered, the work surroundings including the geographical location, and all other facets one takes into consideration in deciding whether to accept an offer of permanent employment) and so that he may enter on duty in the GS–15 position without a break in service.

Note that the offer of the GS–15 position to the executive must not cause the displacement or reduction in grade of any agency employee already serving in GS–15.

Subsection (c) of § 3140 deals with the placement of the executive in the proper rate and step of GS–15 when he accepts the offer of such a position made under subsection (b). Paragraph (1) assures that the executive will, at the minimum, have his Federal Executive Service pay rate saved for 2 years from the date he enters on duty in the GS–15 position. He may, however, by reason of the required-service-credit benefit

in paragraph (1) be entitled to a higher rate of pay in the GS–15 position than he was receiving immediately before his career executive employment agreement expired. For example, assume that before the executive entered the Federal Executive Service he was in the 5th step of GS–15 being paid $27,483 per annum and he had been in that step for 52 calendar weeks. Under 5 U.S.C. 5335 (a) (2) and (3) the waiting period for a step increase from steps 5 and 6 is 104 calendar weeks and from step 7 it is 156 calendar weeks. The executive accepts an appointment in the Federal Executive Service at $29,000 and he remains in the Service for 6 years with the same pay throughout his career in the Service. When his employment agreement expires he is entitled to count both his previous service in GS–15 not previously used for step increase purposes (which means the 52 calendar weeks he had to his credit when he left that grade) and his 6 years' service (312 calendar weeks) in the Federal Executive Service toward the waiting period in GS–15. Therefore, the returned, former executive would be credited, first, with the 104 calendar weeks to take him from step 5 to step 6; then with the 104 calendar weeks to take him from step 6 to step 7; and then with the remaining 156 weeks which would take him from step 7 to step 8. Thus, he would return to grade GS–15 at step 8 with a pay rate of $29,907 which is higher than his rate in the Federal Executive Service immediately before his employment agreement expired.

The former executive will be entitled under § 3140(c)(1) to the saved pay for 2 years so long as he meets the conditions in subparagraphs (A) and (B), and (C) of paragraph (1) of that subsection which are identical to those in the regular pay saving section, 5 U.S.C. 5337.

Under § 3140(c)(2), when the period of saved pay ends the former executive has the right to be placed in the step of GS–15 that he would have been in had his service in the Federal Executive Service been in that grade, plus full credit for any previous service he may have had in that grade which he has not already used for step increase purposes. This provision is needed for those former executives who, under § 3140(c)(1), retained their last executive pay rate during the two-year period of saved pay.

Subparagraph (3) of § 3140(c) is needed by reason of the fact that members of the Federal Executive Service are not rated on acceptable level of competence but such a determination is needed for normal step increase purposes when the former executive enters the GS–15 position. Also, in order to prevent any misunderstanding over the effect in a pay increase the executive may have received in the Federal Executive Service, such an increase is deemed not to have been "an equivalent increase" for periodic step increase purposes (5 U.S.C. 5335(a)(A)). These are technical provisions needed to prevent any delay in the former executive's attaining the step in GS–15 to which § 3140 is intended to entitle him.

Subsection (d) of § 3140 covers the situation in which an agency does not offer an executive a renewal employment agreement and the executive declines the agency's offer of a position in GS–15. When that occurs, the executive is entitled to either a discontinued service annuity or severance pay provided he meets the regular requirements for either of those benefits. In order to make this entitlement clear, paragraphs (1) and (2) specify that the separation of an executive in this situation is "involuntary".

Subsection (e) of § 3140 applies to the situation in which the agency offers the executive a renewal employment agreement which he declines; then the agency offers him a competitive service continuing position at GS–15 which he declines. In such a case, subsection (e) makes clear that the executive is not entitled to either a discontinued service annuity or to severance pay.

§ 3141. Report to Congress. § 3141 supplements the new 5 U.S.C. 1308(f) which requires an annual stewardship report to Congress on the Federal Executive Service. As expressly provided in the last sentence of this section—and as specified in 5 U.S.C. 1308(f)(2)—the authorized number of appointments, ratios and executive pay average become effective 90 days after the stewardship report to Congress.

§ 3142. Regulations. This section authorizes the Civil Service Commission to prescribe regulations necessary to carry out the purposes of subchapter II of chapter 31 of title 5, United States Code, except § 3143. Section 3143 is excepted from the general regulatory authority of the Commission as portions of that section cover agencies in the judicial and legislative branches as well as agencies in the executive branch. It is not considered appropriate for a personnel-system regulatory provision, such as this section is, to extend to judicial and legislative agencies when it is evident that with regard to the subject matter here covered the full control of such nonexecutive agencies properly belongs outside the executive branch.

§ 3143. Executive management outside the Federal Executive Service. The government of the District of Columbia and each agency in the judicial or legislative branch in which there are positions the basic pay for which is at an annual rate that is not less than the sixth rate of GS–15 nor more than the rate for level V of the Executive Schedule and which are not paid under either the General Schedule nor under the Executive Schedule but, instead, under a regulatory counterpart to the new section 3139 which would be in effect by reason of section 6(b) of the Act (the approximate pay range of GS–16 through GS–18 of the General Schedule in effect immediately before the enactment of this bill) are required, by subsection (a) of § 3143, to issue regulations which, to the maximum extent possible, adopt for that government and those agencies a program for executive recruitment, selection, employment, and subsequent placement that is like the statutory Federal Executive Service program. Under this requirement the government of the District of Columbia and each agency would make a recruitment effort for career executive candidates like that required for candidates for career appointment in the Federal Executive Service. The government and the agency would fix an authorized number of executive appointments, the ratio of career to noncareer appointments, the pay for executives, and the continued employment guarantees and separation benefits all in a like manner to that required by the statute for the Federal Executive Service. The government or an agency could not pay one of its executives more or less than the pay rate specified in the new 5 U.S.C. 3139; and the ratio of career to noncareer executive appointments could not be less than a ratio authorized in or under 5 U.S.C. 3134(b).

The government of the District of Columbia and each judicial and legislative agency (including the General Accounting Office) having a regulatory program under § 3143(a) would be required under this section to submit a stewardship report to Congress (like that required of the Civil Service Commission by the new 5 U.S.C. 1308(f)(2)) for the purpose of authorizing the number of executive appointments, the ratios of career to noncareer appointments, and the executive pay average for the coming fiscal year.

Subsection (b) of § 3143 requires the Civil Service Commission, at the request of the government of the District of Columbia or a judicial or legislative branch agency having a regulatory program of executive management under § 3143(a), to give that government or the agency advice and assistance which may include the use of one or more of the Commission's Qualifications Boards and the Executive Inventory maintained by the Commission. As some nonexecutive branch agencies have only a small number of executives, the use of the Qualifications Boards established by the Civil Service Commission is intended to provide a prompt and economical means of assuring that high quality executive candidates are selected for appointment under the regulatory program.

Subsection (c) will constitute the pay authority for hearing examiners appointed under § 3105 of title 5, United States Code, who are not paid under the General Schedule. Hearing examiners will continue to be paid under this subsection just as they are paid at the present time but as there will no longer be any GS–16 or GS–17 grade in the General Schedule this subsection is necessary to provide a pay authority.

Paragraph (1) of subsection (c) is essentially the same as 5 U.S.C. 5362, the authority under which the Civil Service Commission fixes the pay of hearing examiners who are paid under the General Schedule. Under paragraph (1) the Commission, rather than the agency employing the hearing examiner, will continue to fix the pay of hearing examiners "independently of agency recommendations or ratings".

Paragraph (2) of subsection (c) places the same minimum and maximum limits on the Commission's pay authority in paragraph (1) of subsection (c) as are placed on members of the Federal Executive Service by the new § 3139. At present under the General Schedule, no hearing examiner is in GS–18 but it is possible that the duties and responsibilities of a hearing examiner could at some future time justify the Commission in fixing the pay of a hearing examiner as high as the present GS–18 rate. The new paragraph (2) would permit pay at that rate if warranted.

Paragraph (3) of subsection (c) supplies the Civil Service Commission with the authority necessary to enable it to create a regulatory pay system for hearing examiners that is like the one in existence today under the General Schedule.

Subparagraph (A) of paragraph (3) will require the Commission to establish the grades of difficulty for hearing examiner positions. This means that the Commission, following the principles in 5 U.S.C. 5101 (equal pay for substantially equal work; pay variations in proportion to substantial differences in work responsibility, qualification, requirements, and the hearing examiner's contribution to the efficiency and economy of the service) will prepare and publish in its regulations the bases for grading hearing examiner positions. These are needed since the bases for grading GS–16, 17, and 18 of the General Schedule (5 U.S.C. 5104(16), (17), and (18) will be repealed by the enactment of the bill. The bases for the hearing examiner pay rates will be like the present bases for GS–16, 17, and 18 modified as appropriate for the duties and responsibilities of hearing examiners. No hearing examiner will be increased or decreased in pay by reason of the bases which the Commission will prescribe under this subparagraph.

Subparagraph (B) of paragraph (3) requires the Civil Service Commission to include in the regulations that control the pay of hearing examiners not paid under the General Schedule provisions that will govern the rate for new appointments, the rate on change in position or type of appointment, periodic increases in pay, and pay saving. As required by the subparagraph, these regulatory provisions must be consistent with the present provisions in the sections of title 5 of the United States Code cited in the subparagraph. This will assure that even though those statutory provisions are no longer ap-

plicable to hearing examiners paid under this § 3143(c), they will continue to have all the benefits of those statutory job classification and pay-rate-fixing provisions.

Subsection (d) of § 3143—while not mandatory—urges or encourages the agencies exempted from subchapter II of chapter 31 of title 5, United States Code, to adopt as many features of the Federal Executive Service program as can be used by such an exempted agency. In addition, under this subsection, if an exempted agency needs assistance from the Civil Service Commission (such as the use of a Qualifications Board or the Commission's Executive Inventory), the agency is entitled to request and receive that assistance.

This subsection (d) of section 3143 is the last provision in the newly added subchapter II of chapter 31 of title 5, United States Code.

Paragraph (4) makes necessary amendments to chapter 33 of title 5, United States Code, to enable the Federal Executive Service program to operate.

Subparagraph (A) makes a significant amendment to § 3302 which will enable the President to include in the Civil Service Rules (Title 5, Code of Federal Regulations, Chapter I, Subchapter A) exceptions from several specified sections of title 5, United States Code, necessary for the operation of the Federal Executive Service. The need for the excepting authority for each section of title 5 referred to in the newly added § 3302 (3) is explained as follows:

§ 2951. The Federal Executive Service program has its own specific reporting requirement (5 U.S.C. 1308(f)), hence, there is no need for 5 U.S.C. 2951 to apply to it;

§§ 3304 and 3305. The Federal Executive Service Program has a review-of-qualifications procedure designed specifically for executive procurement and selection. Therefore, the competitive-examination requirements in these sections would not be applicable to the program;

§ 3306. Apportionment is not applicable to promotion actions. Since the majority of appointees to the career executives group will come from employees already in the competitive service to whom apportionment does not apply in a consideration for promotion, it would not be appropriate to apply it to the small number of persons selected from outside;

§ 3308. The prohibition against minimum educational requirements would not be appropriate to the professional types of assignments given members of the Federal Executive Service and, hence, 5 U.S.C. 3308 should not be applicable;

§ 3309. Candidates for the Federal Executive Service are not "graded" in the usual sense of competitive civil service examinations, accordingly, it is not possible to give additional "points" for veteran's preference in the selection and review process established for the Federal Executive Service program. This is especially so since the majority of appointees to the career executive group will come from those already in the competitive service and who presently do not receive veterans' preference points for promotion consideration.

§ 3311. All experience that a candidate has which relates to his qualifications for appointment as an executive will be reviewed, including any military or nonpaid experience, and used to determine if he is one of the most highly qualified candidates considered. Thus there is no need for 5 U.S.C. 3311.

§ 3313–3315a. Since the usual type of civil service competitive examinations are not used to determine the qualifications for candidates for the Federal Executive Service there are no "registers" or "employment lists" for such candidates and therefore these sections of title 5 would not be applicable to the Federal Executive Service program.

§ 3316. The only means of entry into the Federal Executive Service are those specified in subchapter II of chapter 31 of title 5, United States Code. This means that "reinstatement", as that term is used with respect to other competitive service appointments, is not applicable to the Federal Executive Service.

§§ 3317 and 3318. Since these sections apply to the certification and selection for competitive appointment from registers, and since no registers are established under the Federal Executive Service qualification-review process, these sections would not be appropriate for the Federal Executive Service program.

§ 3320. The Federal Executive Service does not include the government of the District of Columbia and, accordingly, 5 U.S.C. 3320 has no applicability to the Service.

§3321. As explained hereinbefore, there is no probationary period for executives selected for appointment in the Federal Executive Service. Because of that fact, this section (5 U.S.C. 3321) would have no applicability to the Federal Executive Service.

§ 3322. Career appointments in the Federal Executive Service are made under employment agreements of 3 years' duration. As the concept of temporary, indefinite, or permanent employment in a particular position is inconsistent with the use of employment agreements under the Federal Executive Service program, 5 U.S.C. 3322 has no proper applicability to the Service.

§ 3341. This section which controls "details" within an Executive department, or a military department would not be applicable to members of the Federal Executive Service for two reasons. First, members of the Federal Executive Service do not occupy "positions" as that term is used for other civil service purposes and a detail is made between different positions. Second, members of the Federal Executive Service are required to agree to accept any proper assignment of duties and responsibilities which would make 5 U.S.C. 3341 meaningless to those executives.

§ 3361. "Promotion", to which 5 U.S.C. 3361 relates, is a change of an employee from a lower graded position to a higher graded position (see 5 CFR 210.102(b)(11)). As members of the Federal Executive Service do not occupy positions, 5 U.S.C. 3361 would be inapplicable to them. Moreover, as provided in 5 U.S.C. 3139, the pay of an executive is not based on "position" but on other statutory factors which make the promotion-examination concept in 5 U.S.C. 3361 not relevant to the Service.

Subparagraphs (B) and (C) will repeal sections 3324 and 3325 of title 5, United States Code (and amend the analysis of chapter 33 of that title to evidence their repeal). These sections are repealed as there will no longer be any positions in GS–16, 17, or 18 by reason of the amendment of the General Schedule by this bill, and because 5 U.S.C. 3104 (to which § 3325 refers) will be repealed by this bill as explained hereinbefore. The repeal of these two sections, which have been referred to as special "supergrade" authorities, is part of the statutory plan, which will be accomplished by this bill, to abolish all special authorities to fill these executive-type positions and concentrate the authorities and the controls under this legislation. The accomplishment of this plan will significantly simplify executive management control within government.

Paragraph (5) amends the definition section of chapter 42 of title 5, United States Code, relative to "Performance Rating" to exclude from that chapter members of the Federal Executive Service and employees under an agency program of executive management (a regulatory program under 5 U.S.C. 3143(a)). This amendment will exclude these executives from the performance rating provisions of chapter 42. This exclusion is based on the fact that a uniform performance rating system for executives would not be in keeping with the basic concepts of the Federal Executive Service program. Each agency will have to establish effective and tailor-made processes to determine the quality of the performance of its executives. If an executive's job performance is poor he will be removed for inefficiency. If his performance is adequate but not up to the high level expected his employment agreement will not be renewed. If his performance is of a high quality his pay may be raised. An executive cannot be involved in a reduction in force, therefore, there is no need to rate him for the purposes of 5 U.S.C. 3502(a)(4) which refers to the use of "efficiency or performance ratings" as a reduction-in-force retention factor.

Paragraph (6) makes amendments to chapter 51 ("Classification") of title 5, United States Code, to accommodate the new Federal Executive Service program.

Subparagraph (A) of paragraph (6) will amend 5 U.S.C. 5102(c)(25) to delete the reference to GS–18 (as that grade is deleted from the General Schedule by this bill) and to insert in lieu thereof a reference to grade GS–15 (the new maximum grade in the General Schedule). The words "by a statute other than this chapter" are used instead of "by other statute" for better precision and clarity.

Subparagraph (B)(i) of paragraph (6) will amend 5 U.S.C. 5104 by deleting the reference to GS–18 (as there will be no GS–18 in the General Schedule after the enactment of this Act) and, in lieu thereof, inserting a reference to GS–15 which will—after enactment—be the top grade in the General Schedule.

Subparagraph (B)(ii) of paragraph (6) will repeal paragraphs (16), (17), and (18) of 5 U.S.C. 5104. These three paragraphs describe the classes of positions the duties of which warranted placement of a position in GS–16, 17, or 18. As there will be no General Schedule grades at GS–16, 17, and 18, these statutory position-description provisions are no longer necessary.

Subparagraph (C) of paragraph (6) will repeal 5 U.S.C. 5108, the basic statutory provision governing the classification of positions at GS–16, 17, and 18. Section 5108 is no longer necessary because there will be no General Schedule grades GS–16, 17, and 18 after the bill is enacted, and there will be no need to fix and distribute numbers of positions at grades GS–16, 17, and 18 as the Federal Executive Service program will supply a better and more efficient basis for creating executive-level appointment authorities.

Subparagraph (D) of paragraph (6) will repeal that part of 5 U.S.C. 5109 which was a statutory pay fixing authority for the GS–18 position of the Director of the Bureau of Retirement, Insurance, and Occupational Health of the Civil Service Commission. That position will be covered under the Federal Executive Service.

Subparagraph (E) of paragraph (6) will repeal 5 U.S.C. 5114 which required the Civil Service Commission and other agency authorities to make reports to Congress on positions in grades GS–16, 17, and 18. The section is unnecessary both by reason of the fact that the General Schedule will no longer include GS–16, 17, and 18, but also by reason of the fact that Congress will be fully informed as to the operation of the Federal Executive Service under 5 U.S.C. 1308(f) and under 5 U.S.C. 3143(a) by the new provisions in subchapter II of chapter 31 of the United States Code.

Subparagraph (F) of paragraph (6) will amend the analysis of chapter 51 of title 5, United States Code, to show that sections

5108 and 5109 of that chapter have been repealed.

Subparagraph (*G*) of paragraph (6) will amend section 5115 by deleting the reference therein to section 5114 of title 5, United States Code, which will be repealed by section 1(6)(E) of the bill.

Paragraph (7) makes several amendments to chapter 53 ("Pay Rates and Systems") of title 5, United States Code, needed by reason of the creation of the Federal Executive Service.

Subparagraph (*A*) of paragraph (7) will amend 5 U.S.C. 5304 ("Presidential policies and regulations") to include therein a reference to subchapter II of chapter 31 of title 5 of the United States Code (the subchapter governing the Federal Executive Service). This amendment will include the Federal Executive Service among the pay authorities which the President considers in fixing policies and regulations relating to such matters as pay comparability with private enterprise, the adequacy of Federal statutory pay structures, and the relationship of Federal statutory pay rates and private enterprise pay rates.

Subparagraph (*B*) of paragraph (7) will amend the General Schedule set out in 5 U.S.C. 5332 by repealing all references therein to GS–16, 17, and 18 and the annual rates for those grades. By reason of the creation of the Federal Executive Service by this Act—and the other statutory pay fixing provisions of this Act—there is no need for grades GS–16, 17, and 18 in the General Schedule.

Subparagraph (*C*) of paragraph (7) will repeal 5 U.S.C. 5361 which was a special pay fixing authority for the scientific and professional positions established under 5 U.S.C. 3104 (5 U.S.C. 3104 will also be repealed by this bill as explained hereinbefore). Because of the new Federal Executive Service program there is no need for special pay fixing provisions such as 5 U.S.C. 5361 as the positions covered by that section will either be in the Federal Executive Service or under an agency program of executive management after the enactment of the bill.

Subparagraph (*D*) of paragraph (7) will amend 5 U.S.C. 5362 so that it applies only to hearing examiner positions that are paid under the General Schedule. The majority of hearing examiners appointed under 5 U.S.C. 3105 are in grades higher than GS–15 and, after the enactment of this bill, those higher paid hearing examiners will have their pay fixed by the Civil Service Commission under newly added 5 U.S.C. 3143(c) making 5 U.S.C. 5362 applicable only to hearing examiners in General Schedule positions.

Subparagraph (*E*) of paragraph (7) will amend 5 U.S.C. 5363 by deleting the reference therein to GS–18 and inserting in lieu thereof a reference to the maximum rate payable under newly added 5 U.S.C. 3139. This is a technical amendment needed by reason of the repeal of the GS–18 grade and pay rate.

Subparagraph (*F*) of paragraph (7) will amend 5 U.S.C. 5364 to include therein a reference to the maximum rate of pay payable under the Federal Executive Service program. This amendment is required because of the repeal of those provisions in the General Schedule that related to GS–16, 17, and 18. That repeal would leave this section incomplete which makes it essential to supplement it by the inclusion therein of the reference to the maximum Federal Executive Service pay rate.

Subparagraph (*G*) of paragraph (7) will amend the analysis of chapter 53 of title 5, United States Code, to show the repeal of 5 U.S.C. 5361.

Paragraph (*8*) will amend 5 U.S.C. 5595(a)(2) relative to serverance pay to delete an obsolete reference to GS–18 and, in lieu thereof, include a reference to the maximum rate payable under newly added 5 U.S.C. 3139; and by including a reference to members of the Federal Executive Service in 5 U.S.C. 5595(a)(ii). The latter insertion is needed because members of the Federal Executive Service have a definite limitation on their appointment (3 years) and if they are not excepted from 5 U.S.C. 5595(a)(2)(ii) none of them could receive severance pay as is intended under the newly added 5 U.S.C. 3140. The first amendment is a technical one made necessary by the repeal of the General Schedule reference to GS–18.

Paragraph (*9*) would amend 5 U.S.C. 7154 (which prohibits discrimination because of race, color, creed, sex, or national origin in classification and pay fixing) to include a reference to the Federal Executive Service and other pay fixing authorities in subchapter II of chapter 31 of title 5, United States Code. This amendment is essential as the incumbents of the positions formerly in GS–16, 17, and 18, who were governed by this section 7154, are now in the Federal Executive Service and, of course, are still fully deserving of this type of statutory protection. The section is also amended to delete a reference to 5 U.S.C. 3324 which this bill would repeal.

Paragraph (*10*) would amend chapter 77 ("Appeals") of title 5, United States Code, by adding a new section 7702 to provide for appeals to the Civil Service Commission by members of the Federal Executive Service and employees under a regulatory program of executive management established under the newly added 5 U.S.C. 3143(a) who have the equivalent of career tenure, who feel their employing agency has violated the employment agreement (either initial or renewal) under which they are serving. The appeals that may be filed under this added section 7702 could relate to such things as an assignment of duties alleged to be of a nonexecutive character or separation from employment during an employment agreement.

The section is patterned after 5 U.S.C. 7701 which has, since 1944 served as the statutory basis for the appeals of preference eligibles. Paragraph (10) also amends the analysis of chapter 77 of title 5, United States Code, to show the newly added 5 U.S.C. 7702.

Section 2

Section 2 is a transition section which will enable the present incumbents of positions in GS–16, 17, and 18, or in the GS–16, 17, or 18 pay range, to either enter the Federal Executive Service or an agency program for executive management or continue under the appointment held immediately before the effective date of the bill. Any needed transition provisions for an agency program for executive management will be issued under the regulatory authority in new section 3143(a) and will provide the same rights as set out below.

Subsection (*a*)(*1*) is applicable to career and career-conditional employees who were in GS–16, 17, and 18, or in the GS–16, 17, or 18 pay range, immediately before the effective date and who are not excluded from coverage under the new subchapter II of chapter 31 of title 5, United States Code. These career and career-conditional employees have a choice between remaining in the employ of the agency under the same appointment they held before the Federal Executive Service was created or entering the Federal Executive Service in their employing agency. If such an employee elects to enter the Federal Executive Service he will be given an initial employment agreement for 3 years as specified in the new § 3137 of title 5, United States Code, without having his qualifications reviewed or approved by a Qualification Board. The entry into the Federal Executive Service of such an employee will have no effect on any of his Federal employment rights or benefits such as leave, retirement, life insurance, and health benefits. If the employee elects to remain in the agency under the appointment he held before the Federal Executive Service was created, he is entitled to retain that appointment (with the same rights and benefits) until such time as he leaves it by transfer, retirement, resignation, death or whatever.

Subsection (*a*)(*2*) of section 2 applies to employees who were in the excepted service immediately before the effective date of the bill. It distinguishes between two types of excepted employees paid in the GS–16, 17, or 18 pay range.

The first type is the excepted employee who, prior to the effective date, was in no sense a "career" employee, i.e., an employee in Schedule C or serving under a noncareer executive assignment. This type of noncareer, excepted employee had no true tenure before the effective date and, under this subsection (a)(2), he would be entitled to the same type of appointment, a noncareer appointment.

The second type includes all other excepted employees regardless of whether they were excepted by statute or under Schedule A or B. Any of this second type of excepted employees may, at the election of his employing agency, be offered a career appointment. It is to be emphasized that this is an option of the employing agency, not a right of the excepted employee. The employee who accepts the agency's offer becomes a career appointee without having his qualifications reviewed or approved by a Qualification Board. If the former excepted employee accepts a career appointment, he has all the rights of any other career appointee. If such an excepted employee accepts a career appointment it will have no effect on his rights or benefits such as leave, retirement, life insurance, and health benefits.

If an agency does not elect to offer this second type of excepted employee a career appointment or if the employee does not wish to accept such an appointment, the agency is required to allow him to remain in its employ in the same excepted appointment he held immediately before the effective date of the bill with no change in his tenure and no loss of any employment-protection benefits he had immediately before that effective date. This means that if this excepted employee had protection under 5 U.S.C. 7512 and 7701, he retains that protection. In addition, if he was paid under the General Schedule, he will be paid in the future in the same manner under section 2(b) of the bill rather than under the new 5 U.S.C. 3139 applicable to members of the Federal Executive Service.

Subsection (*a*)(*3*) of section 2 authorizes the Civil Service Commission to prescribe regulations to carry out the purposes of section 2. The subsection expressly requires that the regulations include an appellate procedure so that an employee who believes his agency has not given him a right to which he believes he was entitled under the section will be able to have an outside authority review the matter and, when warranted, direct that appropriate corrective action be made. Agencies are required, by section 2(a)(3), to take whatever corrective action the Commission recommends in an appeal under the section.

Subsection (*b*) of section 2 (except the provision concerning the Federal Bureau of Investigation) establishes a temporary pay-fixing authority for incumbents of positions that were in, or paid at a rate of, GS–16, 17, 18, and P.L. 313-type positions immediately before the effective date of the bill, but who choose not to enter the Federal Executive Service or an agency program of executive management or who are occupying positions in the excepted service which were not brought under the FES or an agency program by the agency. The subsection is required because after the effective date there

will be no General Schedule grades above GS–15.

Paragraph (1) of subsection (b) defines the coverage of the subsection and paragraph (2) constitutes the necessary express authority to allow agencies with administrative pay-fixing authority to continue that authority after the bill is enacted for the positions covered.

Subsection (b)(2)(B) is a special pay-fixing authority for the Federal Bureau of Investigation which allows the Director of that Bureau to fix the pay of 140 positions in the Bureau by administrative determination without regard to the other provisions of the Act but within the same rate limits.

In lieu of GS–16, 17, and 18, paragraph (3) of subsection (b) creates three new grades (Grade 16, Grade 17, and Grade 18) which have identical annual rates and steps to those in the present GS–16, 17, and 18. It is essential to keep in mind that this provision (indeed all of section 2 and section 3 of the bill except those provisions referring to the Federal Bureau of Investigation) is temporary legislation—not part of title 5, United States Code, which contains only permanent legislation—which will remain in effect only so long as positions of the type referred to in paragraph (1) of subsection (a) exist.

The remainder of paragraph (3) of subsection (b) of section 2 is designed to continue the pay-fixing system for the former GS–16, 17, and 18 positions so long as they exist and are filled. These positions require the Civil Service Commission to issue regulations establishing a pay-fixing system so that employees who occupy positions in Grades 16, 17, and 18 after the effective date will continue to be paid in the same manner as they were before that effective date. These regulations will have the full weight and effect of statute and pay determinations made in accordance with the regulations will be binding on all administrative, certifying, payroll, disbursing, and accounting officials. In the regulations, the Commission will include provisions that will govern employees in Grades 16, 17, and 18 with respect to the rate of pay on change of position or change in type of appointment, periodic and additional step increases, and pay saving. Each of these regulatory provisions will give to the Grade 16, 17, or 18 employee the same rights and benefits he had when he was paid under the General Schedule. It is the legislative purpose in including section 2(b) to ensure that the employees who are placed in Grades 16, 17, and 18 by the enactment of this bill will continue to be paid on the same basis and under an identical pay-fixing system as they were being paid under the General Schedule immediately before the effective date of the bill.

Section 3

Section 3(a) repeals all statutes and other authorities which authorized positions in, or paid at a rate of GS–16, 17, and 18, and positions of a P.L. 313-type, immediately before the effective date of the Act, and, concurrently, authorizes each such position to be continued under the authority of this subsection (a). These positions are to be continued under the authority of section 3(a) until they are brought into the Federal Executive Service or under an agency program of executive management. Most of the positions to which this section refers are positions held by employees immediately before the effective date in GS–16, 17, and 18, or in the GS–16, 17, or 18 pay range, who, under authority of section 2 of the bill, elect not to enter the Federal Executive Service but, instead, retained their position in the new Grade 16, 17, or 18. When those employees leave these positions, the duties of these positions will be performed by members of the Federal Executive Service or employees under an agency program of executive management, but until that occurs this section 3(a) serves as the legal authority to continue the position at whatever grade it was in (but without the "GS" title) immediately before the effective date of the Act. As expressly provided in section 3(a)(2), subsection (a) does not apply to the administrative pay-fixing authority provided the Federal Bureau of Investigation in section 2(b)(2)(B) of the bill.

Subsection (b) of section 3 is an "accounting" provision which requires a report on the positions continued under section 3(a). This report will disclose to the Civil Service Commission the exact number of these positions—and the former authority under which they existed before the effective date of the bill—so that control can be maintained over them in the fuutre. By the use of this subsection the Commission will be able to determine just when all these positions are eliminated.

Section 4

Section 4 is included to make positive that the enactment of the bill will not decrease the pay, allowances, compensation, or annuity of any person.

Section 5

Section 5 is the usual severability provision.

Section 6

Section 6(a) sets the general effective date of the Act at the start of the first fiscal year that begins 270 days following the date of enactment. This period of time is needed to allow the Civil Service Commission and the agencies time to prepare for the changes that will be brought about in the area of executive management by the enactment of the bill. During this period the Commission will establish Qualifications Boards required by the new 5 U.S.C. 3138. Also, during this period the Commission will prepare the regulations authorized by section 2(b) which will govern pay fixing for the newly created Grades 16, 17, and 18 and do such other things as are necessary to make the bill operational.

Section 6(b) sets the effective date of the stewardship reporting provisions 90 days earlier than the general effective date of the Act. This earlier effective date for those provisions will enable the Civil Service Commission and the agencies having regulatory programs of executive management to prepare and submit the required report prior to the general effective date so that on that general effective date the necessary number of executive appointments, ratios, and executive pay averages will be authorized.

FASCELL PROPOSES AMENDMENT FOR DIRECT ELECTIONS

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

Mr. FASCELL. Mr. Speaker, I am today again introducing legislation designed to avert the kind of constitutional crisis which threatened our Nation in the last presidential election. The amendment to the Constitution which I am proposing would provide for the direct election of the President and the Vice President of the United States.

Our colleagues will recall that this measure was approved in the House by a significant margin of 339 to 70 in the last session of Congress. In fact, few issues have commanded the widespread support which the direct election amendment has enjoyed, and yet not been enacted.

Polls show that over 80 percent of the American people favor this reform. The President of the United States has said that he supports direct election and would urge the States to ratify an amendment to that end if the bill won congressional approval. And even such diverse interests as the U.S. Chamber of Commerce and the AFL–CIO have joined in backing this legislation.

There is good reason for the unity of feeling.

In 1968, the shift of just a few thousand votes in selected areas of the country, out of a total of more than 68 million cast, would have thrown the presidential election into the House of Representatives. We could again have had a President who did not receive the greatest number of votes cast. Or we could have a President who was the winner in popular votes, but still indebted to a third candidate for his victory in the electoral college.

Fortunately these possibilities did not become realities, but there could be no more graphic demonstration of the degree to which the electoral college has outlived its usefulness and, indeed, mutated into a potentially antidemocratic institution.

Mr. Speaker, let me congratulate our colleagues for their wisdom in approving this proposal by an overwhelming margin in the 91st Congress.

For those who have opposed this amendment in the past for whatever reasons, let me offer the observation that we have flirted with disaster and been spared.

For everyone concerned with making government more democratic and responsive to the will of the people, let us join in the support of this necessary and overdue reform.

SYRACUSE CHINA—CENTENNIAL

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

Mr. HANLEY. Mr. Speaker, one of the interesting habits of people from the central New York and Syracuse areas, especially when traveling, is the quick inspection of the bottom of their dinner plates. Actually, this small gesture has become the trademark of people looking for a trademark. It is a matter of considerable pride to these central New Yorkers that Syracuse china has become the hallmark of fine dinner service throughout the Nation.

This year Syracuse china, the first and finest in true American chinaware, celebrates its centennial year. The story of its development dates from very modest beginnings over 100 years ago, long before true, vitrified china was produced in America.

Back in 1841, W. H. Farrar started a small pottery on what is now called West Genesee Street, in Syracuse. By using local clays, Mr. Farrar produced whisky jugs, butter crocks and mixing bowls in stoneware, along with clay animals in brown glazed pottery. Withing a few years the Empire Pottery Co. was organized to take over the Farrar Pottery, and "white ware" for table use was added to the line.

But it was not until 1871 that the Onondaga Pottery Co. was organized to take over the Empire Pottery Co. This was the company that was destined to become the Syracuse China Corp., and gain international fame within the century.

The new company started by producing a heavy duty earthenware called ironstone in a small factory on Fayette Street. As acceptance of its product grew, the company found it necessary to improve and enlarge its manufacturing facilities. In 1880, a new plant was built on the site of the old. This was enlarged on three successive occasions, trebling the factory's capacity.

Things really began to happen in the 1880's. In 1885, semiporcelain ware was produced which guaranteed no crackle or craze—the first such china made in the United States. And, by 1891, Onondaga Pottery went into full production of thin translucent dinnerware—marketed for the first time as Syracuse china. As America's first true vitrified china, the new Syracuse china was heralded throughout the country. At the World Columbian Exposition in 1893 it received the High Award Medal and 11 years later the Grand Prize Medal was awarded to Syracuse china at the Louisiana Purchase Exposition in St. Louis.

As the business pace picked up the company branched out further and built its third and final addition at the Fayette Street site. In 1921, construction of a new plant, on Court Street, was begun. Here china was produced for commercial use, in restaurants, hotels, hospitals, colleges, and universities.

In 1928, an ivory body dinner and hotelware was perfected and the company's commercialware division was on the way to its present standing as leader in the industry. "Econo-Rim" production and the Syratone process of decorating followed in 1933.

From this point on, a never-ending program of research and experimentation yielded scores of new techniques in designing, making, and decorating both household and commercial chinaware. Such research even made possible a unique wartime product. During World War II the company developed a completely nondetectable landmine and fuse, using Syracuse chine as one of its basic components. The first of its kind to be perfected, this outstanding contribution to the defense effort was recognized by a special citation from the War Department.

The defense effort did not retard research or production of goods for the consumer, however. By 1945, the company came out with Airlite china, the first ever used on passenger airlines. Since that time the company has continued to be a major supplier and innovator to the airline food service.

Since World War II, major innovations in the industry have come from the top-notch ceramic engineers and research personnel at Syracuse China. Principal among these was the introduction of the Winthrop shape, a completely new concept for the industry. The Winthrop shape, introduced in 1950, marked the first time any manufacturer produced the interrupted edge to the commercial market, a design feature that up to then was limited to the production of household ware.

By this time Syracuse China was the recognized leader in the industry. In fact, the product name had become so well known and widely accepted, that the company's name was officially changed to Syracuse China Corp. in 1966, and the longstanding name of Onondaga Pottery Co., became a matter of historical record.

One hundred years after the founding of the Onondaga Pottery Co., Syracuse China covers some 21 acres and holds the uncontested first place in the commercial chinaware industry. As the largest manufacturer of commercial chinaware in the United States, its quality products can be seen throughout the United States and Canada—in the finest restaurants, well-known colleges and universities, and various health care centers. Its famous ceramic engineers and research personnel continually test products and formulas and investigate product development, stresses and strains on products and the design of new shapes. According to President William R. Salisbury, the Syracuse China Corp. looks on 1971, not only as a year for centennial celebration, but, as the "beginning of further growth and leadership in quality products, customer service, product design, innovations, and technical know-how."

THE BUDGET OF THE UNITED STATES

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

Mr. BURKE of Massachusetts. Mr. Speaker, if someone were to tell me that the budget of the United States would make interesting reading—indeed exciting reading—then I think I would be understandably skeptical. Even more so if someone were to argue that the budget made interesting bedtime reading. I have always thought I was safe in assuming that there was quite a difference between hard facts and cold figures and a work of fiction. Most people would agree that a budget should be more a matter of hard facts and cold figures than a work of fiction. Now, however, after reading the President's economic message and going over his budget, I am forced to reexamine these traditional and supposedly safe assumptions. Apparently what was universally true a week ago, can no longer be taken for granted. The truth is that in all likelihood, Mr. Nixon's budget will go down in history more as a work of fiction than anything else—albeit not a work of first rank and definitely not to be confused with a work of art.

Already the book reviews are describing the budget as being more Alice in Wonderland than a realistic projection of likely income and blueprint of reasonable expenditures. While at first hearing such a combination as Lewis Carroll and a Republican administration budget might seem incongruous, closer examination reveals the budget is clearly a mixture of relatively few hard figures and many soft dreams—to borrow from another review. Another way of putting it is that the budget is long on promises and short on concrete and realistic assumptions.

Now, lest this get a little forced, let me admit at the outset that much of this discussion would be unnecessary if the President had been willing to describe and admit the budget to be what it was—a plan of deficit spending for an economy in deep trouble—instead of trying to resort to the elaborate disguise of referring to it as a self-fulfilling budget. When the President goes so far as to deny that his budget will create the $11.6 billion deficit that it is clearly creating, if followed, the President invites upon himself this kind of treatment. The President creates a new credibility gap each time he argues that the budget will spend itself so silly that it will end up in the black instead of the red.

Oh, I know it must be difficult for a Republican President, presiding once again in this century over a serious economic situation, to admit that he is resorting to nothing more than old-fashioned New Deal pump priming and relying on—horror of horrors—such a subversive and un-American device as neo-Keynesian, post-Galbraithian deficit spending. Even if important party contributors were to accept this revolutionary situation for what it is worth, the President is still understandably embarrassed about having to make such a complete turnabout from his slavish devotion a short 12 months ago to a rigidly balanced budget to his crusading zeal for a deliberately unbalanced budget. Thus, this elaborate attempt to cover up what has taken place—nothing more than a refusal to admit defeat. Instead of confessing that by spending the way the budget recommends, the Nation runs the serious risk of adding to its already sizable debt burden, the President prefers to confuse his pious hopes with reasonable expectations. Instead of being honest and admitting that by spending money the Government does not have—and worse, the Government will not have in the foreseeable future based on the economic facts of life—he is hopeful of turning things around economically and sparking off a much-needed economic upturn, the President tries to perform a sleight of hand, substituting a 4-percent unemployment figure for the existing 6-percent-plus figure of the moment.

After deliberately conducting his economic policy for 2 years in such a way as to insure a higher level of unemployment in this country than when he took office, the President is now wishing away his hard-won unemployment figures with the drop of a few billion dollars into the economy. Just wishing for a full employment surplus does not bring it about. Just pulling a $1.065 trillion figure for the gross national product out of the air does not mean there is any real likelihood that it can be achieved this coming fiscal year. The consensus outside the rarified atmosphere of close administration circles tends to settle on a more realistic figure, in the neighborhood of $1.045 or $1.050 trillion. Similarly, pulling a $229.3 billion revenue figure out

of a hat will not necessarily make it come true. Such a hothouse figure is the outgrowth of some pretty unbelievable vitamin-like assumptions, such as: A 22-percent hike in corporate income taxes to $37 billion; 17.5-percent rise in payroll taxes to $58 billion; 6-percent increase in individual income taxes to $94 billion; 4-percent growth in excise taxes to $17.5 billion; 43-percent increment in estate and gift taxes to $5 billion; and 8-percent addition to miscellaneous Government income to $7 billion. As a matter of fact, outside opinion seems to hover around a deficit prediction of from $18 to $19 billion. Since when has this country enjoyed a 9-percent growth in its GNP? Does the President think he is in Japan?

When challenged on these figures in recent days administration spokesmen skilled in the art of self-defense, are quick to retort that outside economists have no monopoly on wisdom. I think it is clear from past performance that there is more wisdom outside than inside the present administration. Remarks like this and figures like these are difficult to accept from an administration which by its own admission has been proven horribly wrong in the past. These figures are being produced by the same men who produced last year's figures, do not forget. Whatever happened to the $1.3 billion surplus that was planned for the coming fiscal year?

Now ordinarily none of this, serious as it is, would lead me to get up and make a speech on the subject of the budget were it not for the fact that all this gimmickry is serving as the basis for an even greater hoax, if possible, the concept of revenue sharing as preached by the present administration. This budget is supposed to contain within its entrails some $16 billion worth of funds which loosely—very loosely—are referred to as revenue sharing by the administration.

When this magical figure is broken out and we find that $10 billion of it is really old programs made more liberal and partly funded by funds appropriated last year by Congress and never spent by an administration dedicated to balancing its budget, we are still left with some $6 billion of new funds, $5 billion of which will be distributed to the States in an as yet unexplained manner, with no strings attached. Every time the question is asked about where the $5 billion is coming from, the answer invariably is "the expansionary budget." So, this budget that was presented last week becomes a very important prop behind a very controversial concept. In questioning the administration figures and projections contained in that budget, I am questioning whether there is, in fact, going to be enough money to fund this redistribution, this bonus blank check to States and cities and towns next year in a manner far from clear. It takes no courage for anybody to promise the earth, especially when those that it is promised to are in desperate need of help. The problem comes when it is realized that all we have done is promise them something we cannot deliver—not at least without adding to the national debt and accepting an increased financing cost.

The American people are being asked to buy a concept, swear allegiance to an idea, which is vague to say the least. I have yet to hear a spokesman for either the administration or the various Governors and mayors get down to details and specifics about just what revenue sharing will entail. If it is going to add to the debt, then the American people ought to know. If it is going to ultimately require increased taxes, then the American people ought to be told. Right now they are being lulled into thinking there is behind the budget income sufficient to cover this largesse.

At the very heart of the controversy over revenue sharing is the sad fact that it separates the tax raising function from the tax-spending privilege. If all that was being proposed was a redistribution of income through a sharing plan, then that would be one thing. For the fact is, I am not opposed to responsible revenue sharing. The Federal Government in recent years has been sharing quite a bit of its revenue with the States, cties, and towns around the country. Every time the Government votes an increase in social security benefits, this relieves the burden on the States, cities, and towns old-age assistance programs. If the Federal Government tackles the crucial issue of welfare reform and takes it over lock, stock, and barrel, it will relieve a tremendous burden from the shoulders of the States, cities, and towns around the country. I am for this kind of responsible revenue sharing. What I am opposed to is irresponsible revenue-sharing schemes. If what is being proposed is the distribution of funds we do not have—and this means either borrowing or raising the money through taxes—then the concept becomes unpalatable and hard to take. What I would like is some honest truth from the administration, not pie in the sky, not a budget which is more appropriately described as "wish-fulfillment" than "self-fulfillment." The administration is trying to finance revenue sharing through a hoped-for tax windfall when all it has to show for its efforts to date is a tax shortfall of historic proportions.

I am convinced that if the American people could cut through this verbiage, these promises, these slogans, they would see exposed a carefully hidden built-in tax increase. As I have said many times before, what will it profit a man to save $100 on his real estate taxes if in the end he has to pay $300 extra in the near future in his Federal income taxes? What I am refusing to agree to today is it is not the sharing of Federal funds, but the sharing of Federal funds that do not exist. Those of us who dare to question the administration's motives in all of this, those of us who insist on boring into and through the web of mystery which completely envelops the hazy concept of revenue sharing, are inevitably going to be subjected to one of the most well-organized, well-financed, and concerted publicity and promotional drives of recent memory. But I think the public will see through the campaign of Madison Avenue, circus hucksters, and carnival barkers and the campaign will backfire. At least I will have good company on the firing line. The leaders of organized labor and various minority groups around the country have joined together to ward off any attempt to water down adherence across the country to minimum national standards which have only been instituted after decades of hard work. Already, too, many mayors and local officials around the country are expressing doubt about the program as some of the details are being leaked out and it appears that some of the existing grants-in-aid may be cut back to fund the new program.

There is not a Member of Congress here today who is not a taxpayer in some other town, some other place, some other State, and who has not got the same aspirations and desires as countless citizens across the land to do something to solve the crisis which confronts local government at every level. If it could be done without any pain and without any sacrifice by simply wishing it away, I would be the first to go along. But it will take more than sleight-of-hand tricks. It will take more than false promises to solve the problems facing the cities and States. It is time we stopped living in a dream world, woke up from illusions and accepted reality for what it is. Magic formulas are always dangerous and should be highly suspect when trooped out by an administration of tired magicians who have mismanaged the economy to date badly. This is no time for hat tricks or stories of the goose that laid the golden egg.

LAOTIAN OPERATIONS MAKE SENSE

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

Mr. MONTGOMERY. Mr. Speaker, from a purely military standpoint, the movement of units of the South Vietnamese Army into Laos to disrupt the supply and infiltration network of North Vietnam should be viewed as a very wise tactic.

This ploy, which most assuredly will keep the enemy off balance, will be of immense benefit in saving American lives as we continue to decrease the level of American involvement in South Vietnam.

The Cambodian sanctuary operations 7 months ago, plus the closing of the Port of Kompong Som—Sihanoukville—by the Lon Nol government, virtually eliminated all the supplies the enemy needed to mount any type of offensive operation in the III and IV Corps areas of South Vietnam. About 90 percent of the Communist supplies now reaching South Vietnam must come down the Ho Chi Minh Trail. The supplies are then routed from sanctuary areas in Laos to South Vietnam, as well as Cambodia. For this reason, these staging areas in Laos are very important to the current and future operations of the North Vietnamese.

I do not really expect the current operations by the South Vietnamese to result in the destruction of much North Vietnamese equipment being stored in

Laos. The important point is for these operations to dominate the North Vietnamese staging areas and prevent new supplies from moving down the Ho Chi Minh Trail. If this can be accomplished, then we will have more breathing room to withdraw our combat troops in safety and provide the South Vietnamese with more time to prepare for the day they must defend their country by themselves.

There is no doubt that the operations in Laos will be hard on the South Vietnamese ground troops, as well as those Americans providing air support. We could expect nothing less under conditions of military conflict. But I still go back to my original point that the Laotian operations do make sense.

TO ESTABLISH A NATIONAL CEMETERY AT VANDENBERG AIR FORCE BASE

(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, I am concerned about the shortage of national cemetery facilities. Statistics made available to the Committee on Veterans' Affairs reveal that the Department of the Army now operates 46 national cemeteries that are still open and available for the interment of deceased veterans. Additionally, there are six open national cemeteries operated by the Department of the Interior. In the next 10 years 14 of these 52 national cemeteries will be closed. In the next 30 years, 36 of these 60 national cemeteries will be closed. On the other hand, approximately 750,000 servicemen are being separated annually from the Armed Forces. All of these veterans are eligible for burial in a national cemetery. Despite these rather alarming statistics, there has been no expansion of the national cemetery system for many years.

The situation is even more acute in the State of California than it is across the Nation generally. There are more than 2,900,000 veterans residing in the State of California, all eligible for burial in a national cemetery. The three national cemeteries located in California, Fort Rosecrans, San Diego; Golden Gate National Cemetery at San Bruno; and San Francisco National Cemetery at the Presidio in San Francisco, are all closed to future veteran burials because of the unavailability of space.

On the entire west coast of the United States there is only one national cemetery with space available for future burials. This is the Willamette National Cemetery at Portland, Oreg. In an effort to alleviate the problem as it relates to veterans in my own State of California, I have introduced a bill to provide for the establishment of a national cemetery within the boundaries of Vandenberg Air Force Base, Calif.

The proposed site is located between San Francisco and Los Angeles and is readily accessible to both northern and southern California residents. I am informed that there are three areas of Vandenberg Air Force Base controlled land that could be utilized for this worthy purpose with no acquisition cost to the Government. The land is unencumbered and has natural features that would eliminate the need for excessive development costs. This Government-owned land meets all the established criteria for national cemeteries as set forth by the Chief of Support Services, Department of the Army. I am hopeful that the committee will act promptly upon this legislation so that veterans in the State of California may be entitled to burial in a national cemetery within reasonable proximity of their hometown.

CONCERNING REVENUE SHARING

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

Mr. CONABLE. Mr. Speaker, we have been hearing with increasing frequency the suggestion that the Federal Government assume the entire cost of the Nation's welfare programs as an alternative to the President's Federal revenue-sharing plan. I suppose we New Yorkers should be grateful for this suggestion since our State and California expend almost 40 percent of the Nation's annual $11.5 billion welfare budget.

Unfortunately, I cannot bring myself to feel that the proponents of this alternative really want to be so generous to New York and California, or really want to nationalize our welfare programs. Instead I must view this welfare proposal as a political diversion to counter the tremendous appeal and basic fairness of the President's revenue-sharing proposal.

Welfare reform is one thing, and I support it; revenue sharing is another matter, however, and the two should not be confused. It is a cruel hoax on the people of New York and California to imply that nationalization of their welfare burdens will be seriously considered as an alternative to revenue sharing. I urge that those who recognize the serious need for new financial aid to our State and local governments not be misled by this diversionary tactic. Revenue sharing is what is needed, and I invite all my colleagues to join in sponsoring this legislation when it is introduced tomorrow.

RURAL DEVELOPMENT ACT OF 1971

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

Mr. THOMSON of Wisconsin. Mr. Speaker, the decline of rural America is not only an historical fact, it is a national tragedy. The present, and growing, imbalance between our urban concentrations and the countryside has diminished the quality of life in both and caused undue stress on the environment. A policy of balanced development is clearly required.

The first step toward redressing the present imbalance is to revitalize our rural areas, making it possible for more of our citizens to live there. This means more jobs, more housing, better community services. But the key element among these, the one that can do more than any other to turn around the declining rural economy, is the creation of more new jobs.

Today, I am introducing the Rural Job Development Act of 1971 to provide tax incentives to businesses locating or expanding their employment opportunities in declining rural areas. Rural areas that are "making it" economically would not qualify. The bill would direct development to those counties and Indian reservations where population has been in steady decline and where more than 15 percent of the families earn less than $3,000 annually. Thus, this bill will be a true aid to needy areas and restore vitality to underdeveloped regions making them attractive alternatives to congested urban living.

A BILL TO AMEND SECTION 236 OF THE NATIONAL HOUSING ACT, TO REQUIRE LOCAL GOVERNMENTAL APPROVAL OF ANY PROJECT AS A CONDITION OF INTEREST REDUCTION PAYMENTS—OR MORTGAGE INSURANCE—WITH RESPECT TO SUCH PROJECT

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

Mr. ARCHER. Mr. Speaker, today I am introducing a bill which would amend the National Housing Act, section 236, thereby eliminating a deficiency now existing in the law. This amendment will require local government approval of the location of any federally subsidized public housing projects under section 236. As it now stands, sites are subject to the approval of the Department of Housing and Urban Development. Local officials do not have to be consulted.

It seems to me that the location of these project sites could best be determined by the locality, not by Washington. Projects of large size clearly have a significant impact on a city's growth. For this reason, local participation in these important decisions is essential for proper planning of the city's development and expansion. It is important as well for harmonious achievement of our goals of better housing and a higher quality of life for all. These projects have a serious impact on the city of Houston where we have the largest city in America without zoning.

I strongly support President Nixon's policy which calls for returning to the local level power which has been flowing far too long toward Washington. My bill, which is cosponsored by nine other Members of the House, will place final say concerning the sites of section 236 projects where it belongs—in the hands of the people.

CONSUMER PROTECTION ACT OF 1971

(Mr. ERLENBORN asked and was given permission to address the House for 1 minute and to revise and extend

his remarks and include extraneous matter.)

Mr. ERLENBORN. Mr. Speaker, the lack of effective protection and representation of consumer interests has troubled Congress in recent years.

Today, the gentleman from Ohio (Mr. BROWN) and I are introducing a bill which will fill this gap. It has an additional advantage. Having both cosponsored and played active roles in the development of H.R. 18214, the proposed Consumer Protection Act which stirred considerable controversy—during the 91st Congress, we believe our bill provides the new approach that is necessary.

A brief summary and a section-by-section analysis of the proposal follow:

SUMMARY OF CONSUMER PROTECTION ACT OF 1971

OFFICE OF CONSUMER AFFAIRS

The Consumer Protection Act of 1971 upgrades the Office of Consumer Affairs in the Executive Office of the President to statutory responsibilities. The Office, headed by a Director appointed by the President with the advice and consent of the Senate, has the primary responsibility for the oversight, coordination, and direction of consumer policy and operations among Federal agencies.

BUREAU OF CONSUMER PROTECTION AND REPRESENTATION OF CONSUMER INTERESTS

In addition, there is established by law within the Federal Trade Commission a Bureau of Consumer Protection, headed by a Consumer Counsel appointed by the President with the advice and consent of the Senate. The primary responsibility of the Bureau is to represent the interests of consumers before other Federal agencies and courts.

PRODUCT TESTING

In support of its representational functions, the Bureau shall have the right to contract with other Federal agencies and non-Federal sources to conduct product testing. Other than for this purpose, however, the Act does not authorize the Bureau or the Office directly or indirectly to engage in or support product testing.

CONSUMER COMPLAINTS

Additionally, the Bureau is authorized to receive, evaluate, develop, and act upon complaints from consumers. This authority includes transmission by the Bureau of such complaints to other Federal agencies and non-Federal sources for investigation and action.

As part of its responsibility in this area, the Bureau shall maintain a public document room where complaints may be made available to the public for inspection and copying. To safeguard against abuse, these complaints shall not be available to the public until three conditions have been met:

1. The complainant has given permission for his complaint to be made public.

2. The party complained against has been given at least 60 days in which to comment.

3. The governmental agency to which the complaint has been referred has indicated how it intends to handle the complaint.

CONSUMER INFORMATION

Both the Bureau and the Office are authorized to gather and disseminate to the public information of interest to consumers, including information concerning items purchased by the Federal Government for its own use.

As part of the consumer information authority, the Office is authorized to publish and distribute a Consumer Register designed to make available to consumers information which may be of interest to them, including that relating to government activities.

Under the Act, interested persons are given the right to comment before the release of such information pertaining to brand names, and Federal agencies are prohibited from declaring one product to be superior to another.

OTHER FEDERAL ACTION

The Act provides that every Federal agency, in taking action that substantially affects the interests of consumers, shall provide notice of such action to the Office and the Bureau and shall give due consideration to the valid interests of consumers.

THREE-YEAR AUTHORIZATION

The authorization for both the Bureau and the Office is limited to three years.

DEFINITION OF CONSUMER

A consumer is defined in the Act as "any person who is offered goods or services for personal, family, or household purposes."

SECTION-BY-SECTION ANALYSIS OF CONSUMER PROTECTION ACT

I. OFFICE OF CONSUMER AFFAIRS

1. The Office is to be established in the Executive Office of the President, to be headed by a Director who is to be appointed by the President and confirmed by the Senate for an indefinite term.

2. The Director is authorized to:

(a) appoint personnel

(b) employ experts and consultants

(c) promulgate rules

(d) utilize, with their consent, the services, personnel and facilities of Federal, State and private agencies with or without reimbursement

(e) enter into contracts, leases and agreements with Federal, State and local government agencies and private instrumentalities or individuals

(f) accept voluntary and uncompensated services.

3. Upon request of the Director, each Federal agency is authorized and directed to (a) make its services, personnel and facilities available to the Office with or without compensation; and (b) to furnish such information, data, estimates and statistics to the Office as the Director may determine necessary, except where prohibited by law.

4. The President is directed to submit an annual report to Congress reviewing Federal consumer activities and appraising the adequacy and effectiveness of Federal consumer operations.

5. The functions of the Office are to:

(a) coordinate Federal consumer programs and activities

(b) resolve conflicts among Federal agencies involving consumer programs

(c) encourage and assist in the development and implementation of Federal consumer programs and activities

(d) assure that the interests of consumers are adequately considered by Federal consumer agencies in formulating policy and operating programs

(e) cooperate with and provide assistance to the Consumer Counsel in the Bureau of Consumer Protection in the FTC.

(f) advise and make recommendations to Federal consumer agencies with respect to policy matters and program operations

(g) conduct conferences, surveys and investigations

(h) encourage, initiate, coordinate, and participate in consumer education programs

(i) encourage, support and coordinate consumer research

(j) cooperate with and give technical assistance to State and local governments

(k) cooperate with and assist private enterprise

(l) publish and distribute a Consumer Register

(m) keep Congress fully and currently informed.

6. Authorizations for appropriations are provided for three years to operate the Office.

II. BUREAU OF CONSUMER PROTECTION

1. A Bureau is established within the Federal Trade Commission to be headed by a Consumer Counsel who is to be appointed by the President and confirmed by the Senate for an indefinite term.

2. The Consumer Counsel shall, subject to the direction of the Commission, be responsible for the operations of the Bureau.

3. The Consumer Counsel shall have the same general administrative authority to employ personnel, promulgate rules, etc., as that conferred upon the Director of the Office, as described in paragraph 2 of part I above. Similarly, other Federal agencies are required to make personnel, services, facilities and information available to the Consumer Counsel under the same terms, conditions and restrictions as are applicable to the Director, as described in paragraph 3 of part I above.

4. The Consumer Counsel is directed to submit an annual report to the Congress reviewing the Bureau's activities and appraising the adequacy and effectiveness of Federal consumer operations.

5. The Bureau is authorized to represent the interests of consumers before Federal agencies and courts.

At such times as the Bureau intervenes in a Federal agency proceeding, it shall be required to issue a written public statement indicating (1) the manner in which the proceeding may substantially affect the interests of consumers, (2) the reasons why the interests of consumers will not be protected otherwise, and (3) the concise interests to be protected by the Bureau in the course of intervention.

In case of intervention in a Federal agency proceeding, the Bureau shall not be entitled to exercise the existing subpena authority of the Federal Trade Commission, but instead shall only be authorized to obtain information which every other party to the proceeding is entitled to receive.

6. The additional functions of the Bureau are to:

(a) encourage and support research and studies leading to a better understanding of consumer products, services and information.

(b) make recommendations to other Federal agencies with respect to research, studies, analyses, and other information within their authority which would benefit consumers.

(c) conduct conferences, surveys, and investigations, including economic surveys.

(d) keep Congress fully and currently informed.

(e) cooperate with and assist the Director of the Office of Consumer Affairs.

7. The Bureau is also authorized to receive, evaluate, develop, act on, and transmit any complaints received by it to appropriate Federal agencies and non-Federal sources concerning actions or practices that may be detrimental to consumers. The Bureau shall follow-up any complaints referred to other sources to determine the nature and extent of action taken. Producers, distributors, retailers or suppliers of goods and services shall be promptly notified by the Bureau of any complaints received or developed by it.

The Bureau shall maintain a public document room for the public inspection and copying of an up-to-date listing of consumer complaints received by it, but a complaint may only be made public if permission is granted by the complainant, if the party complained against has had at least 60 days to comment upon the complaint, and if the source to which the complaint was referred has indicated how it intends to handle the complaint. All comments, required above, shall accompany the release of a complaint.

8. Authorizations for appropriations are provided for three years to operate the Bureau.

III. INFORMATION, TESTING AND ADMINISTRATIVE PROCEEDINGS

1. Consumer information

(a) The Bureau and the Office shall develop, gather, and disseminate to the public information, statistics and other data which will be of interest to consumers, except that no information shall be released which falls within one of the privileged categories under the Freedom of Information Act.

(b) Neither the Bureau nor the Office shall directly or indirectly engage in or support the testing of products or services offered for sale to the public, except to the extent authorized under the testing provisions outlined in paragraph 2 below.

(c) If any information concerning test results is released bearing product names, it shall be made clear, if such is the case, that not all products of a competitive nature have been tested and that there is no intent or purpose to rate products tested over those not tested or to imply that those tested are superior or preferable in quality.

(d) No Federal agency shall declare one product to be better or a better buy over another product.

(e) The Bureau and the Office shall avoid duplicating the consumer information services of each other or other Federal agencies.

(f) If inaccurate information is disclosed publicly, the agency responsible shall issue a full retraction together with a statement of accurate information.

(g) The Bureau and Office shall issue regulations, after notice and opportunity for comment by interested persons, assuring fairness to all affected parties on information released and shall also provide interested persons with a reasonable opportunity to comment upon the proposed release of product test data, containing product names, prior to release.

2. Testing

In representing the interests of consumers before Federal agencies and courts, the Consumer Counsel is authorized to have products tested by a Federal agency or non-Federal source as to performance, durability, content, purity, safety, and other characteristics. Those conducting such tests shall be compensated and the results of such tests may be used or published only in connection with representational proceedings.

3. Every Federal agency in taking action that substantially affects the interests of consumers shall (1) provide notice of such action to the Office and Bureau and (2) give due consideration to the valid interests of consumers.

4. The term "consumer" is defined to mean any person who is offered or supplied goods or services for personal, family or household purposes.

OVERWHELMING MAJORITY OF AMERICAN ADULTS SUPPORT REVENUE SHARING

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

Mr. WHALEN. Mr. Speaker, the latest Gallup poll which showed that an overwhelming majority—77 percent—of American adults support revenue sharing is strong evidence for the plan which President Nixon proposed to the Congress in his state of the Union message.

The President proposed a sound revenue-sharing program which is designed to give the average American a larger measure of control over his own problems.

It is hard to see how any Member of Congress can fail to support this long-needed reform. It is interesting to note that, as the poll pointed out, support for revenue sharing cuts across party lines. The concept was supported by 77 percent of rank-and-file Democrats, 81 percent of Republicans, and 73 percent of Independents.

Clearly, revenue sharing is an idea whose time has come. The President's plan deserves prompt and favorable action by the Congress. To do less would be to default on our bond of trust with the American people.

AMERICA'S FISHING INDUSTRY NEEDS HELP

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

Mr. THOMPSON of Georgia. Mr. Speaker, a few years ago there was a nationwide scare concerning the possibility that certain insecticides used on cranberries cause cancer. This virtually wiped out the cranberry sauce market right at the holiday season.

Though the scare could have been disastrous, the cranberry industry rebounded vigorously and through ingenuous promotion the industry is doing better today than it ever did. I recall this situation because it is so very similar to the problem currently facing the fishing industry, particularly in the Southeastern States.

The current scare about the high level of mercury being found in certain species of fish, such as swordfish and tuna, is causing great economic damage to the industry and, unless the Federal Government steps in to help, could well destroy it. We must remember that 65 percent of our current national seafood consumption is imported seafood. Yet, the newsstories raise no questions about the mercury content in foreign-grown seafood and the public is led to believe that only fish and seafood harvested in American waters contains dangerous levels of mercury.

The Federal Government has a hand in this problem because Government agencies, in their zeal to alert the public about contamination of water supplies and foodstuffs, have helped the scare along and are helping to virtually destroy dozens of small businessmen in the fishing industry. The problem is further complicated by the fact that we do not know at this time whether the mercury content that is being cited as possibly dangerous now is any higher today than it ever was, or whether it has been there all the time and we just did not have the technology to discover its presence.

In any event, Mr. Speaker, the fishing industry—especially in the Southeastern States—needs help. A number of Federal laws exist today that, properly construed, could be of tremendous help to the American fishing industry, among them Public Law 88–309.

Under these laws, the National Marine Fisheries Service could, under a more liberal interpretation, provide marketing research assistance that could give the fishing industry the same stimulus that the cranberry industry has received. The immediate question is, "Why can't the fishing industry do it themselves without Federal help?" The answer is that the Federal Government has so regulated the industry and has played such a part in promoting the very thing that is now destroying the industry economically, that the Federal Government owes it to the fishing industry under existing laws to help out now and save this once-vital but still-thriving industry from extinction.

A HIGHLY REPUTABLE COLUMNIST POINTS OUT DOUBTFUL VALIDITY OF "SMOKING DOGS" REPORT

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

Mr. HENDERSON. Mr. Speaker, I represent a North Carolina tobacco producing congressional district and this automatically makes suspect anything I might say on the subject of smoking and health.

But James J. Kilpatrick, the columnist, is under no such cloud and while his opinions may or may not be in accordance with those who read his column, few will question the factual accuracy of his statements.

For the RECORD, I am hereby inserting his column which appeared in the Evening Star on Thursday, February 4:

THE CASE OF THE CHANGING REPORT ON SMOKING

(By James J. Kilpatrick)

A year has passed since the American Cancer Society called a press conference at the Waldorf-Astoria, turned on the floodlights, and trumpeted the long-awaited findings of Dr. Oscar Auerbach and Dr. E. Cuyler Hammond on the effects of cigarette smoking on dogs. It is an appropriate time to take an anniversary look.

In the field of lung cancer research, the Auerbach-Hammond paper probably ranked as the most important paper of the year. Surely it was the most publicized. The two investigators had devoted three years to their work; their study had cost some $750,000, half of it in federal funds; this was understood to be the breakthrough moment the tobacco industry, the consuming public, and the medical profession had been waiting for.

In its press release of Feb. 5, 1970, the Cancer Society said:

"For the first time, scientists have produced lung cancer in a significantly large experimental animal"—and note this next phrase carefully—"as a result of heavy cigarette smoking. The lung cancer was produced in a group of pure-bred beagle dogs by having them smoke non-filter cigarettes . . . "Invasive" tumors (cancer) was found in 12 of the heavy-smoker dogs. . . ."

This flat assertion of causality was front-page news around the world. The attendant publicity contributed to the action of Congress, in March, requiring a more stringent warning on cigarette packages and banning all cigarette advertising from TV and radio. Efforts of the tobacco industry to obtain an independent scientific review of the Auerbach-Hammond findings were rejected by the Cancer Society. After a while the story passed out of the news.

Some curious things have happened. This milestone paper first was offered to the prestigious New England Journal of Medicine, where it was rejected by reason of the Waldorf publicity. Then it was offered to the Journal of the American Medical Association, where it was again rejected, this time on the judgment of a reviewing panel that the paper did not meet the Journal's standards. On June 24, the authors read their papers before a session of the AMA in Chicago. Finally a much revised version of their report made it to publication in the December issue of "Archives of Environmental Medicine."

The circumstances of publication were in themselves curious. Dr. Auerbach is a member of the magazine's editorial board.

The final published version is most curious of all. The Waldorf causality has vanished. The two authors make no claim whatever that they "produced lung cancer as a result of heavy cigarette smoking." They no longer say—as they said in June—that such a purpose was even a goal of their research. The 12 "cancerous" dogs of the February press release have gone through a sea change. Early squamous cell bronchial carcinomas of microscopic size were detected in two dogs only.

In February, a group of eight non-smoking dogs had been described as "controls." By December, these had become merely "Group N." Remarkably, two of the eight—or 25 percent of those who never smoked at all—developed microscropic non-invasive tumors. The authors acknowledged they were "surprised" at this finding.

A close comparison of the Waldorf version, the Chicago version and the final version discloses dozens of textual changes. The net effect is that of a soft pedal descending on a muffled cadenza. Competent medical critics say that the published paper, while persuasive, simply is not of landmark dimensions. It offers no basis for the extravagant claims of a year ago.

If President Nixon has his way, Congress will earmark $100 million in the next few years for cancer research. A substantial sum doubtless would be invested in efforts by other investigators to replicate the Auerbach-Hammond study with adequate controls and meticulous animal profiles. In a nation of 45 million smokers, proof of causality is the indispensable first step toward finding the specific carcinogen, if it exists, in the cigarette. Forget the fanfare. We are not at that point yet.

While he is at it, I hope Mr. Kilpatrick will turn his attention to the new Surgeon General's report on smoking. This is the first such "report" actually issued under the name of and as the act of the Surgeon General.

It contains some 500 pages and a brief scanning of it does not indicate to me much new or different from previous broad statistical inferences.

In the meantime, antismoking ads on TV blatantly and flatly state causal relationship between cigarette smoking and ill health and longevity.

Give us a few more open-minded journalists like Mr. Kilpatrick.

ADJOURNMENT FROM WEDNESDAY, FEBRUARY 10 TO WEDNESDAY, FEBRUARY 17

Mr. BOGGS. Mr. Speaker, I offer a privileged concurrent resolution (H. Con. Res. 135) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 135

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Wednesday, February 10, 1971, it stand adjourned until 12 o'clock meridian, Wednesday, February 17, 1971.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR THE READING OF GEORGE WASHINGTON'S FAREWELL ADDRESS

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that on Monday, February 22, 1971, George Washington's Farewell Address may be read by a Member to be designated by the Speaker.

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

There was no objection.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN REPORTS

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain reports.

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

There was no objection.

THE PRESIDENT'S BUDGET

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

Mr. PERKINS. Mr. Speaker, I have gathered together data on the President's budget as it affects programs administered by the U.S. Office of Education and request that following my remarks the tables containing this information be placed in the RECORD.

The budget figures disclose that the President's "Expansionary Budget" does not mean any expansion when it comes to Federal dollars for education. It can be more properly called a contraction budget for education. While seeming to call for more funds for financial assistance to enable greater numbers of disadvantaged students to attend college, it recommends no funds to build the facilities to handle the increased number of students who will be wishing to enroll. In the field of elementary and secondary education this expansion budget can better be described as belt-tightening of the most austere variety. Specifically, it should be noted that the President is:

Reducing Public Law 874 impact aid funds by $111,000,000 over the amount appropriated by the Congress for the current fiscal year.

Cutting out entirely the $50,000,000 provided during the current fiscal year for equipment under title III of the National Defense Education Act.

Reducing funding for basic grants to State vocational education programs by $25,534,255.

Cutting out entirely vocational work-study programs funded at $5,500,000 during the current fiscal year.

Eliminating the $18,500,000 provided for cooperative vocational education during the current fiscal year.

Reducing research and innovation in vocational education by $20,000,000.

Eliminating any funds for students with special vocational education needs for which $20,000,000 was appropriated for the current fiscal year.

It should be noted that the President's budget ignores the authorizing legislation and would call for the appropriation of vocational education funds for a variety of education purposes to the States in a "block grant" amount, the result of which is to give the States approximately $49,408,000 less than they got in the previous year for these programs and for State vocational research activities.

With respect to vocational education research activities, the President's budget calls for funding the vocational education research activities out of the Cooperative Research Act in the amount of $36,000,000 rather than out of the research authority in the Vocational Education Act of 1968. Last year $55,749,000 was provided for vocational education research under the authority of the Vocational Education Act which meant that 50 percent of these research funds were shared with the States for the States own research in vocational education. None of the $36,000,000 recommended in the President's budget for vocational research is required to go to the States.

Mr. Speaker, these cuts in appropriations for programs do not complete the picture of the austere nature of the President's budget for education.

In recommendations for funding of other education programs, the President has recommended the same amount as appropriated for the current fiscal year. This certainly cannot be described as expansionary. It cannot be described as even a standstill operation. Education programs are presently funded considerably below the authorization levels and below the levels necessary to effectively reach all of the children for which the programs are designed. A standstill appropriation level in these programs means a step backward. School costs are rising—so are school enrollments. The task of education has become far more difficult as our techniques of production and distribution have become more complex.

In the following programs the President has recommended a stand-pat budget which is a step-backward budget in view of the increasing enrollments and needs:

The title I ESEA program of grants to local educational agencies remains the same as appropriated by Congress in the last appropriation measure, at only 36 percent of the authorized level.

Guidance and counseling, supplemental educational centers and services programs under title III of the Elementary and Secondary Education Act remains the same as appropriated by the Congress in the appropriation bill for fiscal year 1971, at only 25 percent of its authorized level.

No additional funds are sought to strengthen our school library, textbooks and instructional materials programs which are funded at only 38 percent of the authorized level.

No additional funds are sought for the dropout prevention program which is funded at only one-third of the authorized level.

Mr. Speaker, may I next turn to the budget for higher education which at first glance appears to represent an increase in funds. A careful review, however, of the request reveals clearly that the recommendations fall far short of meeting what is needed as a bare minimum by students and the colleges who must provide the instructors, equipment, and facilities to accommodate them.

Turning first to student assistance, I am pleased that the pending budget proposes an increase in funding for college work-study and educational opportunity grants. I must add that even with the increase, we will not meet the anticipated demand. Institutions of higher education have shown a need for over $645,000,000 in college work-study and Educational Opportunity Grant Funds. Under the budget, only $575,000,000 would be available.

Most distressing to me, Mr. Speaker, and I am confident that this feeling is shared by a great majority of this House, is the failure of the President to request funds for the NDEA student loan program. A sum of $389,000,000 has been requested by colleges and universities for the student loan program in the academic year 1971–72. Only $5,000,000 is requested in the budget, and these funds are to be used exclusively for teacher cancellation benefits which have already accrued.

Now I understand that the administration will propose an alternative student loan program. My colleagues recall that we have considered such proposals almost on a yearly basis, and they will also recall that they have been rejected time and time again.

Each year we are asked to substitute a concern for immediate budgetary problems for our concern for the needs of students and parents and for our concern over the long-range costs to the Federal Government. And each year the Congress has said "No." It has seen fit to continue the tried and tested national defense student loan program.

I am confident that again this year we will resolve this issue on educational grounds, rather than on budgetary considerations, and thus not only restore but increase the level of funding for the student loan program.

As equally alarming as the failure to fund NDEA loans is the administration's position that funds not be appropriated for the grant and direct-loan programs to assist in the construction of academic facilities. The President has said:

No qualified student who wants to go to college should be barred by a lack of money.

I quite agree with that statement, but I hasten to point out that there are other barriers to a college education. The American Council on Education estimates current space deficiency at institutions of higher education at 20 percent of existing facilities. This is a deficiency which is an immovable barrier when it prevents already crowded institutions from serving new clienteles.

Witness after witness before the Committee on Education and Labor has requested a balanced program of support for higher education. They question as I do, a Federal policy which encourages increasing numbers of students to enroll in higher education, but which fails to recognize that without substantial support to expand facilities and services, our colleges and universities are unable to adequately accommodate the students.

It is well documented that we should be spending over a billion dollars a year in loans and grants at the Federal level in the facilities program, and we have authorized spending at this level. This is in sharp contrast to the pending budget request which in effect terminates the program of Federal loans and grants for construction.

As one continues to view the budget for higher education in terms of what is needed, what is authorized and what is requested, it becomes clear that in every area of need the budget promises very little.

For college library resources, it is estimated that for fiscal year 1972, applications amounting to $92,000,000 will be filed for assistance under part A of title II of the Higher Education Act. Only $5,000,000 is requested.

The pending budget proposes virtual elimination of payments to land-grant colleges for broad instructional purposes.

There is an abandonment of many authorized programs which hold great promise for strengthening the entire system of higher education. These include:

The law school clinical program;

The program of grants to improve graduate education;

And the program of grants to encourage institutions to share their resources.

Included in this category of programs for which no appropriation is requested is a program which I suspect every Member of this House views as necessary and desirable. Our colleagues will recall that in the closing days of the 91st Congress, the Congress overwhelmingly approved the Intergovernmental Personnel Act which is designed to strengthen and expand inservice training opportunities for public servants. This legislation was warmly endorsed and received by the present administration. Yet, not one dollar is requested for the Public Service Education Act which is designed to strengthen and expand preservice education for persons intending to follow careers in the public service.

There is no request for appropriations for programs authorized in the International Education Act and there is no request for funds to assist institutions in the acquisition of instructional equipment.

An increase of $5,000,000 is requested for the program to assist in strengthening developing institutions—particularly black institutions—but this increase seems insignificant when we consider that only $38,800,000 is being requested to fund applications which will total an estimate in excess of $110,000,000.

For upward bound, talent search, and the program of grants for special and remedial services for disadvantaged students, it is estimated that over $200,000,000 will be requested by participating institutions. Only $50,100,000 is requested in the budget.

My colleagues will recall also the President's comment of last March that "not nearly enough attention is being focused on the 2-year community colleges so important to the careers of so many young people." In my view, Mr. Speaker, that statement characterizes the 1972 budget. The program of support for community services and continuing education is a program which relies quite heavily on the community colleges. That program has been authorized at the $60,000,000 level for the last few years, but funded at the $9,500,000 level. The budget recommends a continuation of the program at this totally inadequate level.

As I have mentioned earlier, the budget proposes no direct assistance for the construction of facilities, and this omission will be felt most severely by community colleges, which are experiencing the most rapid increases in enrollment.

Last year, Mr. Speaker, the administration proposed a program to strengthen and expand career development programs which are for the most part carried on by community colleges. In fact, Mr. Speaker, a $100,000,000 authorization was requested to carry out the proposed new program. I find no request for career education programs in the present budget.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION, FISCAL YEAR 1972 BUDGET

Appropriation	Fiscal year 1971		Fiscal year 1972	
	Authorization [1]	Appropriation	Authorization [1]	President's budget
Elementary and secondary education:				
Aid to school districts:				
Educationally deprived children (ESEA I)	$3,457,396,213	$1,500,000,000	$3,642,834,886	$1,500,000,000
Local educational agencies	2,869,181,800	1,339,738,748		
Handicapped children	46,129,772	46,129,772		
Juvenile delinquents in institutions	16,429,824	16,429,824		
Dependent and neglected children in institutions	1,758,458	1,758,458		

Footnotes at end of table.

Appropriation	Fiscal year 1971		Fiscal year 1972	
	Authorization [1]	Appropriation	Authorization [1]	President's budget
Migratory children	$57,608,680	$57,608,680		
State administration	31,026,326	16,579,312		
Incentive grants	126,198,171	7,530,469	$126,198,171	
Grants for high concentration of poor	309,063,182	14,224,737	309,063,182	
Supplementary services (ESEA III)	566,500,000	143,393,000	592,250,000	$143,393,000
Library resources (ESEA II)	206,000,000	80,000,000	216,300,000	80,000,000
Equipment and minor remodeling (NDEA III)	140,500,000	50,000,000		
Grants to States	114,840,000	47,500,000		
Loans to nonprofit private schools	15,660,000	500,000		
State administration	10,000,000	2,000,000		
Dropout prevention (ESEA VIII)	30,000,000	10,000,000	31,500,000	10,000,000
Bilingual education (ESEA VII)	80,000,000	25,000,000	100,000,000	25,000,000
Follow through (Economic Opportunity Act, sec. 222(a)(2))	[2]	69,000,000	[2]	60,000,000
Program	[2]	67,981,000	[2]	58,700,000
Administration	[2]	1,019,000	[2]	1,300,000
Strengthening State departments of education (ESEA V)	110,000,000	29,750,000	130,000,000	33,000,000
Grants to States (part A)	76,000,000	28,262,500	80,750,000	31,350,000
Grants for special projects (part A)	4,000,000	1,487,500	4,250,000	1,650,000
Local educational agencies (part B)	20,000,000		30,000,000	
Comprehensive educational planning and evaluation (part C)	10,000,000		15,000,000	
Planning and evaluation (General Education Provision Act, sec 402)	[2]	8,825,000	[2]	3,825,000
Total	4,590,396,213	1,915,968,000	4,712,884,886	1,855,218,000
School assistance in federally affected areas:				
Maintenance and operations (Public Law 874)	935,295,000	536,068,000	1,038,440,000	425,000,000
Payments to local educational agencies	632,422,000	501,518,000	700,740,000	387,300,000
Payments to other Federal agencies	34,500,000	34,505,000	37,700,000	37,700,000
Low-income housing	268,323,000		300,000,000	
Elementary and secondary education	4,590,396,213	1,915,968,000	4,712,884,886	1,855,218,000
School assistance in Federally affected areas	1,018,295,000	550,657,000	1,129,690,000	440,000,000
Emergency school assistance	[3]	74,853,000		
Proposed legislation	500,000,000	[4] 425,000,000	1,000,000,000	1,000,000,000
Education for the handicapped	371,500,000	105,000,000	436,300,000	110,000,000
Vocational and adult education	1,152,311,455	501,357,455	1,238,561,455	476,073,455
Higher education	3,390,220,000	970,239,000	1,027,720,000	1,816,711,000
Proposed legislation			[3]	100,000,000
Education professions development	550,000,000	135,800,000	45,000,000	135,800,000
Libraries and educational communications	346,100,000	85,280,000	222,000,000	29,400,000
Research and development	15,000,000	98,077,000	35,000,000	105,000,000
Proposed legislation			[3]	3,000,000
Educational activities overseas (special foreign currency program)	[3]	3,000,000	[3]	3,000,000
Salaries and expenses	[3]	44,800,000	[3]	48,979,000
Civil rights education	[3]	19,151,000	[3]	
Student Loan Insurance Fund	Indefinite	18,000,000	Indefinite	
Higher Education Facilities Loan Fund	Indefinite	4,685,000	Indefinite	4,610,000
Total, Office of Education	11,933,822,668	4,951,867,455	9,847,156,341	6,127,791,455
Less: Permanent appropriations and civil rights education	−9,761,455	−30,645,455	−9,761,455	−11,410,455
Total, Labor-HEW Appropriations Committee	11,924,061,213	4,921,222,000	9,837,394,886	6,116,381,000
Construction (Public Law 815)	83,000,000	14,589,000	91,250,000	15,000,000
Assistance to local educational agencies	65,000,000	3,000,000	73,250,000	9,300,000
Assistance for school construction on Federal property	18,000,000	10,900,000	18,000,000	5,000,000
Technical services	[3]	[5] 689,000	[3]	700,000
Total	1,018,295,000	550,657,000	1,129,690,000	440,000,000
Emergency school assistance:				
Special educational personnel and programs	[3]	57,500,000		
Community participation programs	[3]	7,500,000	1,000,000,000	1,000,000,000
Equipment and minor remodeling	[3]	7,900,000		
Federal administration and technical assistance	[3]	[6] 1,953,000	[3]	
Total	[3]	74,853,000		
Proposed legislation	500,000,000	[4] 425,000,000	1,000,000,000	1,000,000,000
Education for the handicapped:				
State grant programs (EHA pt. B)	206,000,000	34,000,000	216,300,000	35,000,000
Early childhood projects (EHA pt. C, sec. 623)	[7]	7,000,000	[7]	7,500,000
Teacher education and recruitment	69,500,000	33,100,000	87,000,000	35,145,000
Teacher education (EHA pt. D, sec. 631 and 632)		31,900,000		33,945,000
Physical education and recreation (EHA pt. D, sec. 634)	69,500,000	700,000	87,000,000	700,000
Recruitment and information (EHA pt. D, sec. 633)		500,000		500,000
Research and innovation	96,000,000	30,350,000	133,000,000	31,805,000
Research and demonstration (EHA pt. E, sec. 641)	27,000,000	15,000,000	35,500,000	15,455,000
Physical education and recreation (EHA pt. E, sec. 642)		300,000		300,000
Regional resource centers (EHA pt. C, sec. 621)	36,500,000	3,550,000	51,500,000	3,550,000
Innovation programs (Deaf-blind centers) (EHA pt. C, sec. 622)		4,500,000		5,000,000
Media services and captioned films (EHA pt. F)	12,500,000	6,000,000	15,000,000	6,000,000
Special learning disabilities (EHA pt. G)	20,000,000	1,000,000	31,000,000	1,500,000
Planning and evaluation (General Education Provision Act, sec. 402)	[3]	550,000	[3]	550,000
Total	371,500,000	105,000,000	436,300,000	110,000,000
Vocational and Adult Education:				
Grants to States for vocational education	789,595,310	389,707,710	849,595,310	384,173,455
Basic vocational education programs	609,595,310	322,077,710	609,595,310	381,793,455
Annual (VEA pt. B)	(603,000,000)	(315,302,400)	(603,000,000)	(374,302,000)
Permanent (Smith-Hughes Act)	(6,445,310)	(6,445,310)	[8] (6,445,310)	[8] (7,161,455)
National advisory council (VEA pt. A)	[8] (150,000)	(330,000)	[8] (150,000)	(330,000)

Footnotes at end of table.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION, FISCAL YEAR 1972 BUDGET—Continued

Appropriation	Fiscal year 1971		Fiscal year 1972	
	Authorization [1]	Appropriation	Authorization [1]	President's budget
Vocational and Adult Education—Continued				
Programs for students with special needs (VEA pt. B)	$50,000,000	$20,000,000	$60,000,000	[10]
Consumer and homemaking education (VEA pt. F)	35,000,000	21,250,000	50,000,000	[10]
Work-study (VEA pt. H)	45,000,000	4,500,000	55,000,000	[10]
Cooperative education (VEA pt. G)	50,000,000	18,500,000	75,000,000	[10]
State advisory councils (VEA pt. A)	Indefinite	2,380,000	Indefinite	$2,380,000
Vocational research	152,716,145	55,749,745	152,716,145	36,000,000
Innovation (VEA pt. D)	75,000,000	16,000,000	75,000,000	[10]
Curriculum development (VEA pt. I)	10,000,000	4,000,000	10,000,000	----
Research	67,716,145	35,749,745	67,716,145	36,000,000
Annual (VEA pt. C)	(67,000,000)	(35,033,600)	[11](67,000,000)	[11] (36,000,000)
Permanent (Smith-Hughes Act)	(716,145)	(716,145)	(716,145)	----
Adult education (Adult Education Act)	210,000,000	55,000,000	236,250,000	55,000,000
Grants to States	210,000,000	45,000,000	236,250,000	45,000,000
Special projects		7,000,000		7,000,000
Teacher education		3,000,000		3,000,000
Planning and evaluation (General Educational Provision Act, Sec. 402)	[3]	900,000	[3]	900,000
Total	1,152,311,455	501,357,455	1,238,561,455	476,073,455
Higher Education:				
Student assistance:				
Grants and work-study payments	500,750,000	327,700,000	Indefinite	971,300,000
Educational opportunity grants (HEA IV-A)	170,000,000	167,700,000	[2]	
1st-year awards	(170,000,000)	(65,496,000)	[2,12]	
Continuations and administration	Indefinite	(102,204,000)	[2]	
Work-Study	330,750,000	160,000,000	[2,12]	971,300,000
Work-study program (HEA IV-C)	(320,000,000)	(158,400,000)	[2,12]	
Cooperative education (HEA IV-D)	(10,750,000)	(1,600,000)	[2,12]	
Subsidized insured loans	40,000,000	147,800,000	Indefinite	651,800,000
Interest on basic NDEA-type loans (proposed legislation)			[2,12]	[12] 65,000,000
Interest on special NDEA-type cost-of-education loans (proposed legislation)			[2,12]	[12] 20,000,000
Purchases of loan paper (including advances) (proposed legislation)			[2,12]	[12] 400,000,000
Proceeds of sales of loan paper (proposed legislation)			[2,12]	[12] (−400,000,000)
Interest on prior year loans (HEA IV-B)	[13] 40,000,000	143,200,000	[2]	[12] 160,000,000
Program administration	[3]	4,600,000	[3]	6,800,000
Administration	[3]	(2,400,000)	[3]	(3,400,000)
Computer services	[3]	(2,200,000)	[3]	(3,400,000)
Direct loans (NDEA II)	375,000,000	243,000,000	[2,12]	5,000,000
Contributions to funds	375,000,000	236,500,000	[12]	[12]
Loans to institutions	[14]	2,000,000	[12]	[12]
Teacher cancellations	[2]	4,500,000	[2]	5,000,000
Special programs for disadvantaged students (HEA sec. 408)	96,000,000	50,035,000	[2]	50,100,000
Talent search		5,000,000		5,000,000
Special services in college	96,000,000	15,000,000	[2,12]	15,000,000
Upward bound		30,035,000		30,100,000
Program		(28,500,000)		(28,500,000)
Administration	[3]	[15](1,535,000)	[3]	(1,600,000)
Institutional assistance:				
Strengthening developing institutions (HEA III)	91,000,000	33,850,000	[2,12]	38,850,000
Construction	2,068,250,000	72,424,000	1,013,000,000	34,407,000
Subsidized loans (HEFA III)	25,250,000	21,000,000	[2,12]	29,010,000
Grants	2,036,000,000	43,000,000	1,013,000,000	----
Public community colleges and technical institutes (HEFA I)	[16](431,040,000)	(43,000,000)	[17](214,320,000)	----
Other undergraduate facilities (HEFA I)	[18](1,364,960,000)	----	[17](678,680,000)	----
Graduate facilities (HEFA II)	[19](240,000,000)	----	[17](120,000,000)	----
State administration and planning (HEFA I)	7,000,000	6,000,000	[2,12]	3,000,000
State administration	(3,000,000)	(3,000,000)	[2,12]	(3,000,000)
State planning	(4,000,000)	(3,000,000)	[2,12]	
Federal administration	[2]	[20]2,424,000	[2]	2,397,000
Language training and area studies	38,500,000	8,000,000	[2]	15,300,000
Centers, fellowships, and research (NDEA VI)	38,500,000	6,930,000	[2,12]	14,470,000
Training grants (Fulbright-Hays Act)	[2]	1,070,000	[2]	830,000
University community services (HEA I)	60,000,000	9,500,000	[2,12]	9,500,000
Aid to land-grant colleges	14,720,000	12,680,000	14,720,000	2,600,000
Annual (Bankhead-Jones Act)	12,120,000	10,080,000	12,120,000	----
Permanent (Second Morrill Act)	2,600,000	2,600,000	2,600,000	2,600,000
Undergraduate instructional equipment (HEA VI)	70,000,000	7,000,000	[12]	----
Television equipment	10,000,000	1,000,000	[12]	----
Other equipment	60,000,000	6,000,000	[12]	----
College personnel development	36,000,000	57,350,000	[2,21]	36,954,000
College teacher fellowships (NDEA IV)	Indefinite	47,350,000	[21]	26,910,000
Training programs (EPDA, pt. E)	36,000,000	10,000,000	[2,21]	10,044,000
Planning and evaluation (General Education Provisions Act, sec. 402)	[3]	900,000	[3]	900,000
Total	3,390,220,000	970,239,000	1,027,720,000	1,816,711,000
Proposed legislation (National Foundation for Higher Education)			[2,12]	100,000,000
Education professions development:				
Personnel training and development	450,000,000	67,900,000	45,000,000	59,700,000
Training of teacher trainers (EPDA, pt. D)	[22] 340,000,000	12,200,000	[2,12]	12,200,000
Meeting critical qualitative and quantitative shortages of school personnel	110,000,000	52,100,000	45,000,000	44,500,000
Vocational education (EPDA, pt. F)	(40,000,000)	(6,900,000)	(45,000,000)	(7,400,000)
State grants for attracting and qualifying teachers (EPDA, pt. B-2)	(65,000,000)	(15,000,000)	[2,12]	(7,000,000)
Attracting qualified persons (EPDA, sec. 504)	(5,000,000)	(500,000)	[2,12]	(300,000)
Other (EPDA, pt. D)	[22]	(29,700,000)	[2,12]	(29,800,000)
Meeting special needs for educational personnel (EPDA, pt. D)	[22]	3,600,000	[2,12]	3,000,000
Special programs serving schools in low income areas	100,000,000	65,900,000	[2,12]	74,100,000
Teacher Corps (EPDA, pt. B-1)	100,000,000	30,800,000	[2,12]	37,435,000
Career opportunities and urban/rural school programs (EPDA, pt. D)	[22]	35,100,000	[2,12]	36,665,000
Planning and evaluation	Indefinite	2,000,000	[3]	2,000,000
Manpower data collection (EPDA, sec. 503)	Indefinite	1,000,000	[2,12]	1,000,000
Planning and evaluation (General Education Provisions Act, sec. 402)	[3]	1,000,000	[3]	1,000,000
Total	550,000,000	135,800,000	45,000,000	135,800,000
Libraries and Educational Communications:				
Public libraries:				
Services	112,000,000	40,709,000	127,000,000	1,000,000
Grants for public libraries (LSCA I)	75,000,000	35,000,000	112,000,000	15,719,000
Interlibrary cooperation (LSCA III)	15,000,000	2,281,000	15,000,000	2,281,000

Footnotes at end of table.

Appropriation	Fiscal year 1971 Authorization [1]	Fiscal year 1971 Appropriation	Fiscal year 1972 Authorization [1]	Fiscal year 1972 President's budget
State institutional library services (LSCA IV–A)	$15,000,000	$2,094,000	([23])	([23])
Library services to physically handicapped (LSCA IV–B)	7,000,000	1,334,000	([23])	([23])
Construction (LSCA II)	80,000,000	7,092,500	$80,000,000	
College library resources (HEA II–A)	90,000,000	15,325,000	([2 12])	$5,000,000
Librarian training (HEA II–B)	38,000,000	3,900,000	([24])	2,000,000
Cataloging by the Library of Congress (HEA II–C)	11,100,000	[25] 6,853,500	([2 12])	
Educational broadcasting facilities (Communication Act of 1934, title III)	15,000,000	11,000,000	15,000,000	4,000,000
Planning and evaluation (General Education Provisions Act, sec. 402)	([3])	400,000	([3])	400,000
Total	346,100,000	85,280,000	222,000,000	29,400,000
Research and Development:				
Educational research and development	15,000,000	60,577,000	35,000,000	62,000,000
Early childhood (Cooperative Research Act)	([2])	21,500,000	([2])	21,500,000
(Sesame Street) (Cooperative Research Act)	([2])	(2,000,000)	([2])	(5,000,000)
Reading (Cooperative Research Act)	([2])	5,800,000	([2])	7,500,000
Organization and administration (Cooperative Research Act)	([2])	6,600,000	([2])	7,500,000
Higher education (Cooperative Research Act)	([2])	2,500,000	([2])	3,000,000
Drug abuse education (Drug Abuse Education Act)	10,000,000	6,000,000	20,000,000	6,000,000
Program	(10,000,000)	(5,500,000)	(20,000,000)	(5,268,000)
Program administration	([2])	(500,000)	([2])	(732,000)
Environmental education	5,000,000	[26] 2,500,000	15,000,000	2,000,000
Program	(5,000,000)	[26](2,250,000)	(15,000,000)	(1,680,000)
Program administration	[2]	(250,000)	[2]	(320,000)
Libraries and educational technology (Cooperative Research Act)	[2]	2,171,000	[2]	3,000,000
Nutrition and health (Cooperative Research Act)	[2]	2,000,000	[2]	500,000
Other educational R&D (Cooperative Research Act)	[2]	11,506,000	[2]	11,000,000
Experimental schools (Cooperative Research Act)	[2]	12,000,000	[2]	15,000,000
National achievement study (Cooperative Research Act)	[2]	4,500,000	[2]	6,000,000
Demonstrations (Cooperative Research Act)	[2]	2,250,000	[2]	2,250,000
Evaluations (General Education Provisions Act, sec. 402)	[2]	4,000,000	[2]	4,000,000
Dissemination (General Education Provisions Act, sec. 412)	[2]	8,500,000	[2]	8,500,000
Spread of exemplary practices	[2]	2,200,000	[2]	2,200,000
Strengthening State and local dissemination capabilities	[2]	650,000	[2]	650,000
Educational resources information centers	[2]	4,000,000	[2]	4,000,000
Interpretive summaries	[2]	600,000	[2]	600,000
Applied R&D in improving dissemination	[2]	550,000	[2]	550,000
General program dissemination	[2]	500,000	[2]	500,000
Training (Cooperative Research Act)	[2]	3,250,000	[2]	4,000,000
Statistics (Cooperative Research Act)	[2]	3,000,000	[2]	3,250,000
Total	15,000,000	98,077,000	35,000,000	105,000,000
Proposed legislation (National Institute of Education)			([2 12])	3,000,000
Educational Activities Overseas (Special Foreign Currency Program) (Public Law 480):				
Grants to American institutions	([2])	3,000,000	([28])	3,000,000
Salaries and Expenses	([2])	[27] 44,800,000	([2])	48,979,000
Civil Rights Education (title IV, Civil Rights Act of 1964):				
Training for school personnel and grants to school boards	([2])	16,000,000	([2])	
Technical services and administration	([2])	[28] 3,151,000	([2])	
Total	([2])	19,151,000	([2])	
Student Loan Insurance Fund (HEA IV–B)	([2])	18,000,000	([2])	
Higher Education Facilities Loan Fund (HEFA III):				
Participation sales insufficiencies	([2])	4,685,000	([2])	4,610,000
Annual	([2])	2,952,000	([2])	2,961,000
Permanent	([2])	1,733,000	([2])	1,649,000
Total	([2])	4,685,000	([2])	4,610,000

[1] Amounts include specific authorizations only.
[2] Indefinite.
[3] Total of $25,000,000 authorized for planning and evaluation of programs for which the commissioner of education has responsibility for administration.
[4] Proposed supplemental.
[5] Excludes $447,000 transferred to Office of Secretary for Facilities Engineering and Construction Agency; and includes $36,000 unobligated balance transferred from other accounts for pay raise.
[6] Excludes $147,000 transferred to General Services Administration for rental of space.
[7] Included in authorization for regional resource centers and innovation programs.
[8] Authorization sets aside 10 percent of State grants for pt. C research; President's budget provides no funding for research under pt. C.
[9] Specific authorization represents amounts only for technical assistance to carry out functions of National Advisory Council.
[10] States would be permitted to use funds under pt. B for purposes previously funded under this activity.
[11] Funds requested under authority of Cooperative Research Act, for which authorization is indefinite.
[12] Based on proposed legislation.
[13] Amount represents specific authorization for incentive payments; indefinite amount authorized for interest payments.
[14] Total of $25,000,000 authorized from fiscal year 1959 through duration of act.
[15] Includes $35,000 unobligated balance transferred from other accounts for pay raise.
[16] Includes $206,400,000 unappropriated authorization from 1970 and $224,640,000 authorized for 1971.
[17] Represents unappropriated authorization from 1971; proposed legislation would provide indefinite authorization for 1972.
[18] Includes $653,600,000 unappropriated authorization from 1970 and $711,360,000 authorized for 1971.
[19] Includes $120,000,000 unappropriated authorization from 1970 and $120,000,000 authorized for 1971.
[20] Excludes $2,792,000 transferred to Office of Secretary for Facilities Engineering and Construction Agency; and includes $116,000 unobligated balance transferred from other accounts for pay raise.
[21] Proposed legislation would consolidate authorization for fellowships (NDEA IV) with training programs (EPDA, pt. E).
[22] Included in $340,000,000 total authorization for EPDA, pts. C and D.
[23] Activity has been consolidated into public library services (LSCA I).
[24] Proposed legislation would consolidate authorization for librarian training (HEA II–B) with training programs under EPDA, pt. D.
[25] Includes $240,000 unobligated balance transferred from other accounts for pay raise.
[26] Includes $500,000 under authority of Cooperative Research Act.
[27] Includes transfers of $2,007,000 unobligated balance from other accounts for pay raise, and $65,000 from Office of Citizen Participation, excludes transfers of $2,400,000 to Higher Education Insured Loan Program for administrative costs, $15,000 to Secretary's Advisory Committee, and $21,000 to Career Service Board.
[28] Includes $151,000 unobligated balance transferred from other accounts for pay raise.

CAMPAIGN FINANCING MUST BE TIGHTLY REGULATED

The SPEAKER. Under a previous order of the House, the gentleman from Indiana (Mr. HAMILTON) is recognized for 30 minutes.

Mr. HAMILTON. Mr. Speaker, a comprehensive bill to regulate political campaign spending should be one of the highest priority items on the agenda of this Congress.

THE PROBLEM

The most important facts about campaign financing today are that political campaigns are frightfully expensive and that most of the expenditures go unreported. From the public record we cannot tell where the money comes from or how it is spent.

The democratic process requires a system that is open and honest. The present system is neither.

The bill I introduce today, the Election Reform Act of 1971, seeks to open the system of financing campaigns to public view, to provide broader participation in the political process, and to make the electoral process fair and more competitive.

The urgent need to achieve these goals is apparent.

The costs of campaigning have reached the stage where they threaten the life-

blood of the democratic system. They simply must be gotten under control.

In 1846, friends of Abraham Lincoln gave him $200 with which to run for Congress. He used only 75 cents of it to purchase a barrel of cider and returned $199.25.

The days of a 75-cent campaign for Congress are gone forever. In the 1968 congressional campaigns only 50 percent of the candidates spent less than $30,000, and many spent more than $100,000.

Total spending for political candidates at all levels in 1952 amounted to $140 million. The costs for 1972 are projected at $400 million—a 285-percent increase in only two decades.

Moreover, of the millions of dollars spent on a campaign in a major election year in the United States only a very small fraction—perhaps 10 to 20 percent—is reported.

The present law which governs our election processes is the Corrupt Practices Act of 1925. The gaps in this law make a slice of Swiss cheese look like a brick wall. For example:

It does not require reports of contributions or expenditures in presidential or congressional primary campaigns, even though these efforts involve millions of dollars of expenses and in many areas of the country are more important than the general election.

The law requires Senate and House candidates to report all spending made with their "knowledge or consent." But most candidates interpret this to cover only their personal campaign expenditures. Many candidates report that they had no expenditures. They take refuge in the legal fiction that the committees working in their behalf did so without their knowledge or consent. The committees are not required to file under the law because it specifically excludes political committees which work within a single State.

National political committees hide their transactions by simply reporting transfers of gross sums to State committees. The State committees in turn transfer the money to individual candidates, but the names of the recipients usually do not appear in the reports.

Political committees hide the purposes of their expenditures by listing the purpose, for example, as "payment for professional services," a meaningless phrase.

The identity of contributors is often hidden by failing to give complete names and addresses, so as to make positive identification impossible.

This law has never been enforced against congressional candidates and only rarely, and not recently, against Senatorial candidates. In 1927, two Senators-elect were barred from taking their seats because of reports of excessive spending.

The law limits personal spending by candidates to $5,000 in House elections and $25,000 in senatorial campaigns. But major items of expense—travel, stationery, postage, television costs—are excluded from the limitations.

The result is that the Corrupt Practices Act of 1925 is more loophole than law. It allows current practices like these:

A political arm for a well-known national professional organization poured nearly $700,000 into the 1970 campaigns without telling Congress or the public which candidates got the money.

A December survey by the Washington Post showed that about 50 candidates of both parties who won election or reelection did not meet the preelection filing deadline of October 24.

Total reported spending in the 1968 congressional campaigns totaled about $8.4 million. Actual spending was estimated at more than $50 million.

In 1968, 182 candidates for Congress filed reports stating that they had no personal campaign income or expenditures and no committee expenditures that had to be reported at the Federal level. Five days after the reporting deadline in 1970, an unofficial account found that the Clerk's office had not received postelection reports required by law from as many as 150 congressional candidates, including many of the winners.

Ceilings on individual gifts—$5,000—are circumvented by donations through brothers, sisters, cousins, and infant children.

Ceilings on the expenditures of any political committee operating in two or more States—$3 million—are evaded merely by increasing the number of committees. In 1968, for example, the Democratic organization divided itself into 97 committees receiving and spending money, and the Republican committees numbered 46.

One 1970 senatorial contender, and a successful one, set up more than 50 false front committees in order to hide the names of donors.

The acceptance of these practices under present laws is a sham. The Corrupt Practices Act is honored chiefly in the breach.

This law, and the system it supports, make lawbreakers of public officials; enthrone hypocrisy as the normal way of doing business; breed disrespect for law; make the public cynical about the political process; undermine confidence in public leadership; work to the advantage of the special interest group; increase the possibility of corruption; keep many good people from running for public office; give the rich man an enormous advantage; force those who are not rich to accept large contributions from special individuals and interest groups making them more susceptible to the influence of the donors; and permit reporting so unsystematic, incomplete, and decentralized that the public cannot have the facts about the costs of campaigning, even if they want it, and make effective enforcement impossible.

The result, as John Gardner has observed, is "virtually a national scandal," where the raising and spending of huge sums for candidates in disregard for existing law has brought the Nation "perilously close" to the time when only the rich or those beholden to the rich could run for office.

REFORM

Reforming the present system will not be easy. The present law is exceedingly complex and fragmented. State governments are jealous of their right to govern local campaigns and they resent interference.

Incumbents in public office at all levels of government have a vested interest in the system which, after all, elected them, and they are most reluctant to make any changes. Special interest groups also have a vested interest in the system because it permits them disproportionate political influence.

Fortunately, the American people perceive the disadvantages of the present system of financing campaigns and they want some changes made. According to a Gallup poll, published soon after the 1970 elections, 78 percent of those interviewed favored a law limiting the total amount of money a candidate can spend in his campaign for public office.

Few steps taken by the Congress would go further in reestablishing the confidence of the people in the integrity of their political process than would the placing of campaign spending firmly under control.

GOALS

Before legislating, we should have the goals of campaigning in a democratic system firmly in mind:

A fair, competitive election for all public offices: Contested political races make a candidate more honest and more accountable. It is important to encourage more equal access to the political arena. A nation as enchanted by competition as America should need no persuasion that a heavy dose of competition into our political processes would be healthy. Too many offices in the Nation today are uncontested. It is very much in the national interest that there be fair competition among the best people available for any given office.

An open and honest political system: The public has the right to know how campaign money is raised and spent and to know if unethical or illegal practices occur in the course of a campaign.

Public respect for the political process: If the public does not respect the process by which officials are chosen, it will not respect the officials or the Government, and it will not participate in the process.

In a 1967 Harris poll, more than 60 percent of those interviewed expressed the belief that politicians take graft. It is small wonder, then, that voter participation in congressional elections during the period of 1930 to 1960 did not exceed 60 percent even once.

A high degree of public participation in the political processes of the Nation cannot be achieved unless there is a high degree of respect and confidence in the system.

In brief, the Nation deserves a political process that is fair, open, and honest, that encourages competition for public office by the best qualified people, and that encourages participation by an informed electorate.

TOWARD ACCOMPLISHING THE GOALS

There are several steps that could be taken to attain these goals:

Disclosure: The best assurance of making campaigns honest and fair is full public disclosure of all campaign contributions and expenditures. This view is echoed by many persons and groups that have studied campaign financing.

A candidate should have one official committee for financial purposes and that committee should be required to file both income and expense accounts.

Major contributors—perhaps anyone contributing more than $100 to a candidate or political party—should also be required to report the recipients, amounts, and dates of the contribution.

Preliminary reports should be filed prior to each primary and general election and a complete report should be filed after the election. The reports should be carefully audited, published, made available to the public, and filed at a central reporting office in each State and with the Federal Government.

Limitation on contributions: Realistic limits should be developed for contributions. There are various proposals for contribution limits to candidates, but the amount of the limitation is not as important as the ability to administer the limit and to enforce it. Political leaders have long deplored reliance on large private contributions because, too often, undue political influence accompanies them.

Tax incentives: Tax incentives in the form of tax credits or deductions may result in increased small contributions to campaigns and encourage more participation in the political process, especially among the small contributors. They may also increase the respectability of contributions and reduce the widespread feeling that all politicians take graft.

Tax incentives will help broaden the base of adult participation in political campaigns, which, since 1956, has ranged from 6 to 12 percent of the eligible voters. One poll indicated that only a quarter of those adults polled had been asked to contribute, but that almost 40 percent of those solicited did make a contribution. This suggests that the 6-to-12-percent rate of contribution could be expanded if voters were provided simple and dignified means for participating in campaigns for public office.

In addition, if these incentives generate sufficient money, reliance on large private contributions would be reduced. Another advantage of incentives is that they treat political parties equally, and do not favor the party in power.

Obviously, a tax credit is preferable to a tax deduction since it is more advantageous to the low- and moderate-income giver. The tax deduction works more to the advantage of an upper income contributor.

Indirect subsidies: Indirect subsidies may help achieve competitive and open elections.

Truly competitive elections require that candidates have access to adequate resources, and indirect subsidies could help provide these resources. Indirect subsidies also reduce the importance of private wealth.

Two primary types of indirect subsidies are:

Reduced or free media costs. Only if legitimate candidates have fair and equal access to broadcast time will the public have the opportunity to be informed about a candidate and his position on the issues.

One approach would require broadcasters to provide either free time or time at the lowest commercial rate to the candidates. Careful study, however, is needed of any approach and I am not at all certain that it is possible to formulate a consistent policy involving political candidates and the broadcast media because of the great differences in cost and coverage in different market areas.

Free mailings: The U.S. mail should be accessible to all candidates for Federal office. Each candidate could be allowed at least one, and perhaps more, pieces of free mail to every resident in the constituency. As it is today, an incumbent Congressman has an enormous advantage over his or her opponent by his use of the franking privilege. Fair competition will be served if this privilege is extended to the opponent.

Direct subsidies: Some people have proposed that payments from the U.S. Treasury should be made to candidates, parties, or vendors of services. Although the approach deserves further study, I am not now persuaded that this should be done, for several reasons:

If the subsidies are too low, the evasion that now plaques the present law is apt to reappear.

If they are too high, nothing will be done about removing the dollar sign from political campaigns.

Payments to candidates may undermine party cohesion since their key fundraising function will have been usurped.

Payments to parties might leave the candidates dependent upon the large financial contributions from the parties.

Payments to vendors mean in effect payments to broadcasters, but this is not consistent with the accepted approach that the airways belong to the people and are merely used, rather than owned, by the broadcasters.

Absolute expenditure ceilings. The proposal to establish an effective and enforcible campaign ceiling has been rejected by a number of respected groups studying campaign financing, among them the New York Bar Association's Special Committee on Congressional Ethics, and the 20th Century Fund.

The New York bar group noted:

> Since costs continue to rise, any limit, however generous, must soon become obsolete and invite circumvention. In the heat of the campaign, candidates are likely to spend whatever sums they think are necessary if they are able to raise such amounts.

Limits are difficult to administer; they tend to be unenforcible; and the temptation to cover up campaign expenditures is strong.

Moreover, this is a big country and the costs of campaigning vary tremendously in different districts. A great deal more study is needed on this question of campaign expenditure ceilings before legislation is enacted. The study must examine the problems inherent in it, including the determination of the limit, the means of control and enforcement, and the extent of necessary exclusions, such as filing fees.

There are, then, four general approaches to control campaign financing: First, a ceiling on expenditures; second, limitation on contributions to campaigning; third, subsidization of media exposure; and fourth, full disclosure of the source of campaign funds and the expenditures. Of these, disclosure is probably the most powerful. If we could fully enforce disclosure of where the money comes from and what it is spent for, our problems would be a long way toward solution.

KEY PROVISIONS OF THE ELECTION REFORM ACT OF 1971

The bill I introduce today uses disclosure, limitations on contributions, and tax incentives to achieve the goals of a campaign in a democratic system. An explanation of the key provisions of the bill follows:

First. Federal reporting and disclosure requirements are extended to cover all primary campaigns and conventions for selection of congressional and presidential candidates.

Second. All political committees are required both to register and to report whether they operate within the borders of only one state or not. The reports require considerably more detail than the present law, including full names and addresses of all contributors of $100 or more.

Third. All fundraising activities are to be reported.

Four. Candidates and committees are required to file detailed contribution and spending reports three times a year and also on the 15th and fifth days preceding an election and by the 31st of January. Any person, other than a political committee or candidate, whose political expenditures in a year exceed $100 must file a similar report.

Fifth. Present statutory ceilings on total spending by individual candidates and political committees are repealed. The bill, however, retains and tightens the $5,000 limit on contributions by individuals to any Federal candidate or political committee. This limit is an aggregate amount for each calendar year, and applies to any candidate or to all political committees substantially supporting him. A contribution made by a person's spouse or minor child shall be deemed to be made by him.

Sixth. A Federal Elections Commission is created to register and publicize facts about political committees, receiving and publicizing reports of campaign contributions and expenditures of candidates and committees, and to conduct appropriate audits. The Commission would absorb the campaign spending duties of the Secretary of the Senate and the Clerk of the House. These two offices currently handle spending reports, but they do not have the authority or the staff to do anything but accept the reports that are filed. Under present law there is no office that keeps records and provides information about political contributions and

expenditures of committees seeking to influence Federal elections. Nor is there a Federal agency that regularly investigates serious charges of illegal conduct during a campaign. These critical functions would be performed by the Federal Elections Commission.

Seventh. Tax incentives are provided in the form of a tax credit of up to $20 and a tax deduction not to exceed $100, only one of which may be chosen by the taxpayer.

CONCLUSION

I urge Congress to give a prompt hearing to the proposals contained in the Election Reform Act of 1971. Our democratic system is threatened by unregulated campaign financing practices. We ignore the practices that arise from our present law at our peril. The democratic process cannot continue to survive laws that promote disobedience and disrespect. Unless immediate attention is given to revising our campaign financing laws we will create, contrary to what Lincoln envisioned, a government of the people, by the rich, and for the few.

A detailed comparison of the Corrupt Practices Act and key provisions of the Election Reform Act of 1971 follows:

FEDERAL CORRUPT PRACTICES ACT

(2 U.S. Code, 241–256; 18 U.S. Code, 591–613)

DEFINITIONS

Election

General or special; not primary or convention.

Candidate

Individual whose name is presented for election. (302)

Political committee

Group which accepts contributions or makes expenditures to influence elections of candidates or electors, (1) in 2 or more states or (2) whether or not in more than 1 state if such group is a branch of a national committee, association or organization.

Contribution

Gift, subscription, loan, advance, or deposit, of money, or anything of value, and includes a contract, promise, or agreement to make a contribution.

Expenditure

Payment, contribution, loan, etc, and includes a contract, promise, ect. to make an expenditure.

REPORTS

Who makes reports and to whom

Treasurers of political committees file with Clerk of House.
House candidates file with Clerk of House.
Senate candidates file with Secretary of Senate.
Individuals contributing $50 or more, not through a committee, file with Clerk.

Content of reports

Itemized account of contributions and expenditures. Names and address of contributors of $100 or more.
Personal expenses (travel, personal, postage, printing, telephone, circulars, etc.) of candidates do not have to be itemized; total must be reported.
Total from other contributors (less than $100 each).
Statement of every promise made in regard to appointment to public or private office.

Filing dates

Committees: between 1st and 10th of March, June, and Sept. each year; btn. 10th and 15th, and on 5th day preceding general election; and on Jan. 1st for preceding year.
Candidates: btn. 10 and 15 days before, and within 30 days after, general election.

Other accounting requirements for political committees

Must keep itemized accounts of contributions and expenditures, with name and address and date.
Must keep receipted bill of each expenditure over $10.
All contributions made to committee must be reported to treasurer.

PUBLIC INSPECTION

Reports must be open to public inspection.

PENALTIES

EFFECT ON STATE LAWS

REGISTRATION

ELECTION REFORM ACT OF 1971

DEFINITIONS

Election

General, special, or primary; party convention or caucus; primary to select delegates to national nominating convention; presidential nominating primary.

Candidate

One who seeks nomination to federal office and is shown to be seeking nomination by (1) taking action under state law to qualify himself for nomination or (2) receiving contributions or making expenditures or giving consent for another person to do same, for purposes of campaign.

Political committee

Any individual or group which accepts contributions or makes expenditures in an aggregate amount exceeding $1,000 in one year.

Contribution

Gift, donation, loan (except from licensed loan inst.) etc., and includes contract, promise, etc. to make a contribution, and includes transfer of funds between political committees.

Expenditure

Purchase, payment, distribution, etc. and includes a contract, etc. to make an expenditure, and includes a transfer of funds between political committees.

REPORTS

Who makes reports and to whom

Repository of reports is 5-man, bipartisan Federal Elections Commission apptd. by President for 10-yr. terms.
Copy of each report must be filed with Clerk of U.S. District Court in which committee or candidate is headquartered.
Political committees spending or receiving $1,000 or more in 1 year; candidates; and persons contributing or spending more than $100 not through committee; must all file reports.

Content of reports

List of contributors of $100 or more (including purchasers of tickets to fund-raising events).
Total from other contributors.
List of candidates and political committees making or receiving transfers of funds.
List of loans of $100 or more.
Total of proceeds from fund-raising events and campaign paraphernalia.
Total of all receipts.
List of persons receiving expends. of $100 or more, and purpose of expenditure.
List of persons receiving expenditures for personal services and salaries of $100 or more.
Total of expenditures.
Amount of debts owed by or to committee.

Filing dates

10th of March, June and Sept., 15th and 5th days preceding elections, and by Jan. 31. Convention committees must file financial report within 60 days after convention, not later than 20 days before elector selection.

Other accounting requirements for political committees

Must have receipted bills for all expenditures over $100 and for lesser expends. if total in one year to same person is more than $100.
All contributions must be reported to treasurer of committee.

PUBLIC INSPECTION

Commission must: Make reports available for public inspection and copying. Publish annual report. Make audits and field investigations if indicated. Report violations to law enforcement officials.

PENALTIES

Penalties of fines and/or imprisonment for violations.

EFFECT ON STATE LAWS

State laws are not affected by provisions of this bill.

REGISTRATION

Political committees must register with Commission if will make or spend $1,000 or more in 1 year.

LIMITS ON EXPENDITURES BY CANDIDATES	LIMITS ON EXPENDITURES BY CANDIDATES
1. $10,000 for Senate; $2,500 for Represent. 2. or: 3¢ times votes cast for all candidates for that office in preceding election, not to exceed $25,000 for Sen., or $5,000 for Rep. 3. Exempt from limitation: Personal, traveling, subsistence, stationery, postage, circulars, posters, telephone.	Repealed.
LIMITS ON COMMITTEE EXPENDITURES	LIMITS ON COMMITTEE EXPENDITURES
$3 million.	Repealed.
PROHIBITIONS ON CONTRIBUTORS	PROHIBITIONS ON CONTRIBUTORS
1. Soliciting U.S. employees for contributions prohibited. 2. Corporations, labor unions, natl. banks prohibited from making contributions to federal campaigns. 3. Federal contractors prohibited from making contributions to any campaign.	Same.
LIMITS ON INDIVIDUAL CONTRIBUTIONS	LIMITS ON INDIVIDUAL CONTRIBUTIONS
$5,000 per individual.	$5,000 in *aggregate* to all committees for same candidate.

Source: Adapted from "Electing Congress," by the Twentieth Century Fund.

THE PRESIDENT'S CONFRONTATION WITH THE FEDERAL RESERVE BANKERS

The SPEAKER. Under a previous order of the House, the gentleman from Louisiana (Mr. RARICK) is recognized for 15 minutes.

Mr. RARICK. Mr. Speaker, on February 1, and again on February 3, I commented on the President's "new American revolution" being directed to the Federal Reserve Banking System rather than to the Members of Congress.

Now even local financial writers acknowledge an upcoming confrontation between the President of the United States and the Federal Reserve Banking System as to who runs the country—and the Fed folks have a 14-year term without ever going to the people for a vote.

The success or failure of the President's "new American revolution" depends not on laws but on money—not the people's money, nor gold or silver, but on credit created by the Federal Reserve Banking System as only they can do it with the flourish of a pen—printing press money.

A Sunday column in the local paper carries an interesting report of the upcoming confrontation. I include it as follows:

[From the Washington Post, Feb. 7, 1971]

BURNS-SHULTZ CLASH AHEAD

(By Joseph R. Slevin)

A head-to-head collision is in the making between George Shultz, the director of President Nixon's Office of Management and Budget, and Federal Reserve Board Chairman Arthur Burns.

Shultz is the author of Nixon's bitterly controversial forecast that national production will soar to $1,065 billion this year. Burns is letting it be known that he considers the ambitious Shultz target to be both bad economics and bad Republican politics.

Mr. Nixon shifted Shultz to the OMB post from his job as secretary of labor last June, and the heavy-set University of Chicago business school dean has become the strong man of the President's economic advisory team. He powered through the $1,065 billion forecast against the advice of Burns, Treasury Secretary David Kennedy and Council of Economic Advisers Chairman Paul McCracken.

A Shultz-Burns confrontation will come as a clash between the man who now is Nixon's dominant economic aide and the man who filled that slot as counselor to the President until Nixon named him to the Federal Reserve chairmanship last winter.

Nixon originally chose Shultz as his Labor secretary on Burns' recommendation. While the brilliant, pipe-smoking Federal Reserve chief takes a dim view of Shultz' performances as an economic analyst and forecaster, he thought highly of Shultz' work as a labor mediator.

Burns did not participate in the final Administration decision to set the big $1,065 billion target but he had separately advised both Shultz and the President against it.

Most economists believe that national output will total between $1,045 billion and $1,050 billion this year. Burns recommended to Nixon that he set his sights higher, that he choose a target in the $1,055 billion range, and that he tell the country that it could achieve a $1,055 billion economy, or more, if the government holds to sound policies and if the people confidently work to attain greater prosperity.

The former presidential counselor reasoned that exceeding the $1.045 to $1.050 trillion standard forecast could rebound to Nixon's credit but that establishing and not reaching Shultz' excessively ambitious $1,065 billion target would seriously damage Nixon's prestige.

Burns fears that rocketing the economy ahead at Shultz' 12 per cent-a-year clip would generate fresh inflationary pressures and could trigger a new recession before the 1972 elections.

A Shultz-Burns clash is expected to materialize if the economy does not climb at the swift Shultz pace. White House officials are passing the word that they then will expect the Federal Reserve to try to boom the economy and fulfill the Shultz prophecy by printing large, additional amounts of money.

But Burns believes that the central bank has been creating adequate quantities of new money and that ample funds are available to support a vigorous business upturn. He contends that the great need is not to pump out money at an even faster rate but to bolster national confidence so that people will spend and will borrow.

The very real danger is that a Shultz-Burns confrontation will quickly escalate into a showdown between Nixon on the one side and Burns and the Federal Reserve on the other. Burns believes deeply in maintaining the independence of the Federal Reserve and is convinced that it must not be at the mercy of politicians in either the White House or Congress.

Nixon once said that Arthur Burns "is the most independent man I know." The Federal Reserve chairmanship is the pinnacle of the distinguished 66-year-old economist's career and it is an odds-on bet that Nixon will find new dimension's of independence in his erstwhile counselor if he tries to force the Federal Reserve to pump out money at a rate that Burns and his colleagues deem inflationary.

PANAMA SEA-LEVEL PROJECT: MORE ABOUT PACIFIC SEA SNAKES

The SPEAKER. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 20 minutes.

Mr. FLOOD. Mr. Speaker, on December 1, 1970, the Atlantic-Pacific Interoceanic Canal Study Commission, of which the Honorable Robert B. Anderson was chairman, submitted its final report under Public Law 88–609 to the President. This report recommended the construction in Panamanian territory about 10 miles west of the existing Panama Canal of a new canal of so-called sea-level design. In an address to this body in the CONGRESSIONAL RECORD of January 21, 1971, I discussed the danger of Pacific sea snakes infesting the Atlantic Ocean as the result of such construction and quoted scientific writings by Dr. Anthony T. Tu, professor of biochemistry of Colorado State University and Dr. Tsuchih Tu, professor of pharmocology at the University of Alberta. The public response to that address has been gratifying and included a popular type of news story in the Evening Star of January 27 by John McKelway, the well-known Washington columnist.

The most recent scientific reports on the sea snake question are two illuminating articles: one by Richard H. Gilluly on the "Consequences of a Sea Level Canal" in the January 16, 1971, issue of Science News, published by the Science Service Institution; and a second by Philip M. Boffey on "Sea-Level Canal: How the Academy's Voice Was Muted" in the January 29, 1971, edition of Science, published by the American Association for the Advancement of Science.

In the first article, author Gilluly summarizes the results of studies by the Smithsonian Tropical Research Institute of Balboa, C.Z., and emphasizes the possible proliferation of the venomous sea reptiles in the Caribbean in the event of a salt-water channel connecting the oceans.

In the second article, author Boffey mentions recent ecological studies under the National Academy of Sciences conducted by Prof. Ernest Mayr, of Harvard University, states that these findings disagree completely with the views expressed in the Anderson report, and

charges that the National Academy of Sciences was "mousetrapped into a restricted role in which its voice was inevitably muted." No wonder author Boffey asks why were the Academy group's views largely ignored by the sea level canal study panel?

The main report of the Anderson panel to which these two scientific papers refer, consists of 109 pages of which four deal with environmental considerations. Although this report admits that the "potential for transfer of harmful biota and hybridization or displacement of species in both oceans exists," it expresses the view that the "risks involved appear to be acceptable."

An examination of the records of experience of the members of the Anderson panel who signed the sea level canal report, does not disclose anyone with the professional background required for the expression of valid opinions in the field of marine biology.

As one who has followed canal matters closely for many years and is familiar with the legislative history of Public Law 88–609, the hearings for which were never published despite my efforts to secure their publication, I do not find the obvious conflict between the advocates of the sea level proposal and the scientists surprising. It is rooted in the statute itself, which provided for an inquiry that was aimed at justifying a recommendation for the long predetermined objective of a small industrial and professional group for a vast construction project at Panama, and regardless of the costs or consequences.

The canal study panel, in the process of supporting its objectives, has not sought to solve the specific problems involved in the safe and convenient transit of vessels at least cost and, consequently, has run into a series of difficulties—economic, engineering, operational, diplomatic, legal, and ecological, all incapable of solution by the plan proposed by the panel. Their studies consumed more than 5 years and more than $21,000,000 of our taxpayers' money. Without adequate background or experience for their studies, the members ignored many powerful objections to the sea-level proposal and swept most of the issues thus presented under the carpet, apparently with the hope of hoodwinking the executive and legislative branches of our Government. The concrete proposal of the panel that the United States construct another canal through Panamanian territory near the present canal at an initially estimated cost of $2.8 billion, which does not include the cost of the right-of-way or of an inevitable indemnity to Panama, is a most outrageous recommendation and an insult to the intelligence and welfare of our people.

The schemes advocated in the Anderson report would divert the United States of its indispensable sovereign control not only of the proposed new canal but also of the existing Panama Canal and thus invite a Soviet takeover of the isthmus should our sovereignty at Panama be extinguished. The absorption of Cuba, Peru, Bolivia, and Chile in the Soviet orbit evidently meant nothing to the panel and shows how utterly incompetent and unrealistic were those who formulated the report.

In an address to the House in the CONGRESSIONAL RECORD of April 1, 1965, on the "Interoceanic Canal Problem: Inquiry or Coverup?" I discussed important angles of the canal question at length, emphasizing that Public Law 88–609 placed the recent canal inquiry in the hands of officials committed in advance to one type of canal that is opposed by many independent and experienced engineers and other canal and scientific experts.

Although I did not discuss the ecological problems in 1965, it is a fact that the plan for the major modernization of the existing Panama Canal supported by many independent canal experts and for which proposed legislation is now pending would retain Gatun Lake, which has long served as a fresh-water barrier protecting the Atlantic Ocean against poisonous sea snake infestation and other biological consequences. As will be seen from a reading of my volume on "Isthmian Canal Policy Questions"—House Document No. 474, 89th Congress—the problem of the Panama Canal is a highly complicated one involving treaty relationships with Great Britain and Colombia as well as Panama and the security of the entire Western Hemisphere. The ecological angle is only one of the questions involved but an important one with possible international implications of considerable magnitude. Two examples of biological imbalance cited in the Boffey article are the sea lamprey that virtually destroyed lake trout in Lake Huron and Lake Michigan and the crown of thorns starfish that is now threatening to destroy coral reefs in the Pacific.

In order that the Congress, the Executive, and the Nation at large may have the benefit of the latest information in the premises, I quote both scientific articles along with the indicated column by John McKelway as part of my remarks:

[From the Science magazine, Jan. 29, 1971]

SEA-LEVEL CANAL: HOW THE ACADEMY'S VOICE WAS MUTED

(By Philip M. Boffey)

Last fall a special presidential commission recommended that a sea-level canal be built across the Isthmus of Panama not far from the site of the present Panama Canal. The Canal Study Commission—officially known as the Atlantic-Pacific Interoceanic Canal Study Commission—argued that the potential military, economic, and foreign policy benefits justified spending some $2.88 billion to build a sea-level passage that would supplement and supersede the existing lock passage. The commission gave scant credence to assertions that a sea-level canal might pose serious ecological hazards. Indeed, it devoted only 4 pages of its 109-page cover report to environmental considerations, and the thrust of its conclusions was that whatever ecological risk might exist is "acceptable."

But this was not quite the view, it turns out, of a National Academy of Sciences committee which studied the ecological implication of the proposed canal at the request of the commission. Ernst Mayr, professor of zoology at Harvard University and chairman of the Academy's Committee on Ecological Research for the Interoceanic Canal,[1] told *Science* that canal commission has "minimized" the potential dangers cited by his group and has "talked about other things" rather than confront the issues raised by the Academy group. "We said that great danger would result from building a sea-level canal, though we can't prove it," Mayr said. "But they turned it around and said that, since we can't prove it, the danger is minimal."

The canal study—the latest in a series that have been conducted since World War II—was authorized by Congress on 22 September 1964. The members of the commission were subsequently appointed by then President Lyndon B. Johnson and they were reappointed by President Richard Nixon when he took office. The commission was headed by Robert B. Anderson, former Secretary of the Treasury during the Eisenhower Administration. Its other members included Robert G. Storey, former dean of the law school at Southern Methodist University, who served as vice-chairman; Milton S. Eisenhower, former president of Johns Hopkins University; Kenneth E. Fields, retired Army brigadier general and former general manager of the Atomic Energy Commission; and Raymond A. Hill, a San Francisco consulting engineer. The staff director was John P. Sheffey, a retired Army colonel with considerable experience in Panama. With the submission of its report on 30 November 1970, the commission went out of business.

MILITARY AND ECONOMIC RATIONALE

The commission's chief conclusions were that there are no insuperable technical obstacles to the construction and operation of a sea-level canal, and that such a canal would be highly desirable for a number of reasons. From a military standpoint, the commission concluded that a sea-level canal would be superior to the present lock canal because it would be less vulnerable to destruction and because it would be able to transit large aircraft carriers which can't fit through the existing locks. From an economic standpoint, the commission concluded that the present canal will reach its traffic capacity toward the end of this century, thus cramping U.S. and world trade, and that it will be unable to handle the increasing numbers of huge tankers and bulk carriers which are already beginning to appear on the world's oceans. The commission consequently urged that a sea-level canal be built along what is known as Route 10 in Panama, about 10 miles west of the existing canal, provided that suitable treaty arrangements can be worked out. The commission recommended that conventional excavation techniques be used because "neither the technical feasibility nor the international acceptability" of nuclear excavation have been established.

In assessing the ecological implications of a sea-level canal, the commission relied heavily on a report prepared by the Battelle Memorial Institute with some help from the Institute of Marine Sciences at the University of Miami. The commission said that certain forms of marine life have been passing

[1] Other members of the committee included Maximo J. Cerame-Vivas, University of Puerto Rico; David Challinor, Smithsonian Institution; Daniel M. Cohen, Bureau of Commercial Fisheries; Joseph H. Connell, University of California, Santa Barbara; Ivan M. Goodbody, University of the West Indies, Kingston; William A. Newman, Scripps Institution of Oceanography; C. Ladd Prosser, University of Illinois; Howard L. Sanders, Woods Hole Oceanographic Institute; Edward O. Wilson, Harvard; and Donald E. Wohlschlag, University of Texas, Port Aransas. The staff officer was Gerald J. Bakus, University of Southern California.

through the existing canal for 50 years on the hulls of ships and in ballast water yet "no harmful results have been identified." The commission also noted that marine biologists have offered divergent predictions that a sea-level canal might cause anything "from disaster to possible beneficial results." In order to clear up the confusion, the commission said, it asked Battelle to conduct a study—admittedly limited in time and money—which involved a literature survey, mathematical modeling, and a study of marine species collected from the general canal area.

The Battelle report, which was prepared by William E. Martin, James A. Duke, Sanford G. Bloom, and John T. McGinnis of Battelle's Columbus, Ohio, laboratories, acknowledged that "present knowledge of the marine ecology of the Isthmian region is not sufficient to permit anyone to predict, with certainty, either the short-term or the long-term ecological consequences of sea-level canal construction." But the Battelle team went on to say that it had found "no firm evidence to support the prediction of massive migrations from one ocean to another followed by widespread competition and extinction of thousands of species" (a prediction that had been made by others but not by the Academy group). The Battelle group said that barriers could be arranged to block the migration of species from one ocean to another, and it argued that differences in environmental conditions on the two sides of the isthmus coupled with the prior occupancy of similar ecological niches by analogous species would constitute "significant deterrents" to the establishment of any species which might manage to get through the canal. In particular, the Battelle group found it "highly improbable that blue-water species like the sea snake and the crown-of-thorns starfish could get through the canal except under the most unusual circumstances." The Battelle group also said it had found "no evidence for predicting ecological changes that would be economically deleterious to commercial, sport or subsistence fisheries."

However, the Academy group seems to have been much less sanguine about the likely ecological impact of a new canal. The Academy report stresses that "available information is altogether insufficient to allow reliable predictions of particular events resulting from the excavation of a sea-level canal in Panama." But its report goes on to note that previous canal projects have sometimes led to "economic disaster" for certain fishing industries and have made it necessary to launch costly programs to repair the damage. Though it acknowledges that no predictions can be made with certainty, the Academy group warns that a sea-level Panamanian canal might produce major adverse consequences.

One previous instance in which a new canal caused great damage, according to the Academy group, involved the invasion of the Great Lakes by the sea lamprey, a predatory fishlike creature found in the North Atlantic. For thousands of years the sea lamprey was barred from the inner great lakes by Niagara Falls, but a system of manmade canals then allowed the lamprey to penetrate the inner lakes where it fed ravenously on valuable lake trout and other fish. In only 10 years the annual catch of lake trout in Lake Huron and Lake Michigan fell from 8.6 million pounds to 26,000 pounds. "This was an economic disaster for the fishing industry, one that has since been repaired only by years of research that finally led to an effective control of the invader through a costly management program," the Academy group said.

Another previous instance of major impact cited by the Academy group was the Suez Canal, where studies have shown that transmigration and colonization of marine plants and animals occur; that mobile, active organisms and fouling organisms are generally first to make the transit; that large-scale population changes occur; and that "significant economic impact sometimes results." Mayr, the head of the Academy group, told *Science* that a certain valuable species of sardine found in the eastern Mediterranean seems to have been "considerably affected" by competition from a less desirable species that invaded through the Suez Canal from the Red Sea. Mayr visited Israel last year to review work done on Suez Canal effects by a group of scientists at the University of Jerusalem. He said the Israelis reported that the "most remarkable thing" they had found was that it was nearly impossible to predict just what marine life would manage to get through the canal.

POINTS OF DISAGREEMENT

In assessing the possible impact of a sea-level canal through Panama, the Academy group disagrees completely with some of the conclusions of the Canal Study Commission and of Battelle. Whereas Battelle found it "highly improbable" that the sea snake would get through the canal, the Academy group said the poisonous snake—a potential menace to predatory fish and to the tourist trade—"should have no real difficulty moving through a sea-level canal." The Academy report also concludes that the canal itself would provide "a nearly optimal habitat" for certain large Pacific sharks and that these sharks "could become rapidly established on the Atlantic coast Central America, unless an effective barrier is employed." And whereas Battelle said it found no evidence that commercial or sport fisheries would be affected, the Academy report warned that some species, including certain shrimp, could be replaced by economically less valuable species. Mayr told *Science* it is "an indefensible statement" to say there will be no adverse effects on fisheries since no one really knows what will happen. The Academy group also warned that a sea-level canal might allow passage of parasites and pathogens from one ocean to another where they might cause serious destruction of organisms that lacked natural resistance to them.

Mayr's general impression of the canal commission's report is that it has made a number of "casual" and "misleading" statements, and that it has set up some straw men and then knocked them down while ignoring the most important fears expressed about a sea-level canal.

In order to lessen the potentially adverse impact of a new canal, the Academy report stressed that it is "essential" to install a barrier of warm fresh water in the canal to block the transit of as many species from the colder salt oceans as possible. But the canal commission was not persuaded that such a barrier is necessary. It simply said that if "future research" indicates the need for a biotic barrier (in addition to the tidal gates which will be installed to control currents), then "it would be possible to install a temperature or salinity barrier." However, the commission did not include plans for such a barrier in its designs indeed, it noted that the cost of a thermal barrier would be "high" and that the supply of fresh water available for a freshwater barrier is "limited." About the only point on which the commission and the Academy group seem firmly agreed is that an agency should be designated to support and coordinate research that could shed light on the potential environmental effects of a sea-level canal. Mayr professed himself "delighted" that the commission has recommended such a research effort.

Why were the Academy group's views largely ignored by the commission? Mayr and some other members of the Academy committee complain that the commission and its staff were more concerned about the economics of world shipping and about military defense than about possible ecological hazards—a charge which certainly seems to be true based on emphases given in the commission's report. But if the Academy group is right in asserting that the proposed canal could cause major damage, then the Academy itself must bear part of the responsibility for failing to make its voice heard.

Like all too many Academy committees, this one seems to have been given an overly restricted role. The canal commission report states that Battelle was asked to make "a study" of potential ecological effects whereas the Academy was merely asked "to recommend a program of long-term studies to be undertaken if the decision is made to build a sea-level canal." Mayr insists that his committee and the Battelle group did essentially the same thing, yet the fact that Batelle was the organization officially designated to do the "study" enabled the commission to emphasize Battelle's upbeat report while minimizing the Academy group's warnings.

The Academy study was further restricted in that it did not grapple with the question of whether a canal *should* be built, but only with the question of *how* it should be built. As the Academy report states in its preface: "Evaluation of the need for a canal and the wisdom of constructing it were explicity excluded from the committee's task—deliberations were carried on under the assumption that a canal would be built." Asked why the Academy group had made that assumption, Mayr said the canal commission had in effect, told the group: "Look here boys. That canal is going to be built no matter what you say." Consequently, Mayr said, "We decided the best thing to do was to make the canal as harmless as possible."

A further factor that limited the Academy group's effectiveness was its failure to speak out clearly. The Academy report does not use very forceful language in describing the potential hazards of a new canal. ("Scientists don't like to make loud statements—they like to understate things," Mayr says.) Moreover, the Academy group was unable to proclaim its apprehensions at the time the canal commission's cover report was made public last November. Neither Mayr nor the Academy itself would release copies of the Academy report until they had been officially published by the canal commission, and that did not happen until weeks later—long after public and press interest had dissipated.

No one can seriously contend that a group of scientists, who are by no means expert on the economic and military issues involved, should make final judgments as to whether a canal should be built. But the scientists are in a particularly good position to make judgments as to the ecological costs involved and to insist that these costs be considered before deciding whether to go ahead with a canal. As it now stands, the canal commission does not seem to have given much weight to the possible ecological costs, and its failure to do so must be blamed not only on the commission, but also on the Academy, which allowed itself to be mouse-trapped into a restricted role in which its voice was inevitably muted.

[From Science News, January 16, 1971]

CONSEQUENCES OF A SEA-LEVEL CANAL—A NEW STUDY OF SEA SNAKES REINFORCES ECOLOGISTS' CONCERNS ABOUT THE PROPOSED CANAL

(By Richard H. Gilluly)

Little is known of the possible ecological consequences of a sea-level canal across the isthmus connecting North and South America, and engineers tend to believe that because there is no evidence of possible ecological harm, none would ensue. The recent report of the Atlantic-Pacific Interoceanic Canal Study Commission (SN: 12/12, p. 445) devotes four pages to environmental

questions and tends to pooh-pooh any possible dangers.

Ecologists are not nearly so sanguine. They point out the reason there is no evidence of possible harm is that studies have not been done. Dr. Howard L. Sanders of the Woods Hole Oceanographic Institution, Woods Hole, Mass., is disturbed about "apparent discrepancies in emphasis" between the commission report and findings of a National Academy of Sciences committee on the canal (SN: 4/11, p. 364). "There are thousands of possibilities of mixing of similar species from Atlantic and Pacific sides," he says. The results, he adds, are unpredictable and could be serious. Dr. Sanders and others, therefore, urge that if a canal is to be dug a foolproof-as-possible biological lock—preferably of heated fresh water—be incorporated and that the most thorough studies possible be done prior to construction.

Although there has been little research to date on the ecological effects of the proposed canal, Drs. Ira Rubinoff and Chaim N. Kropach of the Smithsonian Tropical Research Institute in Balboa, Canal Zone, recently completed a study of *Pelamis platurus*, the highly venomous black and yellow sea snake that now inhabits the eastern Pacific (SN: 12/5/68, p. 579). They conclude that if the sea snake got into the Atlantic, it would at first be attacked by Atlantic predators. But then these predators would evolve avoidance mechanisms and the snake would spread throughout the Caribbean.

Such an event could be disastrous to the tourist industry, says Dr. Sanders. Even if the sluggish and fairly nonaggressive snake did not attack humans—it generally does not in the Pacific—its psychological effect could be formidable.

Drs. Rubinoff and Kropach reported on their work in the Dec. 26 Nature. The two researchers used tanks to expose the snakes to predators from the Atlantic and Pacific sides. The Pacific predators served as controls to measure how the behavior of the Atlantic predators, even though sometimes of the same species as the Pacific ones, differed.

The Pacific predators almost universally refused to prey on the sea snakes, even to the extent of starving if no other food was available. "On one occasion," the researchers report, "a snapper which had become conditioned to seize live food thrown from the surface ingested a snake as it hit the water, before it could have seen or smelt the snake below the surface. It immediately spat out the snake and paid no further attention to it."

Such avoidance mechanisms apparently evolved, they say, in the 2 million or 3 million years since the rise of the Panamanian Isthmus, at about which time the sea snake arrived in the eastern Pacific from the west Pacific. The reasons for the evolution of the mechanism become clear when the unadapted Atlantic predators were exposed to the snake.

The Atlantic predators approached the snakes without hesitation, and the more aggressive ones attacked. A snapper swallowed one of the snakes tail first, and just before it was completely swallowed, the snake bit the fish under the eye. The fish died 20 minutes later. One fish ate two snakes with apparent impunity, but died an hour later—apparently the victim of an internal bite. The snakes were regurgitated, and they survived. The researchers suggest that the extreme toxicity of the snake's venom may have evolved just so this would happen—to the predators, in their death throes, would regurgitate the snakes quickly before the snakes had been seriously hurt.

Predators often are encouraged to attack by observing other predators. But, say the two researchers, the avoidance mechanism in the Pacific predators is so strong that when sea snakes were offered to Atlantic and Pacific predators together, attacks by the Atlantic predators left the Pacific ones as indifferent as ever.

There are apparently visual, olfactory and gustatory aspects to the avoidance of the snakes by the Pacific predators. There are variations in the black, yellow and brown patterns of the sea snakes, but whether or not the variations are great enough to confuse predators, olfactory and gustatory clues seem to serve just as well. Pacific nurse sharks, for example, refused to have anything to do with *Pelamis platurus*, even when the snakes were wrapped inside the mantles of squid. Other predators refused the snakes skinned, or with its markings greatly altered with marking pens.

Of 35 attacks by Atlantic predators on the sea snakes in the trials by Drs. Rubinoff and Kropach, there were three predator deaths. The two researchers say that just one fatality of 22 ingestions of sea snakes would be a very high selection rate, and avoidance reactions would develop quickly in the Atlantic predators. Then, because other conditions in the Caribbean are similar to those in the Pacific, there would be no obstacle to the spreading of the snake.

Dr. Sanders says the findings of the Smithsonian researchers appear to be valid. He adds that the snake is sluggish and generally stays well off shore in the Pacific, feeding from windrows, lines of biological activity in oceans. But storms sometimes blow the snakes ashore. There is no reason why they would not also be blown to the shores of the numerous Caribbean islands, he says. Many of these islands rely almost entirely on the tourist industry.

Dr. Sanders emphasizes that the possible proliferation of the venomous sea snakes in the Caribbean is only a single adverse possibility among many in the building of a sea-level canal. Studies of these numerous other possibilities should be made before the canal is built, he emphasizes.

[From the Washington Evening Star, Jan. 27, 1971]

AGAINST SNAKES

(By John McKelway)

And so what else do we have to worry about?

Well, the Rambler was trying to mind his own business. He was extremely happy that Congress was back in town—to give him meaning to life—when all of a sudden he came across some remarks the distinguished Rep. Daniel J. Flood, D. Pa., made to the House of Representatives.

A great many people probably are unaware that on Dec. 1, 1970, the Atlantic-Pacific Interoceanic Canal Study Commission report was filed with the President. It recommended, whether you like it or not, the construction of a second canal of sea level design about 10 miles west of the existing canal, or what most of us usually term the "Old Panama Canal."

What Flood pointed out—and the Rambler also assumes this was missed by many people—was that the new canal, if it is ever built, may mean the introduction of sea snakes into the Atlantic Ocean.

This, it seems, was the word brought to the National Science Foundation, back in December by one Dr. Anthony T. Tu, professor of biochemistry at Colorado State University. Dr. Tu is worried, as we all should be, about these sea snakes getting into the Atlantic Ocean. So is Flood. So is the Rambler.

Flood can handle this better than the Rambler and after reading Dr. Tu's address he told the House:

"First. That sea snakes abound in the Indian and Pacific Oceans, including the east coast of Africa and the coastal waters of Baja, Calif., and the west coasts of New Mexico, Central America, Panama, and South America.

"Second. That about 60 species are found in the Far East and the Southwest Pacific but only one in the Eastern Pacific.

Third. That sea snakes, which are related to the cobra and far more numerous than land snakes, are more deadly than rattlesnakes and that a bite can cause death within hours.

"Fourth. That sea snakes cannot survive cold water and probably choose to avoid low-salinity estuarine waters.

"Fifth. That the Atlantic Ocean is protected against the sea snake infestation by low temperature barriers in the vicinity of Cape Horn and the Cape of Good Hope and the freshwater barrier of Gatun Lake in the Panama Canal.

"Sixth. That in addition to the hazards to human swimming at our beaches a sea snake invasion of the Atlantic might upset the ecological balance with unknown consequences."

Whew!

Now we have to face, if the new canal is built, sea snakes along with sharks and nettles. Or so it seems.

One of the odd things about this whole business is that Dr. Tu's research was supported by the Office of Naval Research of the Navy Department.

And, as usual, the government, once again, might be working at cross purposes.

Flood told his colleagues he is in favor of modernizing the existing canal which, apparently, would protect the Caribbean Sea and Atlantic from poisonous sea snake infestation.

So what to do?

Maybe this is worse, really, than the SST. The Rambler means he could take a few cracks in his ceiling or an awful shock after a boom from a passing SST but he is not about to go along with a lot of the snakes coming into his beloved Chesapeake Bay—which they undoubtedly will—after cutting a new canal without another Gatun Lake.

We have enough trouble.

St. Patrick, where are you?

SUPPORT FOR THE SOUTH VIETNAMESE

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

Mr. RHODES. Mr. Speaker, I take this time to indicate my strong support for the American Government's position in supporting the South Vietnamese in their efforts to interdict supplies coming down the Ho Chi Minh Trail. This trail has been for many years a lifeline for supplies which had allowed the North Vietnamese to flank the positions of the Americans and the South Vietnamese in South Vietnam and to occupy large areas of Laos and Cambodia. It is high time that this route and its supply complex, along with the sanctuaries which are in Cambodia, be destroyed so that the invaders from North Vietnam would be set back, and be required to make war, if they desired to do so, using their own country and their own facilities as bases.

Some people are not talking too much about the fact that the North Vietnamese are invaders. If they were not, there would not be any battles in Laos or in Cambodia. Our allies, the South Vietnamese, are engaged in a temporary incursion to drive out an invader who was previously in Laos. Since the North Vietnamese invaders have used Laos as a

base from which to attack South Vietnam, the juridical and moral position of the South Vietnamese is clear.

Since no American ground troops are being used the administration has obviously not violated the spirit or the letter of any act of Congress. I hope all Members will support the President in this latest effort to assure that American combat troops can continue to withdraw from Southeast Asia quickly and safely.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. GONZALEZ for 30 minutes, today.

Mr. SMITH of Iowa, for 60 minutes, on March 1, 1971; to revise and extend his remarks and to include extraneous matter.

Mr. MELCHER, for 1 hour, on March 1, 1971; to revise and extend his remarks and to include extraneous matter.

Mr. PRICE of Texas (at the request of Mr. ARCHER), for 15 minutes today, and to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mrs. HICKS of Massachusetts) to address the House and to revise and extend their remarks and include extraneous matter:)

Mr. HAMILTON, for 30 minutes, today.

Mr. RARICK, for 15 minutes, today.

Mr. FISHER, for 10 minutes, today.

Mr. FLOOD, for 20 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. DULSKI to revise and extend his remarks and include extraneous matter.

Mr. BENNETT to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. ARCHER) and to include extraneous matter:)

Mr. WINN.

Mr. BROOMFIELD in two instances.

Mr. BLACKBURN in two instances.

Mr. SCHERLE in 11 instances.

Mr. SCHWENGEL.

Mr. HALL.

Mr. FORSYTHE.

Mr. PRICE of Texas in four instances.

Mr. RHODES.

Mr. MYERS.

Mr. GROSS.

Mr. SCHMITZ in two instances.

Mr. BROYHILL of Virginia in two instances.

Mr. SHOUP.

Mr. HOSMER in two instances.

Mr. JOHNSON of Pennsylvania.

(The following Members (at the request of Mrs. HICKS of Massachusetts) and to include extraneous matter:)

Mr. RARICK in three instances.

Mr. BOGGS.

Mr. HATHAWAY in two instances.

Mr. THOMPSON of New Jersey in three instances.

Mr. BRADEMAS in six instances.

Mr. FRASER in two instances.

Mr. OBEY in six instances.

Mr. BOLLING.

Mr. FUQUA.

Mr. WALDIE in six instances.

Mr. GONZALEZ in two instances.

Mr. ROSTENKOWSKI.

Mr. DULSKI in three instances.

Mr. ANDERSON of California in two instances.

Mr. PREYER of North Carolina in two instances.

ADJOURNMENT

Mrs. HICKS of Massachusetts. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 31 minutes p.m.), the House adjourned until tomorrow, Tuesday, February 9, 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:

215. A letter from the Deputy Secretary of Defense, transmitting a report covering 1970 on the sale or other transfer of Government-owned communications facilities in Alaska, together with a report on the January 10, 1971, transfer of the Alaska communication system to RCA Global Communications, Inc. and its wholly owned subsidiary, RCA Alaska Communications, Inc., both reports pursuant to section 206 of the Alaska Communications Disposal Act; to the Committee on Armed Services.

216. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting a report on design, construction, supervision, and overhead charged for military construction completed in fiscal year 1970, pursuant to section 704 of Public Law 91-142; to the Committee on Armed Services.

217. A letter from the Secretary of the Army, transmitting a report of progress in the Army Reserve Officers' Training Corps flight instruction program during calendar year 1970, pursuant to 10 U.S.C. 2110; to the Committee on Armed Services.

218. A letter from the Deputy Under Secretary of the Army (International Affairs), transmitting the 1970 index of the legislation enacted by the Government of the Ryukyu Island; to the Committee on Armed Services.

219. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to authorize appropriations during the fiscal year 1972 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces, and for other purposes; to the Committee on Armed Services.

220. A letter from the Director, Selective Service System, transmitting his semiannual report covering the period January 1 through June 30, 1970, pursuant to section 10(g) of the Military Selective Service Act of 1967; to the Committee on Armed Services.

221. A letter from the Secretary of State, transmitting the 10th annual report of the Center for Cultural and Technical Exchange Between East and West, covering fiscal year 1970, pursuant to chapter VII of the Mutual Security Act of 1960; to the Committee on Foreign Affairs.

222. A letter from the Director, U.S. Information Agency, transmitting the semiannual report of the Agency for the period from January 1 through June 30, 1970, pursuant to section 1008 of Public Law 402, 80th Congress; to the Committee on Foreign Affairs.

223. A letter from the Deputy Administrator of Veterans' Affairs, transmitting a report on disposal of foreign excess property by the Veterans' Administration during calendar year 1970, pursuant to 40 U.S.C. 514(d); to the Committee on Government Operations.

224. A letter from the Chairman, Advisory Commission on Intergovernmental Relations, transmitting the 12th annual report of the Commission, pursuant to Public Law 86-380; to the Committee on Government Operations.

225. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to authorize appropriations for the saline water conversion program for fiscal year 1972, and for other purposes; to the Committee on Interior and Insular Affairs.

226. A letter from the Assistant Secretary of the Interior, transmitting notice of the receipt of an application for a loan from the Yolo County Flood Control and Water Conservation District of Woodland, Calif., pursuant to section 10 of the Small Reclamation Projects Act of 1956; to the Committee on Interior and Insular Affairs.

227. A letter from the Chairman, National Water Commission, transmitting the second interim report of the Commission, covering its progress during calendar year 1970; to the Committee on Interior and Insular Affairs.

228. A letter from the Chairman, Water Resources Council, transmitting the views of the Council on the National Water Commission's Interim Report No. 2, pusuant to the National Water Commission Act; to the Committee on Interior and Insular Affairs.

229. A letter from the Attorney General, transmitting a draft of proposed legislation to amend the Revised Organic Act of the Virgin Islands; to the Committee on the Judiciary.

230. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to provide relief in patent and trademark cases affected by the emergency situation in the U.S. Postal Service which began on March 18, 1970; to the Committee on the Judiciary.

231. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting copies of orders suspending deportation, together with a list of the persons involved, pursuant to section 244(a)(1) of the Immigration and Nationality Act, as amended; to the Committee on the Judiciary.

232. A letter from the Postmaster General, transmitting the revenue and cost analysis report of the Post Office Department for fiscal year 1970, pursuant to 39 U.S.C. 2331; to the Committee on Post Office and Civil Service.

233. A letter from the Federal Cochairman, Appalachian Regional Commission, transmitting a draft of proposed legislation to extend, and to authorize funds to carry out the purposes of, the Appalachian Regional Development Act of 1965, as amended; to the Committee on Public Works.

234. A letter from the Federal Cochairman, Four Corners Regional Commission, transmitting the third annual report of the Commission, pursuant to section 509 of the Public Works and Economic Development Act of 1965; to the Committee on Public Works.

235. A letter from the Acting Administrator, National Aeronautics and Space Administration, transmitting a draft of proposed legislation to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program

management, and for other purposes; to the Committee on Science and Astronautics.

236. A letter from the Deputy General Manager, U.S. Atomic Energy Commission, transmitting a further statement on the previously submitted draft of proposed legislation to authorize the Commission to charge Federal agencies fees for the licensing of nuclear power reactors; to the Joint Committee on Atomic Energy.

RECEIVED FROM THE COMPTROLLER GENERAL

237. A letter from the Comptroller General of the United States, transmitting a report on control needed over excessive use of physician services provided under the medicaid program in Kentucky, Social and Rehabilitation Service, Department of Health, Education, and Welfare; to the Committee on Government Operations.

238. A letter from the Comptroller General of the United States, transmitting a report on opportunities to economize on purchases of dairy and bakery products for U.S. forces in Southeast Asia, Department of Defense and Department of State; to the Committee on Government Operations.

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. COLMER: Committee on Rules. House Resolution 23. Resolution relating to the creation of a select committee in the House of Representatives; without amendment (Rept. No. 92–6). Referred to the House Calendar.

Mr. COLMER: Committee on Rules. House Resolution 24. Resolution to create a select committee to regulate parking on the House side of the Capitol; without amendment (Rept. No. 92–7). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABBITT:

H.R. 3798. A bill to provide an equitable system for fixing and adjusting the rates of pay for prevailing-rate employees of the Government, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ARCHER (for himself, Mr. LENNON, Mr. KUYKENDALL, Mr. WYMAN, Mr. DUNCAN, Mr. SCHMITZ, Mr. SCOTT, Mr. SHOUP, Mr. DERWINSKI, and Mr. BUCHANAN):

H.R. 3799. A bill to amend section 236 of the National Housing Act to require local governmental approval of any project as a condition of interest-reduction payments (or mortgage insurance) with respect to such project; to the Committee on Banking and Currency.

By Mr. BENNETT:

H.R. 3800. A bill to further amend the Federal Civil Defense Act of 1950, as amended, to provide that Federal buildings shall be designed and constructed to maximize fallout protection and that non-Federal construction financed in whole or in part with Federal funds may be designed to maximize fallout protection; to the Committee on Armed Services.

H.R. 3801. A bill to amend titles II and XVIII of the Social Security Act to permit benefit payments to a widower, parent, or child despite his or her marriage if such marriage is annulled, to allow an individual to have military service excluded in the computation of his benefits in order to use such service for a civil service retirement annuity, to permit State agreements for hospital insurance coverage, and to provide supplementary medical insurance coverage for certain services furnished an individual at his home by a medical technician or registered nurse; to the Committee on Ways and Means.

By Mr. CELLER:

H.R. 3802. A bill to amend the act of March 3, 1931, relating to the furnishing of books and other materials to the blind and to other handicapped persons to authorize the furnishing of musical recordings and tapes to such persons; to the Committee on House Administration.

H.R. 3803. A bill to prohibit the use of interstate facilities, including the mails, for the transportation of salacious advertising; to the Committee on the Judiciary.

H.R. 3804. A bill to amend chapter 153 of title 28, United States Code, to provide for the granting of writs of habeas corpus in certain additional instances; to the Committee on the Judiciary.

H.R. 3805. A bill to eliminate the requirement of a three-judge district court in cases seeking to restrain the enforcement of State or Federal statutes for repugnance to the Constitution, and to provide for direct appeal to the Supreme Court in certain cases, and for other purposes; to the Committee on the Judiciary.

H.R. 3806. A bill to provide a deduction for income tax purposes, in the case of a disabled individual, for expenses for transportation to and from work; and to provide an additional exemption for income tax purposes for a taxpayer or spouse who is disabled; to the Committee on Ways and Means.

By Mr. DULSKI (for himself and Mr. CORBETT):

H.R. 3807. A bill to amend title 5, United States Code, to establish and govern the Federal Executive Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. DULSKI (for himself, Mr. CORBETT, Mr. HENDERSON, Mr. UDALL, Mr. DANIELS of New Jersey, Mr. NIX, Mr. HANLEY, Mr. CHARLES H. WILSON, Mr. WALDIE, Mr. WHITE, Mr. WILLIAM D. FORD, Mr. HAMILTON, Mr. BRASCO, Mr. PURCELL, Mr. BEVILL, Mr. CHAPPELL, Mr. GROSS, Mr. DERWINSKI, Mr. JOHNSON of Pennsylvania, Mr. SCOTT, Mr. MCCLURE, Mr. HOGAN, Mr. HILLIS, and Mr. POWELL):

H.R. 3808. A bill to amend title 39, United States Code, as enacted by the Postal Reorganization Act, to provide additional free letter mail and air transportation mailing privileges for certain members of the U.S. Armed Forces, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ERLENBORN (for himself and Mr. BROWN of Ohio):

H.R. 3809. A bill to establish an Office of Consumer Affairs in the Executive Office of the President and a Bureau of Consumer Protection in order to secure within the Federal Government effective protection and representation of the interests of consumers, and for other purposes; to the Committee on Government Operations.

By Mr. GALLAGHER:

H.R. 3810. A bill to designate the birthday of Martin Luther King, Jr., as a legal public holiday; to the Committee on the Judiciary.

H.R. 3811. A bill to amend title II of the Social Security Act to provide that an individual's old-age insurance benefits or disability insurance benefits shall continue to be paid, after his death, to his surviving spouse; to the Committee on Ways and Means.

By Mr. HALPERN:

H.R. 3812. A bill to raise the Veterans' Administration to the status of an executive department of the Government to be known as the Department of Veterans' Affairs; to the Committee on Government Operations.

H.R. 3813. A bill to protect consumers against unreasonable risk of injury from hazardous products, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HALPERN (for himself, Mr. ADDABBO, Mr. DELANEY, Mr. ROSENTHAL, Mr. WOLFF, Mr. BADILLO, and Mr. BRASCO):

H.R. 3814. A bill to provide for the construction of a Veterans' Administration hospital of 1,000 beds in the county of Queens, New York State; to the Committee on Veterans' Affairs.

By Mr. HAMILTON:

H.R. 3815. A bill to revise the Federal election laws, and for other purposes; to the Committee on Ways and Means.

By Mr. HAMILTON (for himself and Mrs. MINK):

H.R. 3816. A bill to provide an equitable system for fixing and adjusting the rates of pay for prevailing-rate employees of the Government, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HÉBERT:

H.R. 3817. A bill to amend titles 10 and 32, United States Code, to authorize the establishment of a National Guard for the Virgin Islands; to the Committee on Armed Services.

By Mr. HÉBERT (for himself, and Mr. ARENDS):

H.R. 3818. A bill to authorize appropriations during the fiscal year 1972 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces, and for other purposes; to the Committee on Armed Services.

By Mr. HECHLER of West Virginia:

H.R. 3819. A bill to assist the States in raising revenues by making more uniform the incidence and rate of tax imposed by States on the severance of minerals; to the Committee on Ways and Means.

By Mr. HELSTOSKI:

H.R. 3820. A bill to establish a Department of Science and Technology, and to transfer certain agencies and functions to such Department; to the Committee on Government Operations.

H.R. 3821. A bill to amend section 203 of the Federal Property and Administrative Service Act of 1949 to permit the disposal of surplus personal property to State and local governments, Indian groups under Federal supervision, and volunteer firefighting and rescue organizations at 50 percent of the estimated fair market value; to the Committee on Government Operations.

H.R. 3822. A bill to amend part I of the Interstate Commerce Act, as amended, to authorize railroads to publish rates for use by common carriers; to the Committee on Interstate and Foreign Commerce.

H.R. 3823. A bill to provide additional protection for the rights of participants in employee pension and profit-sharing-retirement plans, to establish minimum standards for pension and profit-sharing-retirement plan vesting and funding, to establish a pension plan reinsurance program, to provide for portability of pension credits, to provide for regulation to the administration of pension and other employee benefit plans, to establish a U.S. Pension and Employee Benefit Plan Commission, to amend the Welfare and Pension Plans Disclosure Act, and for other purposes; to the Committee on Ways and Means.

By Mr. KOCH:

H.R. 3824. A bill to amend the act of March 3, 1899, commonly referred to as the Refuse Act, relating to the issuance of certain permits; to the Committee on Public Works.

By Mr. KUYKENDALL:

H.R. 3825. A bill to amend certain provisions of the Federal Food, Drug, and Cos-

metic Act; to the Committee on Interstate and Foreign Commerce.

By Mr. KYROS:

H.R. 3826. A bill to amend the Fish and Wildlife Act of 1956 to authorize the Secretary of Commerce to make loans to associations of fishing vessel owners and operators organized to provide insurance against the damage or loss of fishing vessels or the injury or death of fishing crews, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. LANDGREBE (for himself, Mr. BARING, Mr. CAMP, Mr. DONOHUE, Mr. HUTCHINSON, Mr. KING, Mr. LATTA, Mr. LENNON, Mr. MILLER of California, Mr. SCHWENGEL, Mr. WARE, and Mr. WILLIAMS):

H.R. 3827. A bill to amend the Federal Meat Inspection Act to require that imported meat and meat food products made in whole or in part or imported meat be labeled "imported" at all stages of distribution until delivery to the ultimate consumer; to the Committee on Agriculture.

By Mr. McCLURE:

H.R. 3828. A bill to repeal the Gun Control Act of 1968; to the Committee on the Judiciary.

H.R. 3829. A bill to amend section 4182 of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. MELCHER:

H.R. 3830. A bill to provide for the disposition of judgments, when appropriated, recovered by the Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont., in paragraphs 7 and 10, docket No. 50233, U.S. Court of Claims, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MINISH:

H.R. 3831. A bill to amend chapter 3 of the Foreign Assistance Act of 1961, relating to U.S. contributions to international organizations and programs, to provide for a program to control illegal international traffic in narcotics, and for other purposes; to the Committee on Foreign Affairs.

By Mr. MINSHALL:

H.R. 3832. A bill to provide for orderly trade in iron ore, iron and steel mill products; to the Committee on Ways and Means.

By Mr. MONAGAN:

H.R. 3833. A bill to provide for a coordinated national boating safety program; to the Committee on Merchant Marine and Fisheries.

By Mr. MORSE:

H.R. 3834. A bill to promote private U.S. participation in international organizations and movements, to provide for the establishment of an Institute of International Affairs, and for other purposes; to the Committee on Foreign Affairs.

H.R. 3835. A bill to amend the Water Resources Research Act of 1964, to increase the authorization for water resources research and institutes, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 3836. A bill to incorporate the Army and Navy Union of the United States of America; to the Committee on the Judiciary.

By Mr. MOSS:

H.R. 3837. A bill to facilitate the transportation of cargo by barges specifically designed for carriage aboard a vessel, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. MOSS (for himself, Mr. HELSTOSKI, Mr. KOCH, Mr. MILLER of California, Mr. MOORHEAD, Mr. NEDZI, Mr. O'NEILL, Mr. PODELL, Mr. REES, Mr. REID of New York, Mr. RODINO, Mr. ROSENTHAL, Mr. SCHEUER, Mr. ST GERMAIN, Mr. THOMPSON of New Jersey, and Mr. VAN DEERLIN):

H.R. 3838. A bill to amend the Federal Power Act to further promote the reliability, abundance, economy, and efficiency of bulk electric power supplies through regional and interregional coordination; to encourage the installation and use of improved extra-high-voltage facilities; to preserve the environment and conserve natural resources; to establish the Electric Power Environmental Council; and for other purposes: to the Committee on Interstate and Foreign Commerce.

By Mr. MOSS (for himself, Mrs. HANSEN of Washington, Mr. MILLER of California, and Mr. DINGELL):

H.R. 3839. A bill to provide for the protection of persons and property aboard United States air carrier aircraft, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MOSS (for himself, Mr. RODINO, Mr. UDALL, Mr. DONOHUE, Mr. CONYERS, and Mr. RYAN):

H.R. 3840. A bill designating certain election days as legal public holidays; to the Committee on Judiciary.

By Mr. PELLY (for himself, Mrs. DWYER, Mr. McCORMACK, Mr. SISK, and Mr. ST GERMAIN):

H.R. 3841. A bill to amend the act of August 27, 1954 (commonly known as the Fishermen's Protective Act) to conserve and protect Atlantic salmon of North American origin; to the Committee on Merchant Marine and Fisheries.

By Mr. PETTIS:

H.R. 3842. A bill to provide Civilian Conservation Corps enrollees who are suffering from paraplegia incurred during service in such corps with benefits substantially comparable to those provided veterans who are similarly disabled; to the Committee on Education and Labor.

H.R. 3843. A bill to establish the Federal Medical Evaluations Board to carry out the functions, powers, and duties of the Secretary of Health, Education, and Welfare relating to the regulation of biological products, medical devices, and drugs, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROYBAL (for himself and Mr. McCLOSKEY):

H.R. 3844. A bill to implement the Convention on Nature Protection and Wildlife Preservation in the Western Hemisphere (56 Stat. 1354); amend Public Law 89-669 (October 15, 1966); and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. TEAGUE of California:

H.R. 3845. 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. 3846. A bill to provide for the establishment of a national cemetery within the boundaries of Vandenberg Air Force Base, Calif.; to the Committee on Veterans' Affairs.

H.R. 3847. A bill to assure to all Americans adequate protection against the costs of health care, through Federal-State programs covering all costs incurred by those who are unable to provide such protection for themselves and a Federal program covering catastrophic costs incurred by those who are normally able to provide such protection; to the Committee on Ways and Means.

By Mr. TEAGUE of Texas:

H.R. 3848. A bill to amend section 620 of title 38 of the United States Code to authorize the transfer for nursing home care of servicemen who have received care in Armed Forces hospitals and who upon discharge therefrom will become veterans; to the Committee on Veterans' Affairs.

By Mr. THOMSON of Wisconsin:

H.R. 3849. A bill to provide incentives for the establishment of new or expanded job-producing industrial and commercial establishments in rural areas; to the Committee on Ways and Means.

By Mr. ULLMAN:

H.R. 3850. A bill to amend section 5042(a)(2) of the Internal Revenue Code of 1954 to permit individuals who are not heads of families to produce wine for personal consumption; to the Committee on Ways and Means.

By Mr. WALDIE:

H.R. 3851. 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. 3852. A bill to amend the Dependents Assistance Act of 1950 in order to make members of the Reserve and National Guard ordered to active duty for training for periods of 30 days or more eligible for quarters allowances and to make allotments; to the Committee on Armed Services.

H.R. 3853. A bill to authorize pay and benefits for members and survivors of members of the Philippine Scouts on the same basis as such pay and benefits are authorized for other members of the Armed Forces and their survivors; to the Committee on Armed Services.

H.R. 3854. A bill to amend title II of the National Housing Act to establish a new program of mortgage insurance to assist in financing the construction or rehabilitation of housing facilities for the mentally retarded; to the Committee on Banking and Currency.

H.R. 3855. A bill to prohibit Federal financial assistance for State or local educational agencies which permit primary or secondary students within their jurisdiction to conduct experiments with live animals; to the Committee on Education and Labor.

H.R. 3856. A bill to amend section 8128 of title 5, United States Code, to provide judicial review of decisions of the Secretary of Labor relating to compensation for work injuries suffered by Federal employees; to the Committee on Education and Labor.

H.R. 3857. 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. 3858. A bill to repeal the Emergency Detention Act of 1950 (title II of the Internal Security Act of 1950); to the Committee on Internal Security.

H.R. 3859. A bill to assist the States in developing a plan for the provision of comprehensive services to persons affected by mental retardation and other developmental disabilities originating in childhood, to assist the States in the provision of such services in accordance with such plan, to assist in the construction of facilities to provide the services needed to carry out such plan, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3860. A bill to amend the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 to provide grants for costs of initiating services in community mental retardation facilities; to the Committee on Interstate and Foreign Commerce.

H.R. 3861. 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.

H.R. 3862. A bill to amend the Public Health Service Act to provide special assistance for the improvement of laboratory animal research facilities; to establish standards for the humane care, handling, and treatment of laboratory animals in departments, agencies, and instrumentalities of the United States and by recipients of grants, awards, and contracts from the United States; to encourage the study and improvement of the care, handling, and treatment and the development of methods for minimizing pain and discomfort of laboratory animals used in biomedical activities; and to otherwise assure humane care, handling, and treatment

of laboratory animals, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3863. A bill to supplement the antitrust laws of the United States by providing for fair competitive practices in the termination of franchise agreements; to the Committee on the Judiciary.

H.R. 3864. A bill to authorize the Secretary of the Interior to study the desirability of establishing a national wildlife refuge in California and/or adjacent Western States for the preservation of the California tule elk; to the Committee on Merchant Marine and Fisheries.

H.R. 3865. A bill to amend title 5, United States Code, to provide for the establishment of minimum- and maximum-age limits governing new appointments of firefighters in the competitive service; to the Committee on Post Office and Civil Service.

H.R. 3866. A bill to prohibit the furnishing of mailing lists and other lists of names or addresses by Government agencies to the public in connection with the use of the U.S. mails, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 3867. A bill to amend section 4005 of title 39, United States Code, to restore to such section the provisions requiring proof of intent to deceive in connection with the use of the mails to obtain money or property by false pretenses, representations, or promises; to the Committee on Post Office and Civil Service.

H.R. 3868. A bill to provide an equitable system for fixing and adjusting the rates of pay for prevailing rate employees of the Government, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 3869. A bill to amend the Tariff Schedules of the United States to permit the duty free entry of certain personal effects of servicemen assigned to combat areas; to the Committee on Ways and Means.

H.R. 3870. A bill to amend the Revenue and Expenditure Control Act of 1968, to provide for the continuation of the exemption for employment of economically or educationally disadvantaged persons from the employee ceilings of section 201 of that act; to the Committee on Ways and Means.

H.R. 3871. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for expenses incurred by a taxpayer in making repairs and improvements to his residence, and to allow the owner of rental housing to amortize at an accelerated rate the cost of rehabilitating or restoring such housing; to the Committee on Ways and Means.

H.R. 3872. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

H.R. 3873. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for legal and other expenses incurred in connection with the adoption of a child by the taxpayer; to the Committee on Ways and Means.

H.R. 3874. A bill to amend the Internal Revenue Code 1954 to provide that civil service retirement annuities shall not be subject to the income tax; to the Committee on Ways and Means.

H.R. 3875. A bill to amend title XVIII of the Social Scurity Act to provide payment for chiropractors' services under the program of supplementary medical insurance benefits for the aged; to the Committee on Ways and Means.

H.R. 3876. A bill to amend title XIV (and title XVI) of the Social Scurity Act to permit aid to the permanently and totally disabled to be paid, under approved State plans with Federal matching, to individuals in institutions for the mentally retarded; to the Committee on Ways and Means.

H.R. 3877. A bill to amend title II of the Social Security Act to permit a woman to become entitled to full wife's insurance benefits after attaining age 65 even though she became entitled to reduced old-age insurance benefits (or disability insurance benefits) before attaining that age; to the Committee on Ways and Means.

H.R. 3878. A bill to promote public confidence in the integrity of Congress by providing for public disclosure of Federal income tax returns by Members of Congress and candidates for that office; to the Committee on Standards of Official Conduct.

By Mr. WHALLEY:

H.R. 3879. A bill establishing under the Secretary of Agriculture a 5 year research program seeking to control the gypsy moth, and for other purposes to the Committee on Agriculture.

By Mr. BENNETT:

H.J. Res. 299. Joint resolution proposing an amendment to the Constitution of the United States allowing an item veto in appropriations; to the Committee on the Judiciary.

My Mr. BOGGS:

H.J. Res. 300. Joint resolution to provide for the designation of the calendar week beginning on May 30, 1971, and ending on June 5, 1971 as "National Peace Corps Week"; to the Committee on the Judiciary.

By Mr. BROWN of Ohio:

H.J. Res. 301. Joint resolution to establish the Cedar Swamp National Monument; to the Committee on Interior and Insular Affairs.

By Mr. FASCELL:

H.J. Res. 302. 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. HANLEY:

H.J. Res. 303. 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. HENDERSON:

H.J. Res. 304. Joint resolution proposing an amendment to the Constitution of the United States relative to equal righs for men and women; to the Committee on the Judiciary.

By Mr. PETTIS:

H.J. Res. 305. 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. ROYBAL:

H.J. Res. 306. Joint resolution designating the 14th of February, Saint Valentine's Day, each year, to be known also as National Postman's Day; to the Committee on the Judiciary.

By Mr. WALDIE:

H.J. Res. 307. Joint resolution to declare the policy of the United States with respect to its territorial sea; to the Committee on Foreign Affairs.

H.J. Res. 308. 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.

H.J. Res. 309. 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. 310. Joint resolution to authorize the President to proclaim the period from May 9, 1971, Mother's Day, through June 21, 1971, Father's Day, as the "National Multiple Sclerosis Society Annual Hope Chest Appeal Weeks"; to the Committee on the Judiciary.

By Mr. ABBITT (for himself and Mr. DANIEL of Virginia):

H. Con. Res. 136. Concurrent resolution expressing the sense of the Congress with respect to the participation by the United States in loans made by any international agency or bank to underdeveloped countries, for the purpose of increasing the production of an agricultural commodity determined to be a surplus agricultural commodity within the United States; to the Committee on Foreign Affairs.

By Mr. CABELL:

H. Con. Res. 137. Concurrent resolution designating October 6 of each year as German-American Day; to the Committee on the Judiciary.

By Mr. GALLAGHER (for himself, Mr. ASPIN, Mr. BERGLAND, Mr. BROOMFIELD, Mr. BURKE of Massachusetts, Mr. COLLINS of Illinois, Mr. DANIELSON, Mr. DENHOLM, Mr. DIGGS, Mr. DORN, Mr. DOWNING, Mr. EVINS of Tennessee, Mr. FASCELL, Mr. FLOWERS, Mr. GALIFIANAKIS, Mr. GARMATZ, Mr. HAGAN, Mr. HAYS, Mrs. HICKS of Massachusetts, Mr. HUNGATE, Mr. MEEDS, Mr. RANGEL, Mr. RODINO, Mr. SIKES, and Mr. STRATTON):

H. Con. Res. 138. Concurrent resolution calling for a national commitment to cure and control cancer within this decade; to the Committee on Interstate and Foreign Commerce.

By Mr. GALLAGHER (for himself and Mr. THOMSON of Wisconsin):

H. Con. Res. 139. Concurrent resolution calling for a national commitment to cure and control cancer with this decade; to the Committee on Interstate and Foreign Commerce.

By Mr. PETTIS:

H. Con. Res. 140. Concurrent resolution to obtain humane treatment and release of American prisoners of war; to the Committee on Foreign Affairs.

By Mr. WALDIE:

H. Con. Res. 141. Concurrent resolution expressing the sense of the Congress with respect to certain proposed regulations of the Food and Drug Administration relating to the labeling and content of diet foods and diet supplements; to the Committee on Interstate and Foreign Commerce.

By Mr. CELLER:

H. Res. 209. Resolution relating to the creation of a world environmental institute to aid all the nations of the world in solving common environmental problems of both national and international scope; to the Committee on Foreign Affairs.

By Mr. COLMER:

H. Res. 210. Resolution providing funds for the Committee on Rules; to the Committee on House Administration.

By Mr. HELSTOSKI:

H. Res. 211 Resolution relative to the Federal telecommunications system service; to the Committee on Veterans' Affairs.

By Mr. MORSE:

H. Res. 212. Resolution authorizing a Representative in Congress who is a member of a certain committee to designate one of his employees to be cleared for access to classified information available to the Representative in his capacity as a member of such committee; to the Committee on Rules.

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. O'HARA, Mr. HAWKINS, Mr. WILLIAM D. FORD, Mrs. MINK, Mr. SCHEUER, Mr. MEEDS, Mr. BURTON, Mr. GAYDOS, Mr. CLAY, Mrs. CHISHOLM, Mr. BIAGGI, Mrs. GRASSO, Mrs. HICKS of Massachusetts, Mr. MAZZOLI, and Mr. BADILLO):

H. Res. 213. Resolution authorizing the Committee on Education and Labor to conduct certain studies and investigations; to the Committee on Rules.

By Mr. SCHMITZ:

H. Res. 214. 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.

PRIVATE BILLS AND RESOLUTIONS

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

By Mrs. ABZUG:

H.R. 3880. A bill for the relief of Ionie I. Lino; to the Committee on the Judiciary.

H.R. 3881. A bill for the relief of Paulino Guim Lopez; to the Committee on the Judiciary.

By Mrs. ADDABBO:

H.R. 3882. A bill for the relief of Jesusa Bacalan; to the Committee on the Judiciary.

H.R. 3883. A bill for the relief of Giovanni Badalamenti; to the Committee on the Judiciary.

H.R. 3884. A bill for the relief of Luigi Caruso; to the Committee on the Judiciary.

H.R. 3885. A bill for the relief of Salvatore Cinelli; to the Committee on the Judiciary.

H.R. 3886. A bill for the relief of Antonio Costante; to the Committee on the Judiciary.

H.R. 3887. A bill for the relief of Giuseppe Costanza; to the Committee on the Judiciary.

H.R. 3888. A bill for the relief of Domenico DiPalo; to the Committee on the Judiciary.

H.R. 3889. A bill for the relief of Adriana Ferrante; to the Committee on the Judiciary.

H.R. 3890. A bill for the relief of Giuseppe and Nunzia Gatusso; to the Committee on the Judiciary.

H.R. 3891. A bill for the relief of Anna Rosa, Luigi, and Amelia Guistino; to the Committee on the Judiciary.

H.R. 3892. A bill for the relief of Natalina Miceli; to the Committee on the Judiciary.

H.R. 3893. A bill for the relief of Donato Minerva; to the Committee on the Judiciary.

H.R. 3894. A bill for the relief of Winston Nurse; to the Committee on the Judiciary.

H.R. 3895. A bill for the relief of Benedetto Patti; to the Committee on the Judiciary.

H.R. 3896. A bill for the relief of Roslyn Piper; to the Committee on the Judiciary.

By Mr. BARRETT:

H.R. 3897. A bill for the relief of Vittorino Brunelli; to the Committee on the Judiciary.

H.R. 3898. A bill for the relief of Annibale Cuozzo; to the Committee on the Judiciary.

H.R. 3899. A bill for the relief of Maria Camilla Giuliani Niro; to the Committee on the Judiciary.

H.R. 3900. A bill for the relief of Benedetto Pietrangelo; to the Committee on the Judiciary.

H.R. 3901. A bill for the relief of Luis Maria Quinteros; to the Committee on the Judiciary.

H.R. 3902. A bill for the relief of Antonio F. Savini; to the Committee on the Judiciary.

H.R. 3903. A bill for the relief of John Veneziale; to the Committee on the Judiciary.

By Mr. DONOHUE:

H.R. 3904. A bill for the relief of Antonio Corapi; to the Committee on the Judiciary.

By Mr. O'NEILL:

H.R. 3905. A bill for the relief of Jose Costa Marques and Almerinda de Matos Sao Marcos Bom and their minor child; to the Committee on the Judiciary.

H.R. 3906. A bill for the relief of Mario da Silva Costa; to the Committee on the Judiciary.

H.R. 3907. A bill for the relief of Joao Crespo; to the Committee on the Judiciary.

H.R. 3908. A bill for the relief of Manuel Dias da Cunha; to the Committee on the Judiciary.

H.R. 3909. A bill for the relief of Reinaldo Tristao da Cunha; to the Committee on the Judiciary.

H.R. 3910. A bill for the relief of Jose de Mendonca da Silva and Florentina Correia da Conceicao da Silva; to the Committee on the Judiciary.

H.R. 3911. A bill for the relief of Firminio Antonio De Borba; to the Committee on the Judiciary.

H.R. 3912. A bill for the relief of Manuel Correia de Mendonca; to the Committee on the Judiciary.

H.R. 3913. A bill for the relief of Domingos Silverio Ferro; to the Committee on the Judiciary.

H.R. 3914. A bill for the relief of Manuel Lima; to the Committee on the Judiciary.

H.R. 3915. A bill for the relief of Maria Espinola Ramos Lobao; to the Committee on the Judiciary.

H.R. 3916. A bill for the relief of Solomon Erick Newman Martinez; to the Committee on the Judiciary.

H.R. 3917. A bill for the relief of Samuel N. Newman; to the Committee on the Judiciary.

H.R. 3918. A bill for the relief of Adelta da Luz Bettencourt (Ortins) and Joao dos Santos Ortins; to the Committee on the Judiciary.

H.R. 3919. A bill for the relief of Carlos S. Adolfo Pavon; to the Committee on the Judiciary.

H.R. 3920. A bill for the relief of Joao Gil Ramos and Aldora Maria Moreira Ramos; to the Committee on the Judiciary.

H.R. 3921. A bill for the relief of Jose Pinto Repas; to the Committee on the Judiciary.

H.R. 3922. A bill for the relief of Manuel da Cunha Santos; to the Committee on the Judiciary.

By Mr. ROGERS (by request):

H.R. 3923. A bill for the relief of Jesus Garza Venegas, Jr.; to the Committee on the Judiciary.

By Mr. SANDMAN:

H.R. 3924. A bill for the relief of Luella M. Freeman; to the Committee on the Judiciary.

By Mr. TEAGUE of California:

H.R. 3925. A bill for the relief of Klaudiusz Blaszak; to the Committee on the Judiciary.

H.R. 3926. A bill for the relief of Francisco Moreno-Santa Cruz; to the Committee on the Judiciary.

H.R. 3927. A bill for the relief of Jose Luis Dunn-Marin; to the Committee on the Judiciary.

H.R. 3928. A bill for the relief of Kwong Yum Foo; to the Committee on the Judiciary.

H.R. 3929. A bill for the relief of Gheorghe Jucu and Aurelia Jucu; to the Committee on the Judiciary.

H.R. 3930. A bill for the relief of Masakatsu Kawano; to the Committee on the Judiciary.

H.R. 3931. A bill for the relief of the heirs at law of Jiro Kunisaki and Ellen Kishiyama, his daughter; to the Committee on the Judiciary.

H.R. 3932. A bill for the relief of Adelajda Komarnicka-Smieja; to the Committee on the Judiciary.

H.R. 3933. A bill for the relief of Vincent Shau Lee; to the Committee on the Judiciary.

H.R. 3934. A bill for the relief of Fumihiro Morikawa; to the Committee on the Judiciary.

H.R. 3935. A bill for the relief of Honorata Anita Organo; to the Committee on the Judiciary.

H.R. 3936. A bill for the relief of Robert W. Patterson; to the Committee on the Judiciary.

H.R. 3937. A bill for the relief of Atanasio Perez; to the Committee on the Judiciary.

H.R. 3938. A bill for the relief of Jose De Jesus Robles; to the Committee on the Judiciary.

H.R. 3939. A bill for the relief of Teofila Pardo Ruiz; to the Committee on the Judiciary.

H.R. 3940. A bill for the relief of Perla Janolino Ty; to the Committee on the Judiciary.

H.R. 3941. A bill for the relief of Paul A. Vieira; to the Committee on the Judiciary.

H.R. 3942. A bill for the relief of Adelio F. Villaruel; to the Committee on the Judiciary.

By Mr. THOMSON of Wisconsin:

H.R. 3943. A bill for the relief of Indarjit Ramnarine; to the Committee on the Judiciary.

By Mr. WALDIE:

H.R. 3944. A bill for the relief of Mrs. Librada Guzman Liggayu; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII,

11. Mr. STEED presented a memorial of the Oklahoma Senate commending Hon. Carl Albert for his personal achievements in service of Government; to the Committee on House Administration.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

20. By the SPEAKER: Petition of the City Assembly, Nago, Okinawa, relative to the removal of poison gas weapons from Okinawa; to the Committee on Armed Services.

21. Also petition of the City Assembly, Nago, Okinawa, relative to the trial of a U.S. serviceman for the death of an Okinawan; to the Committee on Armed Services.

22. Also, petition of the Board of Supervisors, Goochland County, Va., relative to Federal-State revenue sharing; to the Committee on Ways and Means.

SENATE—*Monday, February 8, 1971*

Legislative day of Tuesday, January 26, 1971

The Senate met at 12 o'clock meridian, on the expiration of the recess, and was called to order by the President pro tempore (Mr. ELLENDER).

The Reverend James David Ford, Chaplain, U.S. Military Academy, West Point, N.Y., offered the following prayer:

O God, our Father, Creator of all mankind, we give Thee thanks for the gift of life that we have today and for the promise of hope for tomorrow.

May we experience honesty and integrity in our thought and action, and may Thy power sustain us in the works of reconciliation.

We ask Thy blessing on this assembly, upon our President, and those in authority.

We pray Thy special blessing on the men of the armed services, that the duty and honor of serving Thee and our country may ever enable them to take pride in their calling and make them faithful in Thy service. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Friday, February 5, 1971, be approved.

The PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated