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

The House met at 12 o'clock noon.

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

As many as are led by the spirit of God, they are the sons of God.—Romans 8: 14.

O God of peace, in the midst of the troubles of these times, we take a moment to lift our hearts unto Thee, seeking light for our minds and strength for our spirits. Draw us unto Thyself where there is peace and silence the worries that wear us out and the discords that disturb us. Fill us with Thy love and truth that we may better serve Thee and our Nation.

May Thy wisdom guide our President, our Speaker, and these representatives of our people. Touch their spirits with Thy spirit and grant unto them such understanding that they may have courage and patience as they seek to solve the problems of this age and to establish a better order of life for all people.

In the spirit of Christ 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 SENATE

A message from the Senate, by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment joint resolutions of the House of the following titles:

H.J. Res. 16. 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"; and

H.J. Res. 337. Joint resolution authorizing the President to proclaim the second week of March 1971 as Volunteers of America Week.

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

S.J. Res. 55. Joint resolution to provide a temporary extension of certain provisions of law relating to interest rates and cost-of-living stabilization.

SUEZ CANAL

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

Mr. SIKES. Mr. Speaker, I am amazed at the lack of official U.S. concern which has been expressed over the efforts to reopen the Suez Canal to shipping.

I recognize the interest on the part of many nations friendly to the United States that this shipping lane again be made available to them. But we must not lose sight of the fact it would be the Soviets who would stand to gain most from a reopened Suez Canal and it is to this point that I direct my remarks today.

It is no secret the Soviets are assembling a modern Navy with tremendous power. Neither is it a secret they use their merchant fleet and the merchant fleets of nations friendly to the Soviet bloc to service their naval vessels and to conduct clandestine intelligence operations. No small part of this activity is the attempt to sway governments considered ripe for Soviet influence.

While the Suez Canal cannot be considered in any way as the vital link in this chain of Soviet operations, the reopening of that waterway will make these activities much easier for the Soviets and their friends.

Since the Suez was closed to shipping in June 1967, we have been witness to growing Soviet influence in the Arab States. In some ways, Egypt has now become a Soviet satellite and there is growing evidence the Soviets play now, and hope to play in the future, a critical and decisive role in Egyptian foreign policy.

Consider this Soviet role in light of the reason Egypt gave back in 1967 when they closed the canal.

Citing the Constantinople Convention of 1888, the Egyptian Government declared the canal closed, based on article 10 of that convention which states that freedom of passage of ships "shall not interfere with measures Egypt might find necessary to take to secure the defense of Egypt."

Mr. Speaker, that article remains the key to free world access to the Suez Canal.

Consider also, the wording of that article in light of the growing Soviet influence over Egyptian foreign policy. The brutal fact is that, at some future date, the Egyptian Government, influenced by the Soviets, might well decide free world shipping is to be unduly delayed or even stopped at the canal on the flimsy excuse that a possible threat to Egyptian security is involved or because they or the Russians object to our policies abroad.

What we might well be creating in the reopening of the Suez Canal is an Arab States checkpoint at Suez, with all of the troubles, and more, that we have experienced with Russian harassment on the Autobahn approaches to Berlin in Germany.

There is another factor to be considered. That is, the growing activity on the part of the Soviets in affairs in the Indian Ocean. It is well known that the British are reducing their presence in the Indian Ocean while the Soviets and Red Chinese show increasing interest in the area. The Red Chinese already are in the process of building a railroad from Tanzania to Zambia on the Indian Ocean. There is evidence the Soviets are now in possession of certain port agreements and are in the process of negotiating more at Indian Ocean ports for the purpose of providing logistical support to their navy. Even as this Soviet effort continues, the United States has shown a reluctance to display appreciable public interest in the Indian Ocean. Yet it is in this ocean which is found some of the most important shipping lanes in the world and the approaches to some of the world's most strategic areas. Communications and other base facilities are notably lacking for the allied cause in that part of the world. This despite the fact that over $10 billion in U.S. investments are to be found in the countries bordering on the Indian Ocean.

In the Mediterranean, the Soviets continue to display more and more naval and political power while our presence diminishes. More and more, the eastern Mediterranean ports are becoming off limits to the U.S. Navy but we note the Soviet fleet is welcome at more and more ports.

In the midst of all this and despite the consequences to be anticipated, I hear no expression of official U.S. concern over the reopening of the Suez Canal.

What that reopening will do, Mr. Speaker, is further strengthen the Soviet's hold on the eastern Mediterranean and reduce ours. It will further strengthen the Soviet hold on the Arab States at the expense of the security and future stability of the area. It will further strengthen the Soviet and Red Chinese presence along the eastern coast of Africa while placing the interests of the United States in further jeopardy. It will open wider the Indian Ocean to the Soviet Navy at a time when a power vacuum exists there. It will shorten the Soviet shipping time from Black Sea ports to Southeast Asia by two weeks or more. And it will expose the free world's major oil supply to greater influence by a Soviet influenced Egyptian Government.

In short, Mr. Speaker, the reopening of the Suez Canal is a potential source of major trouble to the United States and it is an action which I believe this Congress and this administration should view with the deepest concern. In altogether too many instances, we have ignored the potential impact of actions on the security of our own nation and been influenced solely by the wishes of other nations. I fear we are again headed down a one-way, no-return street.

A TIME FOR PRESIDENTIAL SPEECHES

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

Mr. SIKES. Mr. Speaker, while we are sweeping around our own door, it may be somewhat brash for a House Member to propose rules of procedure for our august colleagues in the other body. Nevertheless, facts being what they are, it is possible that recommendations from any source might be helpful. It occurs to me that the Senate could profit by setting

aside time each day—say 2 hours or even half a day—for presidential speeches; then devote the rest of the day to the work of the Senate. Since most of the Senators appear to be running for President, there might be some problem in dividing up the time in a body which jealously upholds the right of unlimited debate. Nevertheless, it would seem worth an effort. In this way, presidential aspirants would not have to waste their time waiting around while ordinary matters, such as legislative programs, are being considered. They could direct their principal efforts into channels more in line with presidential campaigns. I earnestly recommend that the distinguished Members of the other body not relegate this suggestion to the wastebasket without mature consideration.

THE NEED TO REGULATE ENZYME DETERGENTS

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

Mr. VANIK. Mr. Speaker, recent actions by the Federal Trade Commission, the Food and Drug Administration and—most importantly—a brilliant article in the January 16, 1971, issue of the New Yorker magazine by Paul Brodeur have raised serious questions about the safety of enzyme detergents to the Nation's health. At the time of Mr. Brodeur's article, nearly 80 percent of all detergents being sold in the United States contained enzymes. This amounts to some 2.5 billion pounds of enzyme detergents entering 50 million American homes.

The importance of the public health hazard poised by the enzyme detergent cannot be questioned. That it does constitute a hazard is impossible to question after reading the Brodeur article and the medical evidence which he presents.

In the belief that national scientific debate should be encouraged on the issue of enzyme safety, I am introducing legislation in the House tomorrow which would ban the importation into or manufacture in the United States of any detergent formulation containing enzymes purposefully added to the detergent.

Enzymes—a Greek word meaning "in yeast"—are protein chemicals which are not alive but are derived from living cells. They are different from ordinary proteins in that they have the ability to act as catalysts. In detergents, their purpose is to catalyze the breaking down of certain types of stains into soluble molecular particles which then can be washed away by normal detergent and washing machine action.

For some time the detergent companies have been advertising that enzymes could break down all types of stains. On last Wednesday, the Federal Trade Commission announced an agreement with the Nation's three leading detergent manufacturers to stop this type of advertising with its sweeping claims for enzyme efficiency. The FTC charged that enzyme detergents did not remove all stains and that many stains that were removed were removed by other, ordinary ingredients in the detergents. As a result of the agreement, the detergent manufacturers have agreed not to make any stain removal claims for a year unless the packages clearly disclose the types of stains the product can and cannot remove. Furthermore, the media advertising must call attention to the fact that not all types of stains will be removed by the products.

But this, obviously, is not the main reason that I believe we should consider removing enzyme detergents from the market. The health and safety reason for such a removal is paramount—and urgent.

Although enzyme detergents became popular in Europe in about 1962, there was no indication of their health danger until the June 14, 1969, issue of the British medical journal, Lancet. That issue contained two stories and an editorial on the occurrence of lung disease in British workers who had inhaled enzyme-detergent dust. The initial examination was concerned with 28 workers who complained of lung disorders:

Dr. L. H. Flindt observed:

> The most significant symptoms were breathlessness and uncontrollable coughing, and, to a lesser extent, there were chest pain, general weakness, and a vague sense of discomfort. The breathlessness, usually acute in onset, lasted from several hours to several days, and it was so severe in some patients that they were unable to get out of bed.

Dr. Flindt fairly rapidly came to the conclusion that the men had been allergically sensitized to the enzyme protein.

The editorial in Lancet warned that—

> The appearance of allergic lung disease in workers heavily exposed to the dust of washing powders containing enzymes could mean that the people who used such products might also have allergic reactions to the enzymes.

Shortly after the Lancet article appeared, studies on the subject began in America in a number of medical groups and Government agencies. The detergent manufacturers began admitting that enzyme detergents might be a form of industrial hazard and moved to protect their workers. But the question remained as to whether the consuming public might not also become sensitized. The FTC ordered an inquiry into the question of whether health problems might be encountered as a result of prolonged use of household detergents containing enzymes at lower concentrations. Some of the detergent manufacturers protested against the implications in the FTC's study, despite mounting evidence from medical sources around the world that enzymes were a severe hazard to detergent plant workers:

> During the early part of 1970, enzyme detergents came under attack from another quarter, when English dermatologists began to report severe cases of inflammation and cracked skin on the hands of housewives who were using enzyme laundry products.

Despite the mounting evidence, no action removing enzyme detergents was able to be taken by the FTC—which regulates advertising—or by the FDA—which felt that it did not have jurisdiction because of the nature of detergents as nonedible and noncosmetic products.

The increasing consumer concern, however, was demonstrated by the efforts of the Consumer Association of the District of Columbia, the American Federation of Homemakers, and Ralph Nader in asking the FTC to ban the sale of enzyme detergents because they "pose the clear danger to the public of chronic, acute, and potentially irreversible lung disease, as well as severe skin reactions." Since the Nader and consumer group petition, the evidence has mounted that the use of enzyme detergents in the household can be dangerous—just as it is to workers in the factories.

In short, what has happened is that we have allowed a product to come on the market and into mass consumption without knowing for sure whether it is safe or not and to remain on the market when there are clear signs that it is unsafe. At the very least the consumer should be warned that the product has not been proven safe and may in fact be dangerous. As one expert in this field said:

> What the manufacturers are saying, in effect, is that it is *not known* if there is a hazard associated with long-term low-level exposure to proteolytic enzymes. From there, however, it's a giant step to a statement such as "It is *known* that there is no such hazard." There is absolutely no way to take this step except to perform necessary studies of the consumer population. Such studies should be requierd *before* the introduction of a new substance like proteolytic enzymes . . .
>
> The fact is that we have no course at the present time except to keep our fingers crossed and hope that the long-term effects of enzme detergents on the general population will not prove to be serious. I hope this will not be the case, but is it the way for our society to manage things? Should we be in a position where the only defense of the American people is crossed fingers?

Because of gaps and inadequacies in the law this is the situation in which we find ourselves. I plan to introduce legislation within the week to give the Government wider pretesting authority to protect the public. In the meantime, to protect the public from the immediate potential danger of enzyme detergents, I am introducing this legislation to prevent these detergents from being produced in and imported into the United States.

The text of the bill is as follows:

H.R. —

A bill to prohibit the use of enzymes in detergents

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

SHORT TITLE

SECTION 1. This Act may be cited as the "Detergent Enzyme Control Act of 1971."

DECLARATION OF POLICY AND PURPOSE

SEC. 2. The Congress finds and declares that the recently added enzyme ingredients in presoak compounds and laundry detergents have been found to pose serious and immediate health hazards to humans on exposure, and may also act as disease carriers if they are not free from live spores.

SEC. 3. For the purposes of this Act—

(1) The term "detergent" means a cleaning compound composed of inorganic and organic components, including surface active agents, soaps, water softening agents, builders, dispersing agents, corrosion in-

hibitors, foaming agents, buffering agents, brighteners, fabric softeners, dyes, perfumes, enzymes and fillers, which is available for household, personal, laundry, industrial and other uses in liquid, bar, spray, tablet, flake, powder or other form.

(2) The term "enzyme" means any of the various organic substances that are produced in plant and animal cells and cause changes in other substances by catalytic action.

(3) The term "Administrator" means the Administrator of the Environmental Protection Agency.

SEC. 4. (a) It shall be unlawful after June 30, 1973, for any person to import into the United States or manufacture in the United States any detergent formulation containing enzymes purposefully added or not in compliance with subsection (b) of this section.

(b)(1) The Administrator shall, on or before June 30, 1972, prescribe such regulations as are necessary to carry out the policy of this Act.

(2) The Administrator and the Secretary of the Treasury shall jointly promulgate regulations (A) that prohibit the importation of any detergent formulation containing enzymes purposefully added or which fails to meet the requirements of regulations under this subsection and (B) which contain such provisions as may be necessary to administer such prohibition on importation.

(3) Any person who willfully violates any provision of the regulations established pursuant to this subsection shall be guilty of a misdemeanor and upon conviction thereof shall be subject for the first offense to a fine of not more than $5,000 and for any subsequent offense to a fine of not more than $20,000.

(c)(1)(A) Any detergent formulation containing enzymes purposefully added or not in compliance with requirement of regulations under subsection (b), which is imported or manufactured in violation of this section shall be liable to be proceeded against on libel of information and condemned in any district court in the United States within the jurisdiction of which such detergent is found.

(B) Such detergent shall be liable to seizure by process pursuant to the libel. The procedure in cases under this subsection shall conform, as nearly as may be, to the procedure under section 304(b) of the Federal Food, Drug and Cosmetic Act. The first sentence of section 304(d)(1) of such Act and sections 304 (e) and (f) of such Act shall apply to such a proceeding to the same extent they apply to a proceeding under such section 304.

(2)(A) The United States district courts shall have jurisdiction.

(B) In any proceeding for criminal contempt for violation of an injunction or restraining order issued under this paragraph, which violation also constitutes a violation of this section, trial shall be by the court or, upon demand of the accused, by a jury. Such trial shall be conducted in accordance with the practice and procedure applicable in the case of proceedings subject to the provisions of rule 42(b) of the Federal Rules of Criminal Procedure.

(d) All libel or injunction proceedings for the enforcement, or to restrain violations, of this section shall be by and in the name of the United States. Subpenas for witnesses who are required to attend a court of the United States in any district may run into any other district in any such proceeding.

(e)(1) The Administrator is authorized to conduct examinations, inspections, and investigations for the purposes of this Act.

(2) For purposes of enforcement of this section, officers or employees duly designated by the Administrator, upon presenting appropriate credentials and a written notice to the owner, operator, or agent in charge, are authorized (A) to enter, at reasonable times, any factory, warehouse, or establishment in which detergents are manufactured, processed, packed, or held, or to enter any vehicle being used to transport or hold such detergents; (B) to inspect, at reasonable times and within reasonable limits and in a reasonable manner, such factory, warehouse, establishment, or vehicle, and all pertinent equipment, finished and unfinished materials; and (C) to obtain samples of such materials. A separate notice shall be given for each such inspection, but a notice shall not be required for each entry made during the period covered by the inspection. Each such inspection shall be commenced and completed with reasonable promptness.

COMMUNICATION FROM THE CLERK OF THE HOUSE

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

MARCH 8, 1971.

The Honorable the SPEAKER,
U. S. 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 12:20 p.m. on Friday, March 5, 1971, said to contain a Message from the President regarding Urban Community Development Special Revenue Sharing Proposal.

With kind regards, I am

Sincerely,

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

SPECIAL REVENUE SHARING FOR URBAN COMMUNITY DEVELOPMENT, AND PLANNING AND MANAGEMENT ASSISTANCE FOR STATE AND LOCAL GOVERNMENTS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 92-61)

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

To the Congress of the United States:

As the size of Federal programs for renewing our cities has grown in recent years, so has the evidence of their basic defects. Plagued by delay and duplication, by waste and rigidity, by inconsistency and irrationality, Federal grant-in-aid programs for urban development have simply not achieved the purposes for which they were established. Sometimes, they have even worked to complicate and extend the very problems they were designed to remedy.

The time has come for us to stop merely giving more money to these programs and to begin giving more thought to them. That is why I am proposing today two new instruments for renewing and rebuilding our cities. One is a new plan of Special Revenue Sharing for Urban Community Development. The other is a new program of Planning and Management Assistance for State and local governments which will benefit both urban and rural areas.

GROWING NEEDS AND GROWING EXPENDITURES

The Federal Government's first significant involvement in community development came with the passage of the Housing Act of 1949, which established as a national goal the realization of "a decent home and a suitable living environment for every American family. . . ." We were already a nation of cities when that legislation was passed. In the two decades since that time we have become even more highly urbanized.

In 1950, some 56 percent of our population lived in metropolitan areas; today the comparable figure is almost 69 percent. The recent Census shows that three-fourths of our population growth in the last ten years came in metropolitan areas, especially in the suburbs which grew by more than 25 percent.

This concentration of population growth in already crowded areas is not a trend that we wish to perpetuate. This administration would prefer a more balanced growth pattern—and we are taking a number of steps to encourage more development and settlement in the less densely populated areas of our country. But this does not mean that we will avoid or slight the challenge of the cities and the suburbs. This is a highly metropolitan nation. It must have an effective strategy for meeting metropolitan problems.

As those problems have mounted in recent years we have often responded by creating more programs and by spending more money. Since 1949, we have committed more than $10 billion to those urban development programs which I would consolidate into this Special Revenue Sharing Program. We will commit almost three times as much money to these programs this year as we did six years ago. While a number of good things have been accomplished with this money, the returns have still fallen far short of even the most reasonable expectations.

On every hand we see the results of this failure: a sorely inadequate supply of housing and community facilities, vast wastelands of vacant and decaying buildings, acre upon acre of valuable urban renewal land lying empty and fallow, and an estimated 24 million Americans still living in substandard housing. Many of our central cities—once symbols of vitality and opportunity—have now become places of disillusion and decay. As many suburban neighborhoods have grown older, they, too, have begun to deteriorate and to take on the problems of the central cities. Even some of the newest suburban "subdivisions," planned and developed in a shortsighted, haphazard manner, are not prepared to provide essential public services to their growing populations. They are already on their way to becoming the slums of tomorrow.

It is a sad and ironic fact that even as America has become a more highly urbanized nation, its cities have become less attractive and their governments less able to deal with their problems. Federal assistance has failed to reverse these trends and frequently it has compounded them.

PROBLEMS WITH THE PRESENT SYSTEM

Just what is it that is wrong with our present system of Federal aid? There are two basic problems. First, Federal assistance is excessively fragmented—it is channeled through many separate and

independent grant programs. Second, spending under each of these programs is excessively controlled at the Federal level.

1. *Fragmentation.* The present system of categorical grants-in-aid has grown up over the years by bits and by pieces. As each new goal or concern was articulated, new categorical programs were set up. Conventional urban renewal was begun in 1949 to help acquire and clear land in deteriorating areas and plan for its development. Other specialized urban renewal programs followed which focused on the demolition of unsafe structures, on making interim repairs in neighborhoods which were scheduled for renewal, and on helping localities enforce their own housing codes. In 1968 a new Neighborhood Development Program was established for funding urban renewal projects on a year-by-year basis rather than through commitments extending many years into the future.

Other programs were also created over the years for a variety of other purposes, including the rehabilitation of private buildings and the construction of water and sewer facilities and other public works. The tangle of separate Federal programs became so frustrating that when a new Model Cities program was added in 1966, it was expressly designed to provide general, flexible support for coordinated development programs, though only in a limited number of targeted areas.

The proliferation of separate grant programs has created a difficult situation for local governments that wish to utilize Federal development money. For each community must now make a series of separate applications to a series of Federal officials for a series of separate grants, each of which must be spent for a stipulated purpose—and for nothing else. Ideally, all of these grants should fit into a single comprehensive development program, tailored to each community's particular needs. But it is extremely difficult for any community to create an overall strategy for development when each element in that strategy must be negotiated separately by officials who cannot be sure about the outcome of all the other negotiations.

To make things even worse, some of these Federal programs require local communities to work through semi-autonomous local officials—often bypassing the elected local leaders. Thus, even if one leader, a mayor, for example, *does* manage to create a comprehensive development plan for the money he controls, he is often unable to include in his plan that Federal assistance which goes directly to an urban renewal agency or a local sanitary district. Often, mayors are unable even to calculate the overall level of Federal development aid that is coming into their communities.

These categorical programs, in other words, are separated not only on the giving end in Washington, but also on the receiving end in the local community. And there is no one, anywhere, who can plan so that all the various parts will fit into a comprehensive whole.

The fragmentation which afflicts the planning process continues after the grants are made. Each program is surrounded by its own wall of regulations and restrictions and coordination between programs is often very difficult. Sometimes programs work at cross-purposes and sometimes they needlessly duplicate one another. For example, the Federal Government, working through two different agencies, has been known to fund two different local authorities to build two sewer systems to serve the *same* neighborhood.

The inflexibility of the present system often means that money cannot be used where the need for money is greatest. If a city suddenly finds that it must put in new street lights, it cannot use funds that are earmarked for demolition or rehabilitation. Geographic restrictions are also a problem. Money for an urban renewal project which has been approved for one carefully defined neighborhood, for example, cannot be used at a closely related site just across the street, if that street happens to be the boundary of the renewal area.

The result of these fragmented and inflexible grant programs has been a highly irrational pattern of development in many urban communities. Rather than focusing and concentrating resources in a coordinated assault on a common problem, the categorical grant system works to divide and scatter those resources and severely to diminish their impact.

2. *Federal Control.* The first major problem, fragmentation, concerns what happens *among* various grant programs. The second major problem concerns what happens *within* each program as a result of excessive Federal control.

Almost all of our present development grant programs require a local community to file an extensive application with Federal authorities who, if they approve the plan, will then pay out available money on a project-by-project basis. Because competition between localities for limited Federal dollars is most intense, local officials are highly motivated to meet both the formal requirements and the informal preferences of Federal officials as they file their applications. And since Federal monitoring often continues after the funds are approved, local decisions inevitably continue to reflect Federal viewpoints.

But what is gained by these requirements? There is simply no good reason why a Federal official should have to approve in advance a local community's decision about the shape a new building will have or where a new street will run or on what corner it will put a new gas station. Yet that is precisely the kind of matter that now must be reviewed at the Federal level. In one case, in fact, the Federal reviewer actually turned down a grant application because the architect had included an eight-sided building in his design and the Federal regulations did not specifically allow for funding octagonal buildings.

Decisions about the development of a local community should reflect local preferences and meet local needs. No group of remote Federal officials—however talented and sincere—can effectively tailor each local program to the wide variety of local conditions which exists in this highly diversified land. The only way that can be done is by bringing more tailors into the act, tailors who are elected to make sure that the suit fits the customer.

While little is gained by inordinate Federal involvement; a great deal can be lost. Excessive Federal influence can work to limit the variety and diversity of development programs—which means that the opportunity to experiment with new techniques and to learn from a wide range of experiences is also limited. Because little decisions tend to drive out bigger ones, the present arrangements give the Federal Government less opportunity to focus on the questions it can answer best. And even under the best of circumstances, excessive Federal control results in massive inefficiency and intolerable delays.

I looked recently at some of the applications that communities have submitted for certain urban development funds. One of them was two and a half feet high. I am told that Federal participation in any given urban renewal project now involves almost 300 separate procedural steps. No wonder it now takes an average of three years for an urban renewal plan to be developed and accepted and an average of ten years before a project is completed.

One result of such delays is a particularly troubling urban problem which is known as "planner's blight." It often sets in between the time a Federal renewal project is announced and the time it is actually started. During this interval, a neighborhood frequently stagnates. Since they have been marked for eventual destruction, streets and parks and buildings are allowed to fall into disrepair. Residents and businesses move away and no one moves in to replace them. As the quality of life declines in one area, surrounding neighborhoods—which have not been marked for renewal—can also be adversely affected. Thus a program which was set up to cure a problem, can actually work to make that problem worse, particularly for the poorer residents of the neighborhood who are often unable to receive relocation assistance until the project actually begins.

"Planner's blight" is one dramatic result of Federal red tape. But there are many other costs as well. Instead of focusing their time and their resources and their talents on meeting local needs, city officials must concentrate on pleasing Washington. They must learn to play a terrible game called "grantsmanship," in which the winners are those who understand the rules and intricacies of the Federal bureaucracy rather than those who understand the problem that needs to be solved. Many local governments now feel they must hire experts who have specialized in grantsmanship to carry on their dealings with Washington. Additional distortions in local efforts occur when local resources are diverted from higher priority programs in order to provide the matching funds which are needed to qualify for many Federal grants.

Deprived of the freedom and the tools to undertake broad programs of renewal and development in their jurisdictions, local officials grow more and more frustrated. And so do local voters who too often find that the official who is most accessible to them can escape from their complaints by saying, "We had to do it this way to qualify for Federal money."

TWO TRAPS TO AVOID

Clearly we can do better than this—indeed, we must do better if our cities are to be revived. But our search for a better answer will never be successful unless we avoid two temptations which have trapped us in the past.

The first is the temptation to try to force progress with money. If only we appropriate more funds, we are often told, then everything will be all right. How long will it take us to learn the danger of such thinking? More money will never compensate for ineffective programs. The question we must ask is not "how much?" but "how?"—and the answer to that question lies not in the quantity of our resources, but in the quality of our thinking.

The second trap we must avoid is that of confusing national interest with Federal control. We have too easily assumed that because the Federal Government has a stake in meeting a certain problem and because it wants to play a role in attacking that problem, it therefore must direct all the details of the attack. The genius of the Federal system is that it offers a way of combining local energy and local adaptability with national resources and national goals. We should take full advantage of that capacity as we address the urban challenge.

HOW THE NEW PROGRAM WOULD OPERATE

The $5 billion program for General Revenue Sharing which I proposed to the Congress on February 4th was designated to give greater resources to hard-pressed States and localities. But a lack of resources is only one of the deficiencies from which State and local governments now suffer. They also lack the opportunity to exercise sufficient responsibility in meeting social needs. As a further step in revitalizing State and local governments, I am therefore recommending a series of six Special Revenue Sharing programs under which the National Government would set certain general goals while programmatic decisions would be made at the State and local level. I have already sent two such proposals to the Congress—in the fields of law enforcement and manpower training.

My third Special Revenue Sharing proposal is for urban community development. I recommend that four categorical grant programs now administered by the Department of Housing and Urban Development be consolidated into a single fund. The size of the fund in the first full year of operation would be $2 billion. Cities would be able to spend their money as they see fit, provided only that they used it for community development purposes.

The four elements which would be combined to form this new fund would be the current programs for urban renewal, Model Cities, water and sewer grants, and loans for the rehabilitation of existing structures. The urban renewal program, in turn, now contains several subcategories which money will become part of the new fund, including so-called "conventional" urban renewal, the Neighborhood Development Program, assistance for concentrated local code enforcement, interim assistance for blighted neighborhoods, demolition grants and rehabilitation grants. I am proposing that this new program begin on January 1, 1972. In its second year of operation, I would add to this fund by including the money which the Office of Economic Opportunity now spends on some of the elements of its Community Action Programs.

DISTRIBUTING THE FUNDS

How would the money be distributed? Because these funds are designed to achieve the specific purpose of urban development, most of the money would be sent to the metropolitan areas of our Nation where the vast majority of Americans live and work. Eighty percent of this Special Revenue Sharing Fund would be assigned for use in Standard Metropolitan Statistical Areas. The Office of Management and Budget defines a Standard Metropolitan Statistical Area as an area which contains a central city or cities with an aggregate population of 50,000 or more and those surrounding counties which have a metropolitan character and are socially and economically integrated with the central city. There are 247 such areas in the United States at the present time.

The money assigned to Standard Metropolitan Statistical Areas—eighty percent of the total fund—would be allocated among the SMSA's according to a strict formula which would be written into the law so that each SMSA would be assured in advance of its fair share. The central cities and other cities in each SMSA with a population of more than 50,000 would, in turn, automatically receive a stable annual share of the SMSA's funds—again, according to the same objective formula.

In each Standard Metropolitan Statistical Area, some balance would remain after the major communities had received their formula share. In the initial years, this balance would be used by the Department of Housing and Urban Development to compensate any major city in that metropolitan area which received less from the formula allocation than it received annually from the old categorical grant programs over the past few years. Thus, all of these cities would be "held harmless" against reductions in the total urban development support they receive from Washington. None would be hurt—and many would receive more assistance than they do at present.

This administration also recognizes the needs of the growing and changing suburban and smaller communities—with populations under 50,000—within metropolitan areas. After the formula allocation and "hold harmless" commitments have been honored within each Standard Metropolitan Statistical Area, the remaining balance would be available to assist such smaller units, as well as counties, and to encourage area-wide developmental cooperation.

The formula according to which the funds would be distributed among the Standard Metropolitan Statistical Areas and among the cities within them would be "problem oriented"—so that the money would be channeled into the cities which need it most. The formula would take into account the number of people who live in an area or a city, the degree of overcrowding there, the condition of its housing units, and the proportion of its families whose income is below the poverty level.

The remaining twenty percent of the Special Revenue Sharing fund for Urban Community Development—the part that did not go by formula to the Standard Metropolitan Statistical Areas—would be available to the Secretary of Housing and Urban Development to distribute. Much of this money would be used during the transitional period to help hold communities harmless against reductions in the overall level of their urban development support. These funds would also be used to encourage state involvement in urban community development, to perform research, to demonstrate new techniques and to aid localities with special needs and with special opportunities to implement national growth policy.

SPENDING THE FUNDS

How would cities use this money? For community development purposes—which could include investments in both physical and human resources. All of the activities which are eligible for support under the present urban development categorical grants would be eligible for support from the new Special Revenue Sharing fund which would take their place. Cities could thus use their allocations to acquire, clear, and renew blighted areas, to construct public works such as water and sewer facilities, to build streets and malls, to enforce housing codes in deteriorating areas, to rehabilitate residential properties, to fund demolition projects, and to help relocate those who have been displaced from their homes or businesses by any activities which drew on these urban community development special revenue sharing funds. They could also fund a range of human resource activities including those now funded by Model Cities and Community Action programs.

Just which of these activities would be supported and what proportion of available funds would be channeled into each activity are decisions that would be made locally. No Federal approval would be required. Cities would simply be asked to indicate how they plan to use their funds and to report periodically on how the money was expended. This requirement is included merely to insure that funds would be used for eligible activities.

As is the case with all other revenue sharing programs, there could be no discrimination in the use of these funds. The rights of all persons to equitable treatment would be protected. Any monies expended under this program would be considered as Federal financial assistance within the meaning of Title VI of the Civil Rights Act of 1964.

THE TRANSITION PROCESS

The Department of Housing and Urban Development has already taken a number of steps designed to achieve more coordination among grant programs and greater decentralization on decision-making within the present structure of categorical grants. For example, the Department has been encouraging cities to create total community development strategies and has been working to fit categorical aids into such strategies wherever possible. It has also delegated substantial authority to its own regional and area offices. Such efforts are helping to lay a foundation for Special Revenue Sharing and all of them will continue.

One of the most important existing stepping stones to revenue sharing is the Model Cities program which was designed to provide a local community with flexible funding and sufficient freedom so that it can coordinate a wide variety of development programs in a given target area. The Model Cities idea grew out of a mounting frustration with traditional categorical grants. Ideally, it embodies—on a limited basis—the principles we are trying to extend to all development aid through Special Revenue Sharing.

Even in the Model Cities program, however, the idea has not yet been fully realized. The program is still limited in scope and it still suffers from certain restrictions—the need to negotiate projects with Washington, for example, and the fact that some programs are still limited to certain neighborhoods. The Department of Housing and Urban Development has worked to minimize these limitations and it will continue to do so. At the same time, I hope that the Congress will enact this Special Revenue Sharing program and thus complete the work which began when the Model Cities program was set up five years ago.

I would emphasize that there will be no lessening of Federal support for urban development activities between now and January 1, 1972, the proposed starting date for the new program. Our problems will not take "time out" and neither can our efforts to deal with them. Where long-range commitments have been made to fund urban renewal projects, those commitments will be honored. Amendatories—supplementary pledges which cover cost increases in urban renewal projects—will also continue to be funded. We will, however, discourage applications for new conventional urban renewal projects—since they would tie up future funds today which would mean cash through Special Revenue Sharing in future years. Instead, we will prepare for Special Revenue Sharing by placing greater emphasis in all programs on annual incremental funding—of the sort that is now used in Neighborhood Development Programs.

Similarly, all other affected programs will continue to be funded until the new program comes into effect. This includes our Model Cities and Community Action commitments. As soon as the starting date for Special Revenue Sharing is established by the Congress, this administration will work out transition arrangements, so that there will be neither a funding gap nor a period of double funding.

WHAT THIS PROGRAM WILL—AND WILL NOT—DO

Special Revenue Sharing for Urban Community Development offers a precise and direct solution to the problems which now afflict our system of urban aid. Unlike fragmented and rigid categorical grants, this new plan would allow local leaders to marshal Federal and local dollars according to a simple, comprehensive plan which could be rationally formulated and then intelligently adjusted as conditions change. And—unlike the present system of Federal approval for local project grants—Special Revenue Sharing would give the responsibility for making local decisions back to local officials who can make them best. It is this feature which distinguishes Special Revenue Sharing from the so-called "block grant" which also consolidates categorical grants into a single fund but which retains the Federal approval process and the concomitant disadvantages of excessive Federal control.

Instead of spending their time trying to please Federal officials in Washington—so that money will continue to flow—local leaders would be able to concentrate on pleasing the people who live in their city—so that the money would do more good. A great deal of red tape would be eliminated at both the local and the Federal level—and with it a great deal of waste and delay.

The merger of several categorical programs into a single development fund would enhance the authority and capacity of local officials. It would also serve as a means to dramatize the overall share of national resources which are allocated to this process. The concern of Federal officials and the Congress would no longer be with the details of local projects but with the general place of urban development among our national priorities.

For a variety of reasons, local governments would find that they are better off financially under Special Revenue Sharing than they were before. In the first place, the new plan would provide cities with a level of urban development funding which is at least comparable to that which they have now. In addition, it would contain some extra money which would allow many communities to improve their position. In future years, the overall program could reasonably be expected to grow.

General Revenue Sharing, of course, would provide still more new dollars for these local governments. In addition, cities would get back their discretionary power over the money they were previously spending on matching funds. Because they would not have to prepare and follow up on immense applications and detailed reports for Washington, local governments would save a considerable administrative expense. And, to the degree that they used their new freedom to make wiser spending decisions, they would find that their new Special Revenue Sharing dollars would go further than did their old grants-in-aid.

One point that should be very clearly understood is that *no* program currently funded by categorical grants need be discontinued under the new arrangement. Every community would have the capacity to maintain—and many would have the capacity to expand—any of these current programs. The suggestion that Model Cities programs, for example, would be terminated is extremely misleading. That would happen only if a locality made a deliberate decision that it wanted to terminate the program, something it is free to do right now. Since existing Model Cities programs require local governments to take the initiative in applying for participation, there is little reason to think that many cities would be motivated to dismantle their Model Cities projects under Special Revenue Sharing—unless they were fairly certain they could use the development money more effectively somewhere else.

Similarly, there is little reason to fear that the problems of impoverished areas would somehow be neglected under this plan. The political leverage of these who live in poverty areas has increasingly been focused on local governments in recent years—and it often has greater impact in such places than when it is diluted at the national level.

STRENGTHENING THE FEDERAL SYSTEM

This Special Revenue Sharing program is built upon a fundamental faith in the inherent capacity of local governments to govern well—if they are given sufficient resources and sufficient responsibility.

Some will argue against such a program by contending that a number of State and local officials will prove to be unresponsive or irresponsible. But this is no reason to reject revenue sharing. Whenever one is dealing with thousands of local officials, there is always a danger that some will prove to be less worthy of one's confidence than others. That is always the risk of moving toward greater freedom—it necessarily becomes more difficult for any one authority to guarantee how the many will behave.

The question is *not* whether revenue sharing is a foolproof way to avoid bad decisions. No system can do that. The question is whether—on balance—revenue sharing is more likely or less likely to produce *good* decisions than our present system of grants-in-aid.

The question is not whether there are risks in this program. Of course there are. The question is whether the rewards outweigh those risks.

I have already presented a number of reasons why I believe the potential rewards of revenue sharing are considerable. It should also be emphasized, however, that the risks are really very small. The Model Cities program has both demonstrated and enhanced the growing capacity of local leaders to deal skillfully with developmental questions. Moreover, those who talk about the risks of revenue sharing often forget that revenue sharing will *itself* do a great deal to strengthen and improve State and local government. *That is why I so strongly believe that those who are most concerned about the shortcomings of State and local governments ought to be most*

enthusiastic about a strong Federal revenue sharing program.

In many fields today, State and local officials are often forced to function as wards of the Federal Government. Often, they are treated as children who are given a meager allowance, told precisely how to spend it, and then scolded for not being self-reliant enough to handle more responsibility. If we want State and local government to survive, then we must break into this vicious cycle.

The best way to develop greater responsibility at the State and local level is to give greater responsibility to State and local leaders. Only then can we reward and strengthen the many leaders who are effective and help the public to identify and to replace the few who are not. If we want to get more good people into government, then we must give them more opportunity to do good things. To do otherwise, to continue with programs that assign to appointed Federal bureaucrats decisions that should be made by elected local leaders, will only serve to compound the danger of governmental atrophy at the State and local level.

A NEW PLANNING AND MANAGEMENT PROGRAM

To strengthen State and local capacities even further, I am presenting a second proposal today, one that would do a great deal to help *all* of our revenue sharing proposals work even better. I am asking the Congress to authorize a new program of Planning and Management Assistance to States, to areawide agencies and to localities. Under this program, $100 million would be available for these purposes.

The new program would involve more money, and would provide recipient governments with broader and more flexible support for building up their capacity to govern effectively. It would be focused primarily on the chief executives of State and local general purpose governments—on governors, mayors and county executives—to enhance their ability to make well informed policy decisions, to lay intelligent long range plans, to allocate their budgetary resources wisely, and to coordinate complex development activities in many fields. It will place new emphasis on the creation of a comprehensive management process, one that ties together planning and action, not just in the community development field, but in fields such as transportation, education, law enforcement and all other fields of local and areawide governmental endeavor. Local officials would have a great deal of discretion in determining just how this planning and management assistance would be utilized.

Special Revenue Sharing itself can do a great deal to liberate local governments so that their planning and their programs can become more imaginative and more effective. A new program of planning and management assistance would help States and local officials take full advantage of this opportunity. It is a significant companion proposal to *all* of our revenue sharing initiatives.

CONCLUSIONS

For a variety of reasons, then, we can be confident that the States and localities will prove equal to their revenue sharing responsibilities. But as we consider these programs, we should also remember one more thing. To choose the revenue sharing mechanism is not to choose any *one* level of government over *another* level of government. In supporting revenue sharing we are not deciding *against* the Federal Government, but *for* the Federal system.

That system is one which has served our country well for nearly two centuries, allowing us to combine national unity and regional diversity, to balance our common ideals with our highly varied ways of pursuing them, to solve the ancient philosophical challenge of reconciling the many and the one.

But the Federal system does not work automatically. Like democracy itself, it lives only because those who work within it are committed to its success. It is now for us to decide whether the Federal system will decay or flourish in our time.

RICHARD NIXON.

THE WHITE HOUSE, *March 5, 1971.*

PRESIDENT'S MESSAGE ON SPECIAL REVENUE SHARING

Mr. HUNGATE. Mr. Speaker, I am in sympathy with the President's desire to simplify procedures whereby Federal funds are made available for local projects, but as I examine his formula for redistribution of funds, I am not so certain he is accomplishing his goal. The Department of Treasury has issued a booklet—322 pages—explaining the revenue sharing formula.

An explanation of the formula shown in the booklet follows:

METHOD OF CALCULATION

State area allocation.—As specified in the President's proposal, the *state area* allocation, S, for a particular state, j, is determined as follows:

$$S_j = N\left[\frac{(P_j)\left(\frac{R_j}{Y_j}\right)}{\sum_{i=1}^{51}(P_i)\left(\frac{R_i}{Y_i}\right)}\right]$$

where P=population of a State,
R=general revenues from own sources for a State and all its units of local government (including school and special districts),[2]
Y=total personal income for a State,
N=nationwide appropriation for revenue sharing,
i=index of State (containing particular State j).

That is, the payment percentage for any particular state can be found by multiplying that state's population by its revenue effort (defined as the ratio of general revenues from own sources to personal income for the state), and dividing the product by the sum of such products for all 50 states and the District of Columbia. In preparing the tables reprinted in this publication, N was taken to be $5 billion.

Once the state area allocation is determined in accordance with the above formula, calculations must be made to determine the total allocation to local governments, the individual allocations to local governments, and the state government allocation.

Total Local Government Allocation. Under the President's proposal, all general purpose local governments (counties, municipalities, and townships) are included in revenue sharing. The total amount, L. to be shared with these governments in state j is determined as follows:

$$L_j = S_j\left(\frac{C_j}{R_j}\right)$$

where C=general revenues from own sources for all units of local government in State j.

Thus, for every revenue-sharing payment allocated to a state, the general purpose local governments will receive the fraction of that payment which corresponds to the ratio of local general revenues to total state and all local general revenues. This fraction, of course, will vary by state depending on the existing division of public financing responsibilities.

Individual Local Government Allocation. Each individual unit of local government, h, will receive an amount, X, determined as follows:

$$X_h = L_j\left(\frac{G_h}{\sum_{n=1}^{z} G_n}\right)$$

where G=general revenues from own sources for a general purpose local government,
z=number of municipalities, counties, and townships in State j,
n=index of local governments.

That is, each local government will receive a share which corresponds to the ratio of its general revenues from own sources to the sum of such general revenues for all eligible local governments.

State Government Allocation. The amount, M. which the State government of state j will retain for its use is simply the residual after deducting the local share from the total state allocation:

$$M_j = S_j - L_j$$

Mr. Speaker, I am not sure most of us would regard this as a simplification of the paperwork necessary to get Federal assistance.

APPOINTMENT AS MEMBERS OF FEDERAL RECORDS COUNCIL

The SPEAKER. Pursuant to the provisions of title 44, United States Code, section 2701, the Chair appoints as members of the Federal Records Council the following Members on the part of the House: Mr. BURLISON, of Missouri, and Mr. LUJAN, of New Mexico.

APPOINTMENT AS MEMBERS OF COMMISSION ON POPULATION GROWTH AND THE AMERICAN FUTURE

The SPEAKER. Pursuant to the provisions of section 2(a), Public Law 91–213, the Chair appoints as members of the Commission on Population Growth and the American Future the following Members on the part of the House: Mr. SCHEUER, of New York, and Mr. ERLENBORN, of Illinois.

ANNOUNCEMENT BY MAJORITY LEADER REGARDING SECURITY ON CAPITOL HILL

Mr. BOGGS. Mr. Speaker, at a meeting in the Speaker's office this morning, attended by the Speaker, the miniority leader of the House, the majority leader

of the House, the minority leader of the Senate, the majority leader of the Senate, the Chief of Police, the Assistant Architect, and by the Sergeant at Arms of the Senate and the Sergeant at Arms of the House, there was much discussion, which will be of great interest to the Members of this body and of the other body, about providing further security for the Capitol and buildings which come under the jurisdiction of the legislative branch; namely, the three House office buildings, the two Senate office buildings, and of course the Capitol itself.

I believe the most significant discussion was that about making the police force professionalized. We hope to establish as fine a police force as exists anywhere in the country.

Second, there was discussion about transferring the doorkeepers to the Police Department in the Capitol.

Consideration is also being given to having elevator operators in the Rayburn Building. We have had complaints from some of the Members about young ladies being molested in those elevators.

Also, buildings would be closed. I am talking now about the House office buildings and the Senate office buildings, for the Capitol already has a closing schedule. All these buildings, other than the Capitol, would close at 1 o'clock on Saturdays and be closed all day on Sundays. In order to gain admission, any person entering would need identification. If he carries a package of any kind the police would be instructed to make sure that package is deposited where he says it is going.

These measures are not repressive. They do not deprive our people of the opportunity of visiting the Nation's Capitol. But they would be taken in the view that there must be some further security in these buildings.

Also, the Speaker has moved forward on the legislative enactment of last year in the reform bill to enclose the galleries of the House; and I understand similar measures will be taken in the Senate.

Finally, we are pleased to announce that a public spirited citizen who wants to be anonymous has made available the sum of $100,000 for the apprehension. and the arrest and conviction, of the person or persons responsible for desecrating this building on March 1.

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

Mr. BOGGS. I am happy to yield to the chairman of the committee.

Mr. HAYS. I would just like to say to the gentleman that last week I was in London and I had occasion to go to the House of Commons to meet a Member there. When I went to the door to go into the building there were two policemen there who very politely and courteously asked me to identify myself. I told them who I was and showed them an identity card. In 15 seconds I was on my way in the building.

It occurred to me after I heard about this bombing that there is nothing wrong with a procedure like that for people who come in and out of these buildings. I think the very fact that it is known we had such a procedure would probably be a pretty big deterrent to anyone carrying explosives into the building anyway.

Mr. BOGGS. Mr. Speaker, I commend the gentleman.

Of course, as chairman of the Committee on House Administration he has made a very significant contribution to all of the measures that I mentioned.

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

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

Mr. MINSHALL. I would like to commend the majority and minority leaders of the House and the Senate for taking this action. It is long overdue.

As you well remember, we had right here on the floor of the House an incident involving a member of the American Nazi Party some 6 years ago. At that time I offered a resolution to set up a joint House-Senate committee to look into this matter, but no action was ever taken on it.

I am glad to see that this committee has gone ahead, composed of my good friends, Mr. ARENDS and GERRY FORD and the distinguished majority leader and others, and that they have some positive action which will be taken in these measures which will be implemented as soon as they possibly can be.

Mr. BOGGS. I might add—and I did not mention this—that we have had very comprehensive recommendations from the FBI and Mr. Hoover.

SECURITY MEASURES IN THE CAPITOL

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

Mr. ARENDS. Mr. Speaker, I am very pleased to hear what the gentleman from Louisiana just stated as to the action taken by the Speaker on these matters.

Yesterday afternoon for the first time, as I drove into the garage on a Sunday afternoon, when I came to the office with some papers, I was very pleasantly surprised to be stopped by a policeman and to have to identify myself and my wife and to be asked about any packages which we might have with us. The whole procedure had a great appeal to me. I feel this is a move that can be extremely helpful in the future toward providing needed protection for the Members of the Congress, the buildings of the Nation, and all property of the United States.

SECURITY MEASURES IN THE CAPITOL

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

Mr. WALDIE. Mr. Speaker, I wanted to ask the distinguished majority leader a question. It is my understanding in his presentation he had said you were proceeding with plans to enclose the galleries in this House as well as in the other body. I hope that meant that you are just proceeding with a study as to the feasibility of that move. I have personally been one who believes that enclosing the galleries and shutting the people off from their representatives would be an act that would not be desirable. I think for us to react to what has happened, as deplorable as it was, in a manner that would keep the people even more remote from this institution than they are now is not desirable.

Mr. BOGGS. Will the gentleman yield?

Mr. WALDIE. I yield to the distinguished majority leader.

Mr. BOGGS. To clarify my remarks, I would like to say to the gentleman that all of the measures I mentioned are in the planning stages. No final decisions have been made. Insofar as the gallery is concerned, the Speaker is operating under the mandate of the Congress enacted in the reform bill. Public Law 91–510, the Legislative Reorganization Act, provides for an enclosure of the galleries. I share the gentleman's concern that this is a people's body. The people own this institution, and it is with great regret that I make these announcements, but somewhere there must be a balance between the people's right to be with public officials and the safety of the Government of the United States.

Mr. WALDIE. Mr. Speaker, I appreciate the response of the majority leader, and I concur in the recommendation that I heard the gentleman discuss with the exception of sealing this institution off from the people of the country. I think this would be a deplorable act of fear on our part, and I would hope that we should not do so.

Mr. BOGGS. Mr. Speaker, if the gentleman will yield further, I think I can speak for the Speaker, having attended the meeting with him, and having been at so many meetings with him over the years, that I can assure the gentleman from California that there is certainly no intention of anybody on the part of the leadership of this House to seal off this body from the public.

The SPEAKER. The time of the gentleman has expired.

SECURITY FOR THE CAPITOL

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

Mr. HAYS. Mr. Speaker, I just want to say to the gentleman from California that in reference to sealing the gallery off, that was debated here last year in the so-called reform bill, handled by the gentleman from California (Mr. SISK) and it was debated extensively pro and con, and then it was voted on, and the vote was that the gallery be enclosed with some kind of bullet-proof material. This does not mean that it would be enclosed so that the public could not see and hear, but it would be enclosed so that somebody could not fire down on the floor of the House, as happened in the process of discussion during the past, and as some have been threatening to do in the future.

Mr. WALDIE. My recollection may possibly be in error, but what I had thought we had considered in the reform bill—and I frankly opposed that—was that it was to request the Speaker to appoint

a committee to report back to the House as to what possible steps could be taken with respect to sealing the gallery off.

Mr. HAYS. I think, if the gentleman from California will check it, that he will find that it was mandated that the Speaker go ahead with it, and proceed with it.

Mr. WALDIE. If that is so, then the question is moot, and our discussion is moot.

Mr. HAYS. I feel sure that my memory is correct on that.

Mr. WALDIE. It probably is, and I only add that I am sorry that we have to do it.

VAST MAJORITY SHUT OUT OF ALI-FRAZIER FIGHT

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

Mr. BOLAND. Mr. Speaker, television coverage of tonight's Ali-Frazier fight will reach only a handful of people—about 1 percent of a potential TV audience that approaches 200 million. And the cost of tickets for the closed circuit TV showings borders on the extortionate, making a major sports event available only to a relatively few. The vast majority of the American viewing public has been shut out of the fight.

The closed circuit approach promises to yield staggering profits for the fight's promoters—profits so inviting that the entire entertainment world is looking on in envy.

The principle of free broadcasting is at stake here, Mr. Speaker, and this fight threatens to begin a slow erosion of that principle.

Jack Gould's column in today's New York Times discusses the implications of closed circuit television for the viewing public.

With permission, Mr. Speaker, I put it in the RECORD at this point:

THE FIGHT: TV FAN COUNTED OUT—FAR-REACHING IMPACT COULD BE BLOW TO ALL FREE TIME

(By Jack Gould)

The impact of the Joe Frazier-Muhammed Ali fight on the world of communications will extend far beyond tonight. The effect thus far of the closed-circuit presentation already bears out many contentions of broadcasters who have opposed pay-as-you-see TV on economic and public service grounds. The electronic life is going to change. Even if every seat in 350 theaters and an unknown number of hotels, motels and cable systems is sold out, the TV audience in the United States will be one of the smallest in the history of the medium. The total number of persons watching the fight live is unlikely to exceed two million or so, a figure of minuscule proportions in comparison with the audience for an old movie on free TV.

DIFFERENT ECONOMICS

The rich few will be able to afford the astronomical prices asked by theaters but millions of the poor will be left with only nostalgic memories of Joe Louis, Jersey Joe Walcott and Kid Gavilan on their 12-inch screens. The TV medium once opened to all, regardless of station, is becoming a restricted instrument, and the fight may be the handwriting on the wall for the future of much entertainment and big sports.

The different economics of closed-circuit TV and advertiser-sponsored TV turn all video statistics upside down. An audience of 150 million might tune in if a handful of advertisers footed the bill for free TV. But the fight promoters are shooting for a vastly greater gross by having two million fight fans as their "sponsors" through purchase of tickets to closed showings of the match.

The old rule of show business is back: Who cares about 148 million freeloaders? Only the 2 million with cash in hand warrant tender, loving care. Advertisers count noses of prospective customers; promoters only count dollars from those checking in.

And if in coming decades this country and then the world are wired up for pay TV in the home, the wild statistics surrounding the Frazier-Ali fight will be penny ante stuff.

One development is certain. The $2.5-million guarantees to Frazier and Ali are not being ignored by Hollywood's top stars. If that kind of money is around by staying off free TV and going to the closed-circuit or cable route, there'll be many a second thought about the appeal of the existing home medium. A prize fight admittedly is unique in its international attraction. But a film star might not be adverse to a modest $500,000 guarantee plus a percentage of the gross paid by 30 million homes, half the potential in this country.

BLEAK PROSPECT FOR VIEWER

Broadcasters for expedient reasons have repeatedly said that the day may come when viewers would have to pay for what they once watched without charge. Even to think of charging anything for much that is now shown would seem a colossal conceit. But serious students of communications are not devoid of genuine worries over erosion of the free air waves.

Only time—perhaps a very long time—will tell what will be the impact of closed-circuit TV on free TV's economic ability to offer news and information to rich and poor alike, carry political addresses and provide other services not returning a profit. A broadcaster is required to provide a balanced service; a closed-circuit promoter is not.

A vivid example of the social consequences of shifting from free broadcasting to closed-circuit broadcasting has come with the fight. Instead of having the military circuits blanketed as usual with blow-by-blow accounts of the fight, G.I.'s overseas will have a sharply limited service designed to avoid conflict with the overseas commercial contracts of the promoters. In South Vietnam there will be no pictures, only the commentary. Many men in uniform will hear only news bulletins.

Tonight's fight is far more than just an unusual sporting event. Most TV viewers will not see TV's biggest attraction because the medium's economics are not up to meeting the new competition for the dollar. And, in the process, radio has also been squeezed out.

Distribution of the fight on closed-circuit is being handled by Management Television Systems, which is handled by E. William Henry. By way of an ironic touch, Mr. Henry also had a previous job: the chairmanship of the Federal Communications Commission, the agency that will be making decisions on all forms of TV in coming years.

JAPANESE PROPOSAL A HOAX

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

Mr. DORN. Mr. Speaker, the Japanese textile industry announced in Tokyo this morning a plan to unilaterally protect itself. It is incredible that the Japanese textile industry would expect the American textile industry to be duped into buying their proposal, concocted, and conceived in Tokyo.

This plan, as advanced by the Japanese textile industry, would ask that the American Government, the Congress, and the American people guarantee to the Japanese their highest level of exports into the United States of cheap, low-wage textile products, plus an immediate 5-percent increase the first year, and an additional 6 percent each year for the next 2 years.

This unbelievable proposal would not cover specific categories of textiles within the overall limitation, thus enabling the Japanese textile industry to, one-at-a-time, flood specific segments of our market until we are completely out of business.

Mr. Speaker, without reservation I denounce this proposal for what it is, a fake, a subterfuge, and a fraud. Mr. Speaker, let us proceed with the legislation and with meaningful, mutually advantageous agreements sponsored by the Government of the United States and the Government of Japan. I repeat, Mr. Speaker, that this legislation provides for negotiations and voluntary agreements before actually applying any quotas.

ARTHUR GODFREY IS AGAINST THE SST

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

Mr. YATES. Mr. Speaker, in connection with the hearings on the SST last week before the Transportation Subcommittee of the Committee on Appropriations, I had requested Arthur Godfrey to testify, as chairman of the coalition against the SST. Unfortunately, he was unable to do so.

I have just received a letter from him which I shall read to the Members now. The letter is addressed to me, and is dated March 4. He said:

DEAR MR. CONGRESSMAN: I was very sorry not to be able to testify for you on March 2 or 3 because of previous non-cancellable commitments.

I thougth you might like to know, however, that I'm secheduled to appear before the Senate Committee on Wednesday, March 10.

Thanks for all your help in this cause.

Mr. Godfrey included a copy of a letter which he had addressed to Mr. James H. Straubel of the Air Force Association, dated March 4, in which he said:

DEAR JIM: It is with sincere regret that I feel obliged to write this letter. I am just in receipt of your memo of February 22 describing the position of the AFA with regard to the SST.

As Chairman of the Coalition Against the SST, I am scheduled to testify before the Senate Committee on Wednesday, March 10. Regrettably, I find this affiliation conflicts with the position taken by the AFA.

Let me say this. If the SST were being developed by the Air Force strictly for military purposes, I would be the first to support it. But it isn't. It is proposed only as a com-

mercial, civilian vehicle which we need in this world about as much as we need another load of those rocks from the moon. I am unalterably opposed to it not only because it adds to the pollution of the ecosphere, however slightly, but principally because at a time when so many other things should take unchallenged priority, this industrial play toy becomes something akin to an obscenity. Who in the hell needs to get wherever it's going so damn fast? To transport military personnel and logistics would be one thing, but to accommodate some rich "jet set" slobs who want to get their aperitifs in Paris in half the time is ridiculous.

Not only that, but the airlines are admittedly already over expended and in serious trouble and I'm doing everything I can to help alleviate that situation. I cannot speak for them officially, of course, but I'll bet you a plate of beans that they hope they'll never live to see it!

Sorry, Jim, but you just lost me.

Regretfully,

ARTHUR GODFREY.

ADVICE AND DISCONTENT IN FEDERAL ADVISORY COMMITTEES

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

Mr. MONAGAN. Mr. Speaker, I should like to bring to the attention of my colleagues the article entitled "Federal Advisory Processes: Advice and Discontent" by Dr. Thomas E. Cronin and Norman C. Thomas which appeared in the 26th of February 1971 issue of Science magazine. Dr. Cronin is a research political scientist at the Brookings Institution, Washington, D.C., and Dr. Thomas is a professor of political science at Duke University, Durham, N.C.

A companion paper on the subject prepared by the same authors may be found on pages 184–198 of the Presidential Advisory Committees hearings of the Special Studies Subcommittee of the Committee on Government Operations. Dr. Cronin also appeared as a witness at the hearings which I had the privilege to chair. I am pleased to note that the article's findings obtained by interview and questionnaire support many of the same conclusions and recommendations as the Committee on Government Operations report entitled "The Role and Effectiveness of Federal Advisory Committees."

The article points out the confused manner in which advisory committee functions are conceived and defined, their inadequate staffing, the insufficient meeting time and the lack of full opportunity for the examination of policy and program alternatives, the need for more thoughtful congressional appreciation of the use of advisory committees, the involvement of too many of the same people in the policy area as well as on the advisory committees, the demand for a more balanced and broader membership representation, the need to make advisory groups independent of the agencies they are advising, and members' complaints about misuse or exploitation of such committees.

On February 17, 1971, I introduced, together with Messrs. GALLAGHER, MYERS, MOORHEAD, ROSENTHAL, and MANN H.R. 4383 which seeks to remedy many of the advisory committee problems referred to in the report and also in the article. The bill essentially incorporates the unanimous recommendations of the report of the Committee on Government Operations.

MEDICARE COVERAGE FOR LOCAL PUBLIC EMPLOYEES

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

Mr. MONAGAN. Mr. Speaker, today I am reintroducing my bill to authorize the Secretary of Health, Education, and Welfare to enter into agreements with States to provide hospital insurance coverage under medicare for annuitants of teacher retirement systems and other public employee retirement systems who are presently excluded from coverage.

This bill is an expanded version of legislation I introduced in the 91st Congress and it will allow all persons age 65 or over who are ineligible for hospital insurance coverage under medicare to purchase coverage on a voluntary basis. Individuals electing coverage will pay the full cost of the protection, determined to be $27 a month in 1969, rising as hospital costs rise.

Connecticut is one of 12 States having teacher retirement programs which are adequate in every respect except that the programs exclude hospital insurance coverage under medicare. Under the terms of the bill States and other organizations will be allowed to purchase coverage on a group basis for employees presently excluded from coverage. Because the participating States or other organizations will pay the full cost of the medicare coverage, this bill will require no present or future appropriation. A participating state or organization will reimburse the social security medicare trust fund for all benefits paid out plus administrative expenses.

Passage of this bill will bring approximately 750,000 public school teachers in the Nation under medicare protection at no cost to the Federal Government. In my own State of Connecticut, which only awaits congressional authorization for its public employees and public school teachers to participate in the medicare program, approximately 35,000 public school teachers will be affected by this bill. A large number of State and municipal employees now excluded from coverage by virtue of their membership in public employee retirement systems instead of social security will also be able to enjoy medicare hospital coverage.

This is a just and reasonable measure, and it deserves the support of Congress.

J. EDGAR HOOVER

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

Mr. DEVINE. Mr. Speaker, it seems to be the order of the day among the radicals, the militant activists, revolutionaries, and other dissidents to attack one of the greatest contemporary Americans, J. Edgar Hoover.

In fact, one might imagine whether this borders on a conspiracy of destruction.

The other side of the coin surfaces occasionally, however, and I am happy to offer an editorial which appeared in the Columbus, Ohio, Dispatch, Wednesday, March 3, and would commend it to the attention of my colleagues, as well as the American public:

ATTACK ON J. EDGAR HOOVER REFLECTS ON 8 PRESIDENTS

If J. Edgar Hoover isn't the strongest, most dedicated bulwark against crime this nation has ever known, then he has pulled the wool over the eyes of eight presidents.

Since he was named director of the Federal Bureau of Investigation in 1924 by Calvin Coolidge, every president since—Democrat and Republican—was quick to publicly state he wanted Mr. Hoover to stay on. He serves at the pleasure of the president and if he lacked the ring of authenticity, genuine dedication to duty and ability, one of the eight presidents would have detected it.

But every one of the eight presidents under whom Mr. Hoover served was, like the majority of law-abiding American citizens, impressed by the unending battle against subversiveness as waged by the FBI under the direction of Mr. Hoover.

But small men, unable to attain the stature of highly respected men such as J. Edgar Hoover, try then to cut them down to their size.

That is how we view the anonymous letter purportedly written by 10 FBI agents charging the bureau is slipping as an effective crime fighter because too much time is spent polishing the director's image.

Sen. George S. McGovern, D-S.D., claims to have received the letter, typed on FBI stationery, something easily obtained.

The faceless informers from whom Senator McGovern says he received the letter are but 10 in an organization of more than 15,000, if indeed they are current FBI personnel. Why did the letter supposedly represent the view of 10 persons? Why not several hundred? Certainly in an agency that large 10 is a very small number of disgruntled employees. Doesn't every organization have its share?

But Senator McGovern, a presidential hopeful in need of national publicity, grabbed on to the unsigned letter and used it as material for an attack on Mr. Hoover in a speech on the Senate floor.

We hope the early-starting presidential aspirant will have something more concrete to offer the public in the long months before convention time than what he has come up with so far.

Attacks of his kind, being party to anonymous informers, don't speak well for the supposed stature of a U.S. Senator. It's like throwing bricks over a wall and not knowing or caring who may be hit.

No man is immortal and the time is coming when Mr. Hoover probably will look to retirement. When the aging but certainly very alert FBI Director does retire, it will be a day for the subversive element of our nation to rejoice.

An untiring foe against Reds and crime in all its ugly forms, J. Edgar Hoover will stand always as a symbol of defense against the criminal world.

MANPOWER REVENUE SHARING ACT

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

Mr. KYL. Mr. Speaker, the Manpower Revenue Sharing Act presents a real

opportunity for this Congress to give serious and thoughtful consideration to the relationship of Federal-State-local governments in planning and administering our social programs. This proposal should help the Congress to consider the pros and cons of the dozen or more categorical programs that have been developed and implemented in job training during the decade of the 1960's.

It offers the alternative we have been searching for in providing a balanced manpower program, streamlining the administrative machinery which delivers the manpower services, and makes manpower programs responsive to the needs of unemployed and underemployed persons.

The present grant-in-aid system, of which manpower programs are a part, grew up in a piecemeal fashion. This growth is characterized by great overlap, little coordination, restrictive and burdensome administrative requirements. All too often those who operate programs at the local level are required by rigid Federal guidelines to waste funds on outdated projects. These deficiencies were not planned or intended. They are simply the inherent part of the problem of trying to plan programs in Washington that are needed in innumerable different settings and circumstances throughout the States.

The development of meaningful patterns of expenditures at the local level can best be done by those closest to the problems. The opportunity for decisionmaking and resource distribution by State and local officials would be a real step forward in streamlining the administration of manpower programs. An example of what can be done with local planning is the multicounty effort in my own congressional district—the results were so good that the plan will be followed in other areas. Its success will depend on how much local control can be retained.

I strongly urge my colleagues to support this measure to assure its early enactment.

MANPOWER REVENUE SHARING ACT

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

Mr. KEMP. Mr. Speaker, as a representative from a major metropolitan area, I rise in support of the proposed Manpower Revenue Sharing Act, which the President has sent to the Congress. Cities such as mine are in the throes of continual crises—crises in education, housing, transportation, pollution, and unemployment.

More and more, the cities are where people live—and every year, more money is required to deal with the cities' mounting problems. Yet the cities are in bad trouble financially. They desperately need more money, but they can expect significant new money only from Washington.

Therefore, the Manpower Revenue Sharing bill seems to me a rare beacon of hope in these gloomy days. It would provide money directly to the cities, in proportion to the relative needs of each one, for a variety of locally designed activities aimed at opening up new job opportunities and helping hundreds of thousands of needy people become employed taxpayers.

Eligible jurisdictions would include cities and counties of 100,000 or more people, consortia of government in smaller standard metropolitan statistical areas, and other combination of units of general local government which include a city or county of 100,000 or more people.

Money would flow to these jurisdictions without a requirement for approval of plans at either the Federal or State level, thus assuring that special urban needs could be recognized and effectively dealt with at the local level without equivocation or delay.

I am grateful for this bill and heartened by its appearance. I recommend to my colleagues that we act upon it as soon as possible.

FAMILY HEALTH CARE PLAN

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

Mr. McKEVITT. Mr. Speaker, the family health care plan outlined by the President in his state of the Union message is the right answer to the health crisis which confronts our Nation. Those who are familiar with this problem are well aware that the larger difficulty is in the delivery of health services rather than the payment for those services.

The President has rightfully included in his health plan a provision so that no American family will be denied medical care because of their inability to pay. However, it would be a tragedy to pretend that simply by providing the means to pay for health care we have solved the problem. For the fact is that in America today we do not have the medical resources necessary to provide an adequate level of care to all our people.

It is gratifying then that President Nixon has chosen to meet this aspect of the problem head on by such means as an increase in aid to medical schools, new incentives for preventive medicine, increased use of nurses and paramedical personnel and a fairer distribution of medical services. In asking for an intensive research approach to find a cure for cancer, the President has set what may be the pattern for future research efforts.

This is an outstanding program for health care. One that would meet our needs and is within the realistic range of our financial resources. It deserves prompt consideration by the Congress.

CAPITOL POLICE

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

Mr. GONZALEZ. Mr. Speaker, a few minutes ago we heard a discussion about whether or not we should have the galleries enclosed. In connection with that, I think a very shameful thing is happening.

Immediately after the bombing on the Senate side, the Capitol Police were subjected to criticisms and editorials because it was claimed they were just students and inexperienced policemen, which is a harsh judgment to say the least in view of the record of performance of the Capitol Police force.

I do not know what anybody can do, given the temper of the times, with the number of people running loose who do strange and insane things, that could protect us completely and totally.

But, on top of that, the Capitol policemen have been working overtime and in some cases 30 hours and 28 hours and 20 hours straight without 1 cent of compensation for that overtime. I think this reflects on us. I think this injustice ought to be corrected. I think we should look at this from the standpoint of just plain elementary justice.

So far as what the policemen can do, there is nothing to prevent anybody from coming in and sitting in the gallery and pulling out a hand grenade and throwing it right in the middle of this House floor if anybody was really determined to do that. I remember President Kennedy mentioning twice in my presence that if anybody wanted and intended to kill the President of the United States, it would not be too hard a thing to do. I think we ought to keep our perspective and I do not think we ought to use the policemen and their good will and efficiency by exploiting them and not paying them for their overtime work. If we need more policemen, then let us expand the budget and hire them and pay them adequately for the work they do. But let us not take it out on those who are doing a good job, and who are honest and responsible and responsive to our needs on Capitol Hill.

FASCELL INTRODUCES EMERGENCY SCHOOL AID ACT OF 1971

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

Mr. FASCELL. Mr. Speaker, the Emergency School Aid Act of 1971, which I introduced last week, is designed to meet a financial crisis caused by the necessary but costly implementation of desegregation plans by our Nation's school systems.

By providing relief for financially overburdened local educational agencies, this bill will also encourage voluntary elimination of racial isolation in schools with substantial numbers of minority group students.

I am pleased that this proposal has been received favorably by the House of Representatives. As the sponsor of similar legislation which was approved by the House in the last session of Congress, I believe the merits of this bill are even more persuasive today.

The implementation of desegregation plans and the elimination of dual systems have drained the resources of many

school districts threatening the quality of education for all of the children.

We now know there are added costs of special programs and personnel to effect desegregation with the minimum possible disruption to the primary educational function of our schools. It is only fair that the Federal Government should assume part of this financial burden.

Desegregation does not take place in a vacuum. Like all social processes it is acted upon by human factors which complicate it and, therefore, necessitate special attention.

Funds appropriated under this act would be used for remedial programs, additional professional staff, comprehensive guidance and counseling, and repair or remodeling of existing school facilities. In addition, the money will promote innovative interracial educational programs and the development of new instructional techniques.

If the reasons for favorable consideration of this legislation are stronger this session, so, too, has the bill itself been strengthened. The arbitrary cutoff date, requiring a court order or HEW order to implement desegregation plans since 1968, has been eliminated. Also, a provision prohibiting the use of funds for busing students to achieve racial balance, except at the specific request of the local educational agency, has been added.

Mr. Speaker, the Congress has concerned itself more and more with the quality of education and the increasing financial squeeze being felt by school systems across the country. The impacted area aid program and the landmark Elementary and Secondary Education Act are concrete results of that concern.

Now our already overburdened school systems face the additional financial strain of immediate desegregation. I believe the Congress has a responsibility commensurate with our history of commitment to quality public education to provide this needed relief.

ORGANIZED CRIME—THE NATION'S LEADING HEROIN IMPORTER

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

Mr. FASCELL. Mr. Speaker, in most of the accounts, statements, and documentaries on our Nation's drug problems little reference is made to the principal supplier and vital underpinning of the giant illegal hard drug business in this country—organized crime. The connection between organized crime and illicit traffic in narcotics has long been known by most law enforcement agency officials, and landmark hearings and reports by both the House and Senate Government Operations Committees have attempted to project this deadly relationship before the American public.

Recently, Attorney General John Mitchell announced that the Justice Department had achieved "the largest Federal crackdown ever on narcotics distribution by organized crime." I applaud the Department not only for the success of this mission but also for emphasizing the primary role that organized crime plays in this festering problem. I hope the Department will continue to educate the American people on the involvement of organized crime in drug trafficking and the amount of funds it derives for this purpose from its loansharking and illegal gambling operations.

The following Miami Herald editorial of February 27, 1971, succinctly underscores the relationship:

DRUG-FIGHTING AT THE TOP

Drug addicts have been enriching the underworld. That is clear from the value of dope seized in raids over the past five months in "the largest federal crackdown ever on narcotics distribution by organized crime."

The words came from Attorney General John N. Mitchell. So did these figures on the total haul: 71 pounds of heroin, 49 pounds of cocaine and 250 pounds of marijuana with a street sale value of $12.8 million, plus $431,341 in cash, 35 automobiles and 78 guns.

In other words, if the raiders hadn't struck, the persons arrested would have pocketed $12.8 million on top of that nearly half-million cash already in hand.

No wonder organized crime controls half the heroin traffic in New York and 70 per cent in Chicago, according to Mr. Mitchell.

We agreed with his stated strategy: "By concentrating the federal enforcement on importers, wholesalers and distributors, we believe we can cut the illicit supply lines." If so, the pushers, professional and amateur, will be out of business for lack of dope to sell.

ALCOHOL, TOBACCO, AND FIREARMS DIVISION OF INTERNAL REVENUE SERVICE EXPANDS ITS COOPERATIVE TRAINING FOR STATE AND LOCAL AGENTS

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

Mr. FASCELL. Mr. Speaker, one of the unsung but most effective proponents of improved cooperation and coordination among Federal, State, and local law enforcement agencies is the Alcohol, Tobacco, and Firearms Division of the Internal Revenue Service. Charged with weighty and growing responsibilities under recent congressional enactments pertaining to explosives and firearms, among its many other responsibilities, the Alcohol, Tobacco, and Firearms Division has fashioned an overall enforcement program, including comprehensive formal training and cooperation with State and local agencies, which is or should be a model for emulation by other Federal enforcement agencies.

During the current 2-week period the Alcohol, Tobacco, and Firearms Division of the Internal Revenue Service is conducting a thorough investigator training school for the benefit of agents of the Florida State Beverage Department and the Dade County Public Safety Department.

This type of cooperation and extension of benefits to State and local agents is exactly what the House Government Operations Committee has recommended in its report titled "Unmet Training Needs of the Federal Investigator and the Consolidated Federal Law Enforcement Training Center," House Report No. 91–1429. The report which was the culmination of extensive hearings by the Legal and Monetary Affairs Subcommittee, which I chair, proposed a 25-point program for improvement of Federal investigative training programs. The hearings reviewed the training programs of more than 30 Federal investigative agencies, and were aimed at improving not only Federal investigative training programs but also the degree of intergovernmental cooperation in areas of common interests.

It is noteworthy that the investigator training program which the Alcohol, Tobacco, and Firearms Division is currently providing for the Florida State Beverage Department has more scope and depth than the training programs of most Federal investigative agencies for their own personnel. For that reason, I include in my statement the listing of courses in the current Alcohol, Tobacco, and Firearms Division program in Florida:

ALCOHOL, TOBACCO & FIREARMS DIVISION—INTERNAL REVENUE SERVICE INVESTIGATOR TRAINING SCHOOL FOR THE FLORIDA STATE BEVERAGE DEPARTMENT

FIRST WEEK

Monday, March 1, 1971

8:00 a.m. to 9:00 a.m.: Welcome and Orientation.

9:00 a.m. to 12:00 noon: Illicit Distilling.

1:00 p.m. to 2:00 p.m.: Illicit Distilling (con't.).

2:00 p.m. to 3:00 p.m.: Handling of Seized Property.

3:00 p.m. to 5:00 p.m.: Investigative Techniques—Use and Handling of Explosives.

Tuesday, March 2, 1971

8:00 a.m. to 11:00 a.m.: Investigative Techniques (Rural Operations).

11:00 a.m. to 12:00 noon: Investigative Techniques—Use and Handling of Explosives (con't.).

1:00 p.m. to 3:30 p.m.: Investigative Techniques (Urban Operations).

3:30 p.m. to 5:00 p.m.: Law-Introduction to Search and Seizure.

Wednesday, March 3, 1971

8:00 a.m. to 12:00 noon: Law-Search and Seizure (con't.).

1:00 p.m. to 4:00 p.m.: Investigative Techniques—Raid Planning and Crime Scene Search.

4:00 p.m. to 5:00 p.m.: Law-Introduction to the Rules of Evidence.

Thursday, March 4, 1971

8:00 a.m. to 11:00 a.m.: Law-Rules of Evidence (con't.)

11:00 a.m. to 12:00 noon: Investigative Techniques—Collection and Preservation of Evidence (con't.)

1:00 p.m. to 3:00 p.m.: Investigative Techniques—Collection and Preservation of Evidence (con't.)

3:30 p.m. to 5:00 p.m.: Illicit Distilling Review and Laboratory.

Friday, March 5, 1971

8:00 a.m. to 9:30 a.m.: Law-Arrest.

9:30 a.m. to 11:00 a.m.: Investigative Techniques—Arrest and Handling of Prisoners.

11:00 a.m. to 12:00 noon: Law-Introduction to Conspiracy.

1:00 p.m. to 3:00 p.m.: Law-Conspiracy (con't.)

3:00 p.m. to 5:00 p.m.: Public Relations and Liaison with Other Agencies.

Saturday, March 6, 1971

8:00 a.m. to 1:00 p.m.: Field Exercise—Use and Handling of Explosives.

SECOND WEEK

Monday, March 8, 1971

8:00 a.m. to 9:30 a.m.: Examination #1.

9:30 a.m. to 12:00 noon: Investigative

Techniques—Retail Liquor Dealer Investigations.

1:00 p.m. to 2:30 p.m.: Gun Control Act of 1968.

2:30 p.m. to 4:00 p.m.: Investigative Techniques—Preparation of Statements.

4:00 p.m. to 5:00 p.m.: Investigative Techniques—Introduction to Report Writing.

Tuesday, March 9, 1971

8:00 a.m. to 10:30 a.m.: Investigative Techniques—Report Writing.

9:30 a.m. to 10:30 a.m.: Investigative Techniques—Raw Materials.

10:30 a.m. to 12:00 noon: Explosive Control Act of 1970.

4:00 p.m. to 5:00 p.m.: Investigative Techniques—Development of Informers and Information.

Wednesday, March 10, 1971

8:00 a.m. to 9:30 a.m.: Critique of Examination.

9:30 a.m. to 11:00 a.m.: Organized Crime.

11:00 a.m. to 12:00 noon: Investigative Techniques—Introduction to Undercover Operations.

1:00 p.m. to 3:00 p.m.: Investigative Techniques—Undercover Operations (con't.)

3:00 p.m. to 5:00 p.m.: Law—Interrogation.

Thursday, March 11, 1971

8:00 a.m. to 11:00 a.m.: Investigative Techniques—Interviewing and Interrogation.

11:00 a.m. to 12:00 noon: Investigative Techniques—Courtroom Procedures.

1:00 p.m. to 2:30 p.m.: Investigative Techniques—Courtroom Procedures (con't.)

2:30 p.m. to 5:00 p.m.: Review—Question and Answer.

Friday, March 12, 1971

8:00 a.m. to 9:30 a.m.: Examination No. 2.

9:30 a.m. to 11:00 a.m.: Critique of Examination.

11:00 a.m.—Closing.

REVENUE SHARING IS AN IDEA WHOSE TIME HAS COME

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

Mr. MAZZOLI. Mr. Speaker, in his state of the Union address, President Nixon described revenue sharing as one of the "six great goals" he was proposing to the Congress. Whether or not one assigns as high a priority to the subject as the President does I believe it can be fairly said that the revenue sharing is an idea whose time has come.

Revenue sharing is not a new matter to the Congress. In fact, revenue sharing proposals have been offered for several years running. But each proposal has routinely been pigeonholed without serious consideration.

For example, the administration's plan for sharing Federal income tax revenues with the States, offered in 1969, was given short shrift—not even a hearing—by the committee to which it was assigned. Meantime, State and local governments struggle to maintain services in the face of increased costs and decreased revenues.

Although Congress has shunned revenue sharing measures in the past, it has not shown any hesitancy in obligating the Federal Government to greater and greater oulays in the form of narrow, categorical grants for State and local use. Such Federal assistance has increased 30 times during the past 25 years.

The current estimate of Federal assistance to State and local agencies is $30 billion annually.

So, Congress is not really philosophically opposed to placing Federal resources at the disposal of local government but, up to now, Congress has been opposed to placing such Federal funds at the discretionary and unfettered use of local government.

Congress, to this point, has not trusted local government enough to let it handle Federal money. We have insisted on attaching strings and redtape. But, I believe, it now is time to abandon the strings and the tape because local government has come of age.

Perhaps a short explanation of the two-phase revenue sharing proposal is in order:

The general revenue sharing proposal which projects a string-free grant of $5 billion in fiscal year 1972, incorporates the following general provisions:

First. An annual appropriation to general reveune sharing of a designated proportion of the Federal personal income tax base; 1.3 percent is suggested as the reasonable figure for the permanent annual appropriation.

Second. A distribution of these funds to the 50 States on a per capita basis, adjusted for the level of revenue effort maintained by the individual State.

Such distribution would be made in two parts—a 90-percent payment divided among the States, and an incentive payment of 10 percent distributed only to those States adopting a pass-through formula other than the formula called for by the legislation, a pass-through formula is simply a plan by which a State shares funds with local taxing units.

Third. Inclusion of all cities, counties, and towns in an equitable pass-through formula, either the one provided in the legislation or one agreed to by the State and its local units.

Fourth. No Federal strings governing the use of the funds.

The only guidelines are that the States pass through the money on an equitable basis, that efforts to maintain or enhance local tax revenues not be abandoned, and that all recipient governments provide a reasonable amount of information to the Federal Government covering the uses made of the funds received.

A second phase of the revenue sharing plan proposed by the President is termed "special revenue sharing." This proposes to abolish approximately 130 categorical programs of aid to States and localities in favor of broad-purpose block grants.

The $10.4 billion now going to these narrow and specific programs, many of which are overlapping and redundant, would provide the basic funding for special revenue sharing.

An additional $700 million would be placed into the program bringing the total budget authorization to $11.1 billion.

These funds would be extended in the form of annual block grants strings-free to State and local units of government for use within six broad, basic areas, to wit: education, transportation, urban community development, manpower training, rural community development, and law enforcement. State and local units would decide for themselves the specific use to be made of the money so long as the use is logically within the six broad purposes described.

Let me be the first to admit that revenue sharing is most certainly not the panacea for all the ills which presently afflict our cities and States. A great deal more must be done by local government employing locally generated revenues if we are to bring our cities and States up to date. But, if revenue sharing is not the total answer, I suggest that it will prove helpful and it should not be dismissed out of hand as some of its more vocal critics are wont to do.

In many respects, the issue of revenue sharing reminds me of the controversy over medicare in the mid-1960's. Opponents predicted medicare would destroy both the medical profession and the solvency of the Federal Government.

As we all know now, medicare was enacted over strong opposition. While it has its defects and may have fallen short of achieving the goals envisioned by its overawed promoters, it is, nevertheless, a workable, useful concept which daily assists our Nation's elderly. I feel the same evaluation will be made in the future about revenue sharing: a far-from-perfect, but eminently useful, plan.

Although critics of the concept of revenue sharing have offered a number of objections to its passage, I will address myself only to the one that is inevitably mentioned. That is, unrestricted grants to State and local governments will finance irresponsibility and generate unnecessary and ill-conceived projects.

In an article in the February 22 issue of Newsweek, Prof. Henry C. Wallich, of Yale University, refutes this position:

> Contrary to what the critics seem to think, it would take a good deal of incompetence or worse to get less use from the money by spending it according to local references . . . fear that the money will be spent less carefully is equally misplaced. It is the money with strings that invites carelessness.

While I am well aware that State and local governments have their share of incompetent and wasteful officials, I do not subscribe to the view that all virtue and all competence reside in Washington. Nor do I believe that the Federal Government has a perfect track record in the use it makes of its funds.

In fact, I believe that the proximity of local officials to those who elected them would almost certainly guarantee great caution in the design and implementation of programs using federally shared funds. And, in those instances where questionable programs are proposed or initiated, responsibility would be much easier to fix and adjustment would be more easily made than is now the case with unsuccessful Federal programs guided from afar by anonymous bureaucrats.

I think we ought not be so fearfully anxious about possible waste and mismanagement of programs organized and operated at the local level. Local control of Federal money cannot be any worse than what we have now, and, I venture to say, it will prove to be a whole lot better.

Professor Wallich also discusses in his article, the various alternatives which have been suggested to revenue sharing. For the most part the alternatives involve Federal assistance to the States in collecting taxes, tax credits of various sorts and Federal takeover of the welfare system in America. In reality, though, such proposals are not creative but merely palliative, as Professor Wallich states:

> Some alternative proposals contain ideas that are intrinsically good. Some differ rather drastically from the original revenue-sharing plan. But what is good in these alternative proposals is not really different. What is different is not very good.

Mr. Speaker, I believe that revenue sharing will be one of the most important issues to come before the 92d Congress.

In the last Congress, 133 Members of the House and 40 Senators supported revenue-sharing legislation. Governors and mayors and county executives beyond number have expressed the urgency for congressional enactment of some form of revenue sharing during this Congress.

My own belief is that a revenue-sharing system would prove more reliable than many of our present Federal grant programs. State and local officials would know in advance exactly how much Federal money would be forthcoming, and planning for the future would thereby be facilitated. This contrasts sharply with the present setup where appropriations are uncertain and the existence and continuance of programs is left to the mercy of a sometimes capricious Congress.

In all probability shared revenues would permit local government to stabilize sales and property taxes, and, thereby, offer some overdue relief to those on fixed incomes whose only possession in life is their home.

The financial and fiscal dilemma of our cities and States is no mirage. It is reality, and it is upon us. Immediate and unprecedented steps must be taken to help local government regain fiscal and financial health. Revenue sharing will do it. This legislation needs and deserves to become law, and I urge all my colleagues to support its passage.

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

Mr. MAZZOLI. I yield to my distinguished colleague from Kentucky.

Mr. CARTER. I congratulate the distinguished gentleman from Kentucky on his remarks, with which I wish to concur at this time. I am indeed pleased to hear what he has to say, and I am sure the House is, too.

Mr. MAZZOLI. I thank the gentleman.

A BILL FOR THE PROTECTION OF WILD HORSES AND BURROS ON PUBLIC LAND

The SPEAKER pro tempore (Mr. HUNGATE). Under a previous order of the House, the gentleman from New York (Mr. HALPERN) is recognized for 5 minutes.

Mr. HALPERN. Mr. Speaker, many Americans are becoming concerned about the fate of the wild horses and burros that still roam free in the remote areas of our Western States. I feel that their concern is fully justified; therefore, I strongly urge the House to take action on H.R. 4220, introduced by the gentleman from Maryland, GILBERT GUDE, and cosponsored by myself and 74 other colleagues, designed to protect, manage, and control these endangered animals.

These rugged, abused animals have become a symbol of freedom in a time when the survival of wild creatures is constantly threatened by man. The wild horse and the wild burro are colorful, living symbols of the history of this Nation. They represent the pioneer spirit that explored America and built the West. They are a part of our great national heritage and deserve something better than neglect, abuse, and disregard.

At one time the wild horses numbered in the millions; today the population is down to about 17,000. In many places the population is still decreasing as their natural habitat keeps giving way to the onslaught of civilization. They have become outcasts. They have been crowded into the most remote and hostile areas—the mountains and deserts. They exist on range too poor to keep a cow alive.

It is true that on public lands these wild horses and burros do compete with big game and domestic livestock. In some places they contribute to overgrazing and erosion. To some ranchers they are a nuisance. To the authorities they are often a legal headache, for they are not protected by game laws. Neither are they given the same grazing rights as domestic livestock. If they were pastured like other animals, they would no longer be truly wild. They are not classed as an endangered species. They are not even native to this country. Where then do they belong in the modern management scheme of things? That is the question my bill attempts to solve.

I should point out that some efforts have been made by the Bureau of Land Management—although inadequate—to protect the wild horse. Refuges have been established by BLM in Nevada and in Montana, but these two refuges afford protection for only 300 to 400 animals. I am told that last year the Bureau of Land Management received some 1,400 letters from concerned citizens urging that further steps be taken to save the wild horse. These letters were mostly from people who never expect to see a wild horse during their lifetime; still they care about things wild and free. With many it is an emotional issue—a matter of principle—a humane concern for life.

Public interest has been expressed in other ways also. Last year a new book "America's Last Wild Horses" was published by E. P. Dutton & Co. In the January 1971 issue of National Geographic a beautifully illustrated feature article by Hope Ryden vividly describes the problem under the title, "On the Track of the West's Wild Horses." Numerous other articles have been printed in recent months in leading newspapers and magazines.

TV coverage has also been given. In early February the American Sportsman TV show plans to release a documentary on the Pryor Mountain wild horse controversy that aroused nationwide attention in 1967 and 1968.

Congress has also considered the problem. In 1959, we passed the so-called Wild Horse Annie law, which prohibits harassment of wild horses or burros by aircraft or motorized vehicle on public lands. This law has loopholes and needs to be strengthened. In the 91st Congress, bills similar to mine were introduced but not acted upon.

Mr. Speaker, I say that now is the time to take action upon this important measure. We cannot afford further delay, disregard, and congressional unconcern for these historic wild horses that J. Frank Dobie so fittingly described as "drinkers of the wind."

LEADERSHIP FOR RURAL ELECTRIC CO-OPS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PICKLE) is recognized for 15 minutes.

Mr. PICKLE. Mr. Speaker, I am deeply concerned that a funding practice which works like a revolving fund is financially draining our rural electric co-ops to a bare subsistence level.

If traced to its origin, the phrase "power to the people" could mean rural electric co-ops. These hardy groups of private citizens grabbed the challenge of lighting the 40-watt bulb in rural America—and their accomplishments deserve the highest admiration of the Congress and the country.

However, vital as these organizations are, especially in the face of a growing national power shortage, current practices are handing our rural electric co-ops the short end of the stick.

On several fronts changes are affecting the co-ops and now is the time for strong national leadership.

FUNDS

Considerable controversy is brewing about whether or not the REA cash flow to co-ops is adequate—or even meets what the Congress intended.

The first key issue in this controversy is not the amount of loans the REA is making, but the amount of cash they are advancing each year.

When the REA makes loans, all of the loan amount is—of course—not given out at one time. The co-op requisitions for cash as it needs to.

Inquiries and reports which have come to me, however, charge that the REA is honoring such requisitions only at a rate comparable to the amount which is returning to the treasury from previous loans—about $250 million per year—this figure compared to the $345 million in loans which were authorized by the Congress last year and the $800 million which remains in outstanding cooperative loans.

There are many semantic games one

can play with this situation—but the actual result is to operate the loan fund as though it were a revolving fund—with no or little new money going into the system.

Mr. Speaker, if these allegations are true, then I think it is easy for us to see that in light of the growing demands for power in this country our rural people are getting a short circuit.

Mr. Speaker, I suggest that with 225,000 new customers added to REA-financed systems in 1970 alone, our co-ops need more than a revolving fund to supply them with power.

I raised this question with the National REA Office and the Deputy Administrator replied that their "loan program was about the same as last year." If this in fact means that they have indeed loaned funds but still have not advanced the cash, then this is really begging the issue.

I make no charge that this is a deceit, but this does sound like we are not being given the full information.

I am certainly mindful that there is a shortage of funds and that this shortage prevails at the REA as well as at other offices. It does seem though that these people would advance the cash that the Congress has appropriated. If this is not done, I repeat that these co-ops are going to have very difficult days ahead.

The second key issue is the allegation that this so-called revolving fund practice is being combined with strictures on the loans themselves, and these strictures have dangerously reduced the level of reserve funds in the co-ops.

Let me first emphasize that these reserve funds are not an expendable matter. It is from these funds that a co-op is often able to restore service after a flood, hurricane, or other natural disaster. When equipment, such as poles and lines, wears out a co-op uses its reserves to replace the worn-out parts. Many of our co-ops over the country received loans 20 or 25 years ago, and these lines and poles must now be replaced. If their reserves have been whittled to a dangerous low it is obvious that they will have little or nothing to fall back on should a disaster strike.

I am informed that by a written notice the national REA has set 8 percent as the proper reserve level for a co-op to maintain. I would like to point out that this is in contrast to the level of 15 percent suggested by a study made by the REA a few years ago. My local people further allege that by verbal order no reserve is being allowed to climb over 6.5 percent even with a new loan, and that loans are not even being considered until the reserve funds of a co-op get down as low as—in some cases—2 percent or at the most 4 to 5 percent.

Additional costs are being added by cutting the loan program from 2 or more years to 1 year or less—and the building up of reserves is further hampered, my people report, by the practice of subtracting the co-op's expected income from the amount of a loan the REA will approve.

I am told that in 1960 the rural electric co-ops—nationwide—had $523 million in reserves—16.7 percent of their total net resources. In 1970, they still had $523 million in reserves—although their net investment had more than doubled.

Mr. Speaker, I fear that in a future hurricane or earthquake—or in just trying to do a good job of normal upkeep—some of these co-ops with their reserves so low literally may be wiped out. I think we need a full airing of these allegations.

If these allegations are true, then I say that our rural electric co-ops deserve better treatment. These are grassroots, efficient, proud and sturdy organizations we are talking about. They pay their own way—or at least they always have. When the REA bank bill failed 3 years ago—although many objections to the bill were well taken—the determined spirit of the co-ops showed through. They did not waver or cower back. Instead they went to work and created the National Rural Utilities Cooperative Finance Corporation—or the CFC as it is commonly called.

The CFC will make $45 million in new money available to the co-ops across the country. Although this sum is small and limited in scope, it is a clear signal that the co-ops intend to keep on paying their own way.

It is a clear signal, too, that national commitment is in order. The Congress should appropriate more money for the rural people of America. And the national REA should make every effort to extend to its people the full benefits of the funds made available by Congress.

There is a State responsibility here, too. These problems I have been talking about were relayed on to me by the State cooperative association as well as by members of specific cooperatives. I share their concerns—but the concern of the State association is more than concern—it is a direct responsibility, a direct responsibility which they must meet. I would hope that these State associations and I believe they will—would meet this duty in doing their part to solve these and other problems facing our co-ops.

RATES

National and local leadership are both needed in another area—the area of rates.

While we all realize that times do arise when rate hikes are needed, I think we would all agree that such increases should occur as infrequently as possible.

The national REA has admitted that it has followed a policy of "acquiescence" regarding rate hikes—if they knew of no emergency reason to question the hike, they did not look closely into the matter. Rate approvals here have been an almost automatic process.

The REA has admitted it does not normally ask for full audits or for proof of allegations of claims, nor does it question in great detail. In addition, the national offices do have fieldmen who, of course, pass on general information, but who also help a co-op prepare the information for a rate increase. It seems to me that the REA offices here ought to be requiring instead full and positive proof that raises in rates are absolutely necessary.

Recent controversies over some rate increases, however, have brought a review of the situation. I hope the REA will take the steps it has indicated it is considering—that is, to review more carefully proposals for rate increases. I am advised that there is a possibility the national offices will require a 90-day advance notice from any co-op of any pending rate increase—with full supporting facts attached.

The local co-op needs to shoulder some of the burden here as well. Each local co-op should always give clear notice of proposed rate increases well in advance of the time the increase would go into effect.

I do not think that it is enough to submit a general statement in a general statewide publication in which a co-op talks about many problems—one of which is the possibility of a rate increase. I would think that a co-op should put a notice in a newspaper or publicize it through other media, and should include in the regular billing an individual notice to every member—and thereafter allow a time certain and a place specific for the members to be able to discuss the proposed rates.

The co-op should listen to the opinions of its members regarding the proposed increase; and it should resist the temptation to raise its own rates every time the private utilities raise theirs.

It must be remembered that the co-op business is a public business. It belongs to every single member of a co-op—it does not belong to a select group or board of directors—it must not be a "closed corporation."

In every way possible the business of a co-op should be made known to its members.

In line with rate problems, Mr. Speaker, I would like to point out that the reduced time REA has placed on loans it makes increases the necessity of and the chances for more rapid rate hikes. If a co-op were under a 2- or 5-year contract, it would have a greater tendency to keep its rates constant for that period. When it has to remake all its contracts every 6 months to a year, however, it gets caught in the tide of rising inflation and rising costs, and is more inclined to raise rates to meet these new costs.

REGULATION

There is currently some talk in the wind about putting the REA under a national regulatory agency—and about putting our co-ops under a State regulatory agency.

I am strongly opposed to the proposition that rural electric co-ops should come under the jurisdiction of the Federal Power Commission. These bodies were specifically exempted from such jurisdiction when the law was passed creating the FPC. It was never intended that we have Federal power, or jurisdiction over these local, rural, intrastate electric cooperatives.

There is in my own State, however, a growing advocacy for some kind of State regulatory body or commission which might have some sort of jurisdiction over co-ops.

In many States these kinds of commissions are already established—although some of them deal strictly with

the matter of jurisdictional allocation of lines rather than with rates.

Whatever approach is taken, we certainly should recognize that all of this is in the public interest—and someone probably does have a right to look over the practices of individual co-ops to preserve that interest.

But I do not know if that is the answer. I would really like to see the national REA and our many co-ops continue to work together under their own steam to bring ever better services to the rural people of this country.

The service which the REA has performed for this country deserves our highest praise. It has helped bring a commodity—electricity—to millions of people who otherwise would still be in the age of the oil lamp and the hand wringer washer. And the REA and the people it has served have pulled their own weight all these years.

Mr. Speaker, I truly think the REA is one of the finest organizations in our Government. And I think the rural electric co-ops are one of the finest examples of democracy in action. I want them both to be able to keep that reputation. I want them both to be able to remain leaders in service to our rural people. I challenge them to meet the new responsibilities which lie before them. And I challenge this administration to let them have the tools—the money—to do so.

THE BANKING REFORM ACT OF 1971—INTRODUCTION TODAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 15 minutes.

Mr. PATMAN. Mr. Speaker, today I am introducing, along with eight of my colleagues on the Banking and Currency Committee, comprehensive legislation concerning certain basic reforms that are vitally needed in the field of banking and finance. The proposals made in the Banking Reform Act of 1971 are based on several years of thorough study and investigation by the House Banking and Currency Committee. This careful examination has uncovered many serious abuses and potentially dangerous practices that require correction.

The proposals contained in the Banking Reform Act are also based in part on studies and recommendations made over the years by various agencies of the Federal Government, and by special committees and commissions that have been set up to study reform of laws relating to banking and finance.

Among those who have recommended legislation in some areas covered by this bill are the Federal Reserve Board, the Federal Trade Commission, the Advisory Committee on Banking to the Comptroller of the Currency, the Federal Home Loan Bank Board's study of the savings and loan industry and a number of distinguished individuals who have studied these problems.

This legislation seeks to achieve two basic goals: First, the enhancement of competition among financial institutions and the reduction of concentrations of economic power within the financial community; and, second, the elimination of certain serious conflict of interest situations which have been allowed to continue because of existing practices of various financial institutions.

This legislation will give added protection to the public. It will also provide for better financial services to the public by creating a more competitive environment. This legislation will go a long way toward enhancing the protection of depositors, stockholders, borrowers and the public in general from many extremely serious abuses that now exist in the financial world.

The bill covers five basic areas:

First, certain interlocking relationships among financial institutions, and between them and other corporations;

Second, certain restrictions and disclosures in connection with loans made by financial institutions;

Third, the problem of brokered deposits, which has caused a number of bank failures in recent years;

Fourth, the practice of offering gifts to potential depositors by financial institutions in order to attract deposits; and

Fifth, expanding insurance coverage on the deposits of public funds in insured banks and savings and loan associations to 100 percent.

Let me briefly discuss the content of the provisions under each one of these headings.

INTERLOCKING RELATIONSHIPS

Certain interlocking relationships among financial institutions have been criticized for years. This is particularly true of the provisions of section 8 of the Clayton Antitrust Act restricting interlocking relationships as they relate to officers and directors of commercial banks. The law on this subject, it is generally recognized, is completely out of date and inadequate for a modern competitive economic system. The provisions on the books now were written in the early part of this century and have not been revised for many years. Without going into great detail, these provisions are limited to only certain classes of commercial banks and prohibit these relationships in only a very small geographic area. The Federal Reserve Board and many others have agreed that substantial legislative reform is necessary in this area to make the law effective.

In order to meet this weakness, this bill would prohibit any officer, director, employee, or trustee of any insured commercial bank, savings and loan association, mutual savings bank, insurance company, brokerage firm, credit union, bank holding company, or savings and loan company from holding a similar position with any other of these eight types of financial institutions.

A number of interlocking relationships between financial institutions and other corporations have also been uncovered and have been shown to have created serious problems. These relationships include those of managing pension and other employee benefit plans, the voting of securities held in trust for the benefit of others, the granting of credit, the performing of legal services and the control of certain types of businesses by various financial institutions. Therefore, this legislation would prohibit officers, directors, employees, or trustees of certain types of financial institutions from serving in a similar capacity with other business entities where a close relationship of the kind indicated above existed between the financial institution and the other entity. Such business and fiduciary relationships carried on between financial institutions and others should be performed on an arm's-length basis and all potential conflicts of interest should be eliminated.

In addition, certain practices have been uncovered, particularly in connection with the Banking Committee's investigation of the Penn Central failure, that should be prohibited. Thus, this bill makes it unlawful for a financial institution to offer or agree to give a personal benefit to an officer, director or employee of a company, or for an officer, director, or employee of a company to accept from a financial institution without his employer's consent, any personal benefit in order to influence his conduct in handling the firm's affairs in transacting business with the financial institution.

In a study conducted by the Banking and Currency Committee in 1968, a number of instances were found where mutual savings banks were potentially restricting competition because of their ownership of substantial blocks of stock of commercial banks with which they competed. Thus, this legislation would prohibit mutual savings banks from owning stock in other financial institutions, such as a commercial bank, an insurance company, a savings and loan association, a bank holding company, a savings and loan holding company, or a brokerage firm.

Studies have also shown that trust departments of some commercial banks were accumulating large blocks of stock in major corporations to the point of having the potential for exercising tremendous influence over these corporations. In some cases, the other corporations were competing financial institutions, including other commercial banks. In other cases, large blocks of stock were held by a single trust department in several major, in some cases competing, nonfinancial corporations.

This legislation would, therefore, prohibit commercial banks from holding in the aggregate in their trust departments more than 10 percent of any class of stock of any corporation whose stock must be registered under the Securities Act of 1933. This is similar to a restriction placed on mutual funds under the securities laws. This restriction would eliminate the potential for a bank, through trust investments, interlocking directorships, loans, and other relationships to gain undue influence or control over nonbanking businesses.

We have also uncovered the highly questionable situation where a bank trust department controls a large percentage of the stock of its own bank. The percentage of the total outstanding stock has ranged upward to as much as 45 percent in some cases, obviously enough to control the bank. This is a clear case of

conflict of interest at its worst, insuring the ability of management to perpetuate itself indefinitely. Such practices should be prohibited by law.

In addition, it is impossible under present circumstances to determine the concentration of stockholdings held in the trust departments of banks. Unlike other financial institutions which manage other people's investments, such as mutual funds and insurance companies, which must under Federal and State laws disclose their aggregate stockholdings in other corporations at least annually, bank trust departments' investments are totally secret. This gives banks a great advantage over their competitors and hides from the public potentially dangerous situations involving concentrations of economic power. In 1968, the staff of the House Banking and Currency Committee for the first time carried out a study which revealed the aggregate stockholdings of each of 49 large commercial bank trust departments. The results were startling and have been considered a tremendous breakthrough in understanding the concentration of financial power in our economic system. It was found that commercial bank trust departments had control of very large percentages of the total outstanding stock in some of the largest corporations in the United States.

While it is extremely important that this kind of data be available on a continuing basis, it cannot be provided, as a practical matter, only through congressional committee investigations with the use of subpena powers and the expenditure of large amounts of staff time. Such information should be gathered as a routine matter on an annual basis by agencies responsible for bank regulation and made available to the public. In order to provide this, this legislation would require disclosure by commercial bank trust departments on an annual basis of a list of the aggregate holdings of all securities held by it, the voting rights of the bank with respect to these securities, and the voting of proxies where exercised by the bank during the previous year. It would completely protect the confidentiality of the trust relationship by not requiring the disclosure of the investments of individual trusts, only the aggregate of all trusts.

RESTRICTIONS AND DISCLOSURES WITH RESPECT TO LOANS

Over the last 2 years there has been something of an outcry among corporate borrowers concerning what is known as equity kickers. An equity kicker is a provision in a loan agreement which requires the borrower to provide equity participation for the lender as a condition for obtaining a loan.

The Congress has spent 2 years attempting, through the amendments to the Bank Holding Company Act, to separate the business of banking from nonbanking activities. If the equity kicker practice is not prohibited, this could enable lenders to control nonbanking companies through the back door. A lender should be in the business of lending money, and not become involved in the control and management of other corporations. This legislation would prohibit the use of equity kickers by commercial banks, savings and loan associations, mutual savings banks, bank holding companies.

It has also been revealed that insiders have, through various devices, secured favorable loans from the financial institutions with which they are connected. Therefore, it is felt necessary to require these institutions to publicly disclose the nature and amount of extensions of credit to directors, officers, employees, or members of their immediate families and to require the disclosure to the lender of the identity of persons receiving the benefit from any loan where the loan is made to an agent, trustee, or nominee. In addition, this legislation would prohibit banks, savings and loan associations, and mutual savings banks from extending credit to any corporation where 5 percent or more of any class of stock of a corporation is owned in the aggregate by the directors, trustees, officers or employees, or members of their immediate families of such financial institutions.

BROKERED DEPOSITS

Without going into great detail, the use of brokered deposits has caused an increasing number of bank failures in recent years. It seems to me that what little social value there may be in connection with the operation of money brokers, such considerations are far outweighed by the dangers created by this practice. This is especially true when the practice causes the loss of large sums of money by the innocent individuals who have placed savings with credit unions, savings and loan associations, union pension funds, and the like. Therefore, this legislation prohibits anyone from receiving anything of value from a lending institution for obtaining funds for deposits in that lending institution and prohibits the lending institution from paying a broker or anyone else for obtaining deposits.

GIFTS TO ATTRACT DEPOSITS

Another abuse that has been growing in recent years is the so-called premium war among financial institutions in order to attract deposits. This has become extremely costly and wasteful for these institutions, and perhaps has even affected, to some extent, the solvency of some institutions. The practice serves no useful purpose. Therefore, this legislation would prohibit the offering of such gifts to attract deposits.

UP TO 100 PERCENT DEPOSIT INSURANCE FOR PUBLIC UNITS

When Federal, State, or local government agencies lose money in a bank failure, it is the taxpayer who suffers. As bank failures have increased, a number of Government entities have lost substantial sums of money. Therefore, it seems appropriate to insure such deposits up to 100 percent, rather than having to resort to increasing taxes to make up for such losses. In order to assure that such deposits do not become a disproportionate part of the total deposits in any individual insured banking institutions, however, this legislation would permit the Federal Deposit Insurance Corporation and the Federal Savings and Loan Insurance Corporation to limit the amount of such public funds that can be accepted by insured institutions.

CONCLUSION

While this is a comprehensive package providing much needed banking reform, which has been put together after careful study and long consideration, there are many other reforms that could and probably should be proposed. During the hearings on this legislation, the Banking and Currency Committee will welcome suggestions for other reforms needed in the banking field for consideration in the final version of this legislation. However, whatever does appear in the final version, it is clear that legislation in this field is absolutely necessary and long overdue.

Under unanimous consent I include a copy of the Banking Reform Act of 1971 in the RECORD at this point.

H.R. 5700

A bill to prohibit certain conflicts of interest and encourage competition in the banking industry and related fields, to provide for restrictions and disclosures with respect to certain loans, to prohibit brokered deposits in banks and other financial institutions, to prohibit the use of giveaways in the solicitation of deposits, to permit full deposit insurance for government depositors, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Banking Reform Act of 1971".

INTERLOCKING RELATIONSHIPS AND RELATED MATTERS

SEC. 2. The Federal Deposit Insurance Act is amended by adding at the end thereof the following new sections:

"SEC. 23. (a) Except as provided in subsection (b) of this section, a person who is a director, trustee, officer, or employee of an insured bank may not at the same time be a director, trustee, officer, or employee of

"(1) any other insured bank;

"(2) any insured institution as defined in section 401 of the National Housing Act;

"(3) any Federal credit union;

"(4) any insurance company;

"(5) any company which is a bank holding company as defined in the Bank Holding Company Act of 1956, a savings and loan holding company as defined in section 408 of the National Housing Act, or a subsidiary of a bank holding company or a savings and loan holding company;

"(6) any broker or dealer registered under the Securities Exchange Act of 1934, or be a proprietor or general partner of any such broker or dealer; or

"(7) in the case of a company with which such insured bank has a substantial and continuing business relationship, any (A) title company, (B) company engaged in the business of appraising property, or (C) company which provides service in connection with the closing of real estate transactions.

"(b) An individual may hold any number of positions as director, trustee, officer, or employee of any number of companies within any given group of companies if one of the companies is a bank holding company as defined in the Bank Holding Company Act of 1956 and all the rest of them are subsidiaries of that holding company.

"SEC. 24. No—

"(1) insured bank;

"(2) officer or director of an insured bank; or

"(3) member of the immediate family of an officer or director of an insured bank

shall directly or indirectly control any (A) title company, (B) company engaged in the business of appraising property, or (C) company which provides service in connection with the closing of real estate transactions.

"SEC. 25. A person who is a trustee, director, officer, or employee of an insured bank may not at the same time perform legal services, in connection with a loan or other business transaction with such insured bank, for or on behalf of any person."

SEC. 3. Title IV of the National Housing Act is amended by adding at the end thereof the following new sections:

"SEC. 411. (a) Except as provided in subsection (b) of this section, a person who is a director, trustee, officer, or employee of an insured institution may not at the same time be a director, trustee, officer, or employee of

"(1) any other insured institution;

"(2) any insured bank as defined in section 3 of the Federal Deposit Insurance Act;

"(3) any Federal credit union;

"(4) any insurance company;

"(5) any company which is a bank holding company as defined in the Bank Holding Company Act of 1956, a savings and loan holding company as defined in section 408 of the National Housing Act, or a subsidiary of a bank holding company or a savings and loan holding company;

"(6) any broker or dealer registered under the Securities Exchange Act of 1934, or be a principal or a general partner of any such broker or dealer; or

"(7) in the case of a company with which such insured institution has a substantial and continuing business relationship, any (A) title company, (B) company engaged in the business of appraising property, or (C) company which provides service in connection with the closing of real estate transactions.

"(b) An individual may hold any number of positions as director, trustee, officer, or employee of any number of companies within any given group of companies if one of the companies is a savings and loan holding company as defined in section 408 of the National Housing Act and all the rest of them are subsidiaries of that holding company.

"SEC. 412. No—

"(1) insured institutions;

"(2) officer or director of an insured institution; or

"(3) member of the immediate family of an officer or director of an insured institution

shall directly or indirectly control any (A) title company, (B) company engaged in the business of appraising property, or (C) company which provides service in connection with the closing of real estate transactions.

"SEC. 413. A person who is a trustee, director, officer, or employee of an insured institution may not at the same time perform legal services, in connection with a loan or other business transaction with such insured institution, for or on behalf of any person."

SEC. 4. (a) Except as provided in subsection (b) of this section, a person who is a trustee, director, officer, or employee of a mutual savings bank other than an insured bank may not at the same time be a director, trustee, officer, or employee of

(1) any other mutual savings bank which is not an insured bank;

(2) any insured bank as defined in section 3 of the Federal Deposit Insurance Act;

(3) any insured institution as defined in section 401 of the national Housing Act;

(4) any Federal credit union;

(5) any insurance company;

(6) any company which is a bank holding company as defined in the Bank Holding Company Act of 1956, a savings and loan holding company as defined in section 408 of the National Housing Act, or a subsidiary of a bank holding company or a savings and loan holding company;

(7) any broker or dealer registered under the Securities Exchange Act of 1934, or be a principal or a general partner of any such broker or dealer; or

(8) in the case of a company with which such mutual savings bank has a substantial and continuing business relationship, any (A) title company, (B) company engaged in the business of appraising property, or (C) company which provides service in connection with the closing of real estate transactions.

(b) An individual may hold any number of positions as director, trustee, officer, or employee of any number of companies within any given group of companies if one of the companies is either a bank holding company as defined in the Bank Holding Company Act of 1956 or a savings and loan holding company as defined in section 408 of the National Housing Act and all the rest of them are subsidiaries of that holding company.

SEC. 5. No—

(1) mutual savings bank other than an insured bank;

(2) officer or director of a mutual savings bank other than an insured bank; or

(3) member of the immediate family of an officer or director of a mutual savings bank other than an insured bank

shall directly or indirectly control any (A) title company, (B) company engaged in the business of appraising property, or (C) company which provides service in connection with the closing of real estate transactions.

SEC. 6. A person who is a trustee, director, officer, or employee of a mutual savings bank may not at the same time perform legal services, in connection with a loan or other business transaction with such mutual savings bank, for or on behalf of any person.

SEC. 7. A person who is a director, trustee, officer, or employee of a financial institution may not at the same time serve on the board of directors of any corporation with respect to which such financial institution manages an employee welfare or pension benefit plan. For the purposes of the preceding sentence, the term "financial institution" refers to

(1) any mutual savings bank which is not an insured bank;

(2) any insured bank as defined in section 3 of the Federal Deposit Insurance Act;

(3) any insured institution as defined in section 401 of the National Housing Act;

(4) any company which is a bank holding company as defined in the Bank Holding Company Act of 1956, a savings and loan holding company as defined in section 408 of the National Housing Act, or a subsidiary of a bank holding company or a savings and loan holding company;

(5) any Federal credit union;

(6) any insurance company; or

(7) any broker or dealer registered under the Securities Exchange Act of 1934.

SEC. 8. (a) Except as provided in subsection (b), a director, trustee, officer, or employee of a financial institution may not at the same time serve as an officer or director of any other corporation with respect to which such financial institution holds in the aggregate, with power to vote, more than 5 percent of any class of stock of such corporation. For the purposes of the preceding sentence, the term "financial institution" refers to

(1) any mutual savings bank which is not an insured bank;

(2) any insured bank as defined in section 3 of the Federal Deposit Insurance Act;

(3) any insured institution as defined in section 401 of the National Housing Act;

(4) any company which is a bank holding company as defined in the Bank Holding Company Act of 1956, a savings and loan holding company as defined in section 408 of the National Housing Act, or a subsidiary of a bank holding company or a savings and loan holding company;

(5) any Federal credit union;

(6) any insurance company; or

(7) any broker or dealer registered under the Securities Exchange Act of 1934.

(b) An individual may hold any number of positions as director, trustee, officer, or employee of any number of companies within any given group of companies if one of the companies is either a bank holding company as defined in the Bank Holding Company Act of 1956 or a savings and loan holding company as defined in section 408 of the National Housing Act and all the rest of them are subsidiaries of that holding company.

SEC. 9. (a) Except as provided in subsection (b), a person who is a director, trustee, officer, or employee of any insured bank as defined by section 3 of the Federal Deposit Insurance Act, any insured institution as defined in section 401 of the National Housing Act, or any mutual savings bank not an insured bank may not at the same time serve on the board of directors of any corporation with which such insured bank, insured institution, or mutual savings bank has a substantial and continuing relationship with respect to the making of loans, discounts, or extensions of credit. For the purposes of the preceding sentence, that which constitutes a "substantial and continuing relationship" shall be determined (1) by the Federal Reserve Board in the case of an insured bank and a mutual savings bank not an insured bank and (2) by the Federal Home Loan Bank Board in the case of an insured institution.

(b) An individual may hold any number of positions as director, trustee, officer, or employee of any number of companies within any given group of companies if one of the companies is either a bank holding company as defined in the Bank Holding Company Act of 1956 or a savings and loan holding company as defined in section 408 of the National Housing Act and all the rest of them are subsidiaries of that holding company.

SEC. 10. No mutual savings bank shall own stock in—

(1) any insured bank as defined in section 3 of the Federal Deposit Insurance Act;

(2) any insured institution as defined in section 401 of the National Housing Act;

(3) any insurance company;

(4) any company which is a bank holding company as defined in the Bank Holding Company Act of 1956, a savings and loan holding company as defined in section 408 of the National Housing Act, or a subsidiary of a bank holding company or a savings and loan holding company;

(5) any broker or dealer registered under the Securities Exchange Act of 1934.

SEC. 11. (a) Chapter 11 of title 18 of the United States Code is amended by adding at the end thereof the following new section:

"§ 225. Influencing certain banking and related matters.

"(a) Whoever, without the consent of his (1) corporation in the case of an officer or director, (2) principal in the case of an agent, or (3) employer in the case of an employee, solicits, accepts, or agrees to accept any substantial benefit from a financial institution under an agreement or understanding that such benefit will influence his conduct with respect to the affairs between such financial institution and such corporation, principal, or employer, as the case may be, shall be fined not more than $10,000 or imprisoned not more than one year, or both.

"(b) A financial institution which, without the consent of (1) a corporation in the case of an officer or director, (2) a principal in

the case of an agent, or (3) an employer in the case of an employee, confers, or offers or agrees to confer, any substantial benefit upon such officer, director, agent, or employee, with the intent to influence his conduct with respect to the affairs between such financial institution and such corporation, principal, or employer, as the case may be, shall be fined not more than $25,000.

"(c) For the purposes of this section, the term 'financial institution' refers to

"(1) any mutual savings bank which is not an insured bank;

"(2) any insured bank as defined in section 3 of the Federal Deposit Insurance Act;

"(3) any insured institution as defined in section 401 of the National Housing Act;

"(4) any company which is a bank holding company as defined in the Bank Holding Company Act of 1956, a savings and loan holding company as defined in section 408 of the National Housing Act, or a subsidiary of a bank holding company or a savings and loan holding company;

"(5) any Federal credit union;

"(6) any insurance company; or

"(7) any broker or dealer registered under the Securities Exchange Act of 1934."

(b) The chapter analysis of such chapter is amended by inserting immediately below the item relating to section 224 the following new item:

"225. Influencing certain banking and related matters."

Sec. 12. Section 7 of the Federal Deposit Insurance Act is amended by adding at the end thereof the following new subsection:

"(k) With respect to the aggregate of all securities (other than Government securities) it holds in a fiduciary capacity, each insured bank shall submit annually to the Corporation—

"(1) a list indicating the name, class, value, and number held of each security;

"(2) a report indicating the extent to which it has authority to exercise voting rights with respect to each security; and

"(3) a report indicating the manner in which it has exercised proxies, if at all, with respect to voting rights in connection with each security.

For the purpose of the preceding sentence, the term 'fiduciary capacity' refers to the position of trustee, executor, administrator, guardian, or any other position occupied by a bank in which it manages money or property for the benefit of others. The Corporation shall make available for public inspection the contents of all lists and reports filed under this subsection."

Sec. 13. The Federal Deposit Insurance Act, as amended by section 2 of this Act, is further amended by adding at the end thereof the following new section:

"Sec. 26. With respect to the aggregate of all securities it holds in a fiduciary capacity, no insured bank shall hold

"(1) in connection with any one corporation, more than 10 percent of any class of stock for which a registration statement has been filed under the Securities Act of 1933; or

"(2) bank stock which it has itself issued or stock which has been issued by its parent company. For the purposes of the preceding sentence, the term 'fiduciary capacity' refers to the position of trustee, executor, administrator, guardian, or any other position occupied by a bank in which it manages money or property for the benefit of others."

RESTRICTIONS AND DISCLOSURES WITH RESPECT TO LOANS

Sec. 14. (a) For the purposes of this section—

(1) The term "lender" means any—

(A) insured bank as defined in section 3 of the Federal Deposit Insurance Act;

(B) insured institution as defined in section 401 of the National Housing Act;

(C) company which is a bank holding company as defined in the Bank Holding Company Act of 1956, a savings and loan holding company as defined in section 408 of the National Housing Act, or a subsidiary of a bank holding company or a savings and loan holding company;

(D) mutual savings bank which is not an insured bank; or

(E) any insurance company.

(2) The term "equity participation" refers to—

(A) an ownership interest in any property or enterprise; or

(B) any right to any payment or credit which is proportionate to or contingent upon the net or gross income from any property or enterprise, including but not limited to—

(i) a share in the profits, income, or earnings from a business enterprise of the borrower;

(ii) warrants entitling the lender to purchase stock of the borrower at certain prices; or

(iii) shadow warrants entitling the lender to compensation based upon changes in the market price of the borrower's stock over a specified period.

(b) No lender may accept any equity participation in consideration of the making of any loan.

(c) Any lender which acquires an equity participation from a borrower in violation of this chapter shall, upon demand, assign all its right, title, and interest therein to the borrower and in addition be liable to the borrower in an amount equal to twice the fair market value of the equity participation at the time of its creation or at the time of demand, whichever is higher, and shall in addition be liable to the borrower for his reasonable attorney's fees and costs of suit as determined by the court in any action to enforce the liability created by this section. Any such action may be brought in any district court of the United States regardless of the amount in controversy, or in any other court of competent jurisdiction, within six years after the date on which the liability arises.

(d) Whoever willfully violates the provisions of subsection (b) of this section, or willfully and knowingly participates in any such violation, shall be fined not more than $10,000 or imprisoned not more than one year, or both.

Sec. 15. The Federal Deposit Insurance Act, as amended by section 2 and section 13 of this Act, is further amended by adding at the end thereof the following new sections:

"Sec. 27. (a) Each insured bank shall report to the Corporation on the nature and amount of all loans, discounts, or other extensions of credit which it makes to any of its directors, trustees, officers, or employees or to any member of the immediate family of any such director, trustee, officer, or employee.

"(b) The Corporation shall make available to the public the information contained in the reports submitted under subsection (a) of this section.

"(c) No insured bank shall make any loan, discount, or other extension of credit to any agent, trustee, nominee, or other person acting in a fiduciary capacity without the prior condition that the identity of the person receiving the beneficial interest of such loan, discount, or extension of credit shall at all times be revealed to the bank.

Sec. 28. No insured bank shall make any loan, discount, or other extension of credit to any corporation with respect to which five percent of the total outstanding shares of any class of stock is owned in the aggregate by the directors, trustees, officers, or employees, or the members of their immediate families, of such insured bank."

Sec. 16. Title IV of the National Housing Act, as amended by section 3 of this Act, is further amended by inserting at the end thereof the following new sections:

"Sec. 414. (a) Each insured institution shall report to the Federal Home Loan Bank Board on the nature and amount of all loans, discounts, or other extensions of credit which it makes to any of its directors, trustees, officers, or employees or to any member of the immediate family of any such director, trustee, officer, or employee.

"(b) The Federal Home Loan Bank Board shall make available to the public the information contained in the reports submitted under subsection (a) of this section.

"(c) No insured institution shall make any loan, discount, or other extension of credit to any agent, trustee, nominee, or other person acting in a fiduciary capacity without the prior condition that the identity of the person receiving the beneficial interest of such loan, discount, or extension of credit shall at all times be revealed to the institution.

"Sec. 415. No insured institution shall make any loan, discount, or other extension of credit to any corporation with respect to which five percent of the total outstanding shares of any class of stock is owned in the aggregate by the directors, trustees, officers, or employees, or the members of their immediate families, of such insured institution."

Sec. 17. (a) Each mutual savings bank other than an insured bank shall report to the Federal Deposit Insurance Corporation the nature and amount of all loans, discounts, or other extensions of credit which it makes to any of its directors, trustees, officers, or employees or to any member of the immediate family of any such director, trustee, officer, or employee.

(b) The Federal Deposit Insurance Corporation shall make available to the public the information contained in the reports submitted under subsection (a) of this section.

(c) No mutual savings bank shall make any loan, discount or other extension of credit to any agent, trustee, nominee or other person acting in a fiduciary capacity without the prior condition that the identity of the person receiving the beneficial interest of such loan, discount, or extension of credit shall at all times be revealed to the institution.

Sec. 18. No mutual savings bank shall make any loan, discount, or other extension of credit to any corporation with respect to which five percent of the total outstanding shares of any class of stock is owned in the aggregate by the directors, trustees, officers, or employees, or the members of their immediate families, of such insured institution.

BROKERED DEPOSITS PROHIBITED

Sec. 19. Subsection (g) of section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828(g)) is amended by striking out the next to the last sentence thereof, relating to penalties for violations of such subsection, by inserting "(1)" at the beginning thereof, and by adding thereto the following paragraphs:

"(2) No insured bank or officer, director, agent, or substantial stockholder thereof may pay or agree to pay a broker, finder, or other person compensation for obtaining a deposit for such bank. For the purposes of this paragraph, any payment made by any other person to induce the placing of a deposit in a bank shall be deemed to be a payment of compensation by the bank if the bank had or reasonably should have had knowledge of such payment when it accepted the deposit.

"(3) Any violation by an insured bank of the provisions of this subsection or of regulations issued hereunder shall subject the bank to a penalty of not more than 10 per centum of the amount of the deposit to

which the violation relates. The Corporation may recover the penalty, by suit or otherwise, for its own use, together with the costs and expenses of the recovery.

"(4) For the purposes of this subsection, the term 'payment of interest' includes an agreement to pay interest and includes payments to the depositor or any other person directly or indirectly made by any officer, director, agent, or substantial stockholder of the bank in which the deposit is made if the bank had or reasonably should have had knowledge of the agreement or payment when it accepted the deposit. The Board of Directors shall by regulation prescribe definitions of the terms 'payment or compensation' and 'substantial stockholder' and shall prescribe such further definitions of 'payment of interest' as it may deem appropriate for the purposes of this subsection. The Board of Directors shall prescribe such rules and regulations as it may deem necessary to effectuate the purposes of this subsection and prevent evasions thereof."

SEC. 20. Section 5B of the Federal Home Loan Bank Act (12 U.S.C. 1425b) is amended (1) by inserting "(a)" after "Sec. 5B." and (2) by adding at the end thereof the following:

"(b) No member which is an insured institution as defined in section 401(a) of the National Housing Act and no officer, director, agent, or substantial stockholder thereof shall pay or agree to pay a broker, finder, or other person compensation for obtaining funds to be deposited or invested in such member (hereinafter in this section referred to as deposits). For the purposes of this paragraph, any payment made by any other person to induce the placing of a deposit in such a member shall be deemed to be a payment of such compensation by the member if the member had or reasonably should have had knowledge of such a payment when it accepted the deposit.

"(c) Any violation by a member of the provisions of this subsection or of regulations issued hereunder shall subject the member to a penalty of not more than 10 percent of the amount of the deposit to which the violation relates. The Board may recover the penalty, by suit or otherwise, for the use of the Federal Savings and Loan Insurance Corporation, together with the costs and expenses of the recovery.

"(d) For the purposes of this section, the term 'payment of interest or dividends' includes an agreement to pay interest or dividends and includes payments to the depositor or investor or any other person directly or indirectly made by any officer, director, agent, or substantial stockholder of the member in which the deposit is made if the member had or reasonably should have had knowledge of the agreement or payment when it accepted the deposit. The Board shall by regulation prescribe definitions of the terms 'payment of compensation' and 'substantial stockholder' and shall prescribe such further definitions of 'payment of interest or dividends' as it may deem appropriate for the purposes of this section. The Board shall prescribe such rules and regulations as it may deem necessary to effectuate the purposes of this section and prevent evasions thereof."

SEC. 21. (a) Chapter 11 of title 18 of the United States Code as amended by section 11 of this Act is further amended by adding at the end thereof the following new section:

"§ 226. Obtaining funds for deposit or investment in certain banks.

"Whoever, directly or indirectly, knowingly asks, demands, exacts, solicits, seeks, accepts, receives, or agrees to receive from any insured bank as defined in section 3 of the Federal Deposit Insurance Act or any insured institution as defined in section 401 of the National Housing Act anything of value for himself or for any other person or entity in return for obtaining or assisting in obtaining funds of another for deposit or investment in such insured bank or insured institution shall be fined not more than $10,000 or imprisoned not more than one year, or both."

(b) The chapter analysis of such chapter is amended by inserting immediately below the item relating to section 225 the following new item:

"226. Obtaining funds for deposit or investment in certain banks."

CERTAIN GIVEAWAYS PROHIBITED

SEC. 22. Section 18(g) of the Federal Deposit Insurance Act (12 U.S.C. 1828(g)) is amended by adding at the end thereof the following: "Except for the payment of interest on deposits subject to limitation under this section, no insured bank may offer or deliver any merchandise or any certificate, stamp, ticket, or other obligation or memorandum which is or may be redeemable in merchandise, money, or credit as an inducement to any person to make or add to any deposit."

SEC. 23. Section 5B(a) of the Federal Home Loan Bank Act (12 U.S.C. 1425b) is amended by adding at the end thereof the following: "Except in the case of interest or dividends subject to limitation under this section, no member may offer or deliver any merchandise or any certificate, stamp, ticket, or other obligation or memorandum which is or may be redeemable in merchandise, money, or credit as an inducement to any person to make, open, or add to any deposit or account."

SEC. 24. Except for the payment of ordinary interest or dividends, no mutual savings bank not an insured institution may offer or deliver any merchandise or any certificate, stamp, ticket, or other obligation or memorandum which is or may be redeemable in merchandise, money, or credit as an inducement to any person to make or add to any deposit.

FULL DEPOSIT INSURANCE FOR PUBLIC UNITS

SEC. 25. The Federal Deposit Insurance Act is amended—

(1) in subsection (m) of section 3 (12 U.S.C. 1813(m)), by inserting immediately after "depositor" in the first sentence the following: "(other than a depositor referred to in the third sentence of this subsection)";

(2) in subsection (i) of section 7 (12 U.S.C. 1817(i)), by striking out "Trust" and inserting in lieu thereof the following: "Except with respect to trust funds which are owned by a depositor referred to in paragraph (2) of section 11(a) of this Act, trust"; and

(3) in subsection (a) of section 11 (12 U.S.C. 1821(a)), by inserting "(1)" immediately after "(a)", by striking out "The" in the last sentence and inserting in lieu thereof the following: "Except as provided in paragraph (2), the", and by inserting at the end of such subsection the following:

"(2)(A) Notwithstanding any limitation in this Act or in any other provision of law relating to the amount of deposit insurance available for the account of any one depositor, in the case of a depositor who is an officer, employee, or agent of the United States, of any State of the United States, of the District of Columbia, of any Territory of the United States, of Puerto Rico, of the Virgin Islands, of any county, of any municipality, or of any subdivision thereof having official custody of public funds and lawfully investing the same in an insured bank, his deposit shall be insured for the full aggregate amount of such deposit.

"(B) The Corporation may limit the aggregate amount of funds that may be deposited in insured banks by any depositor referred to in subparagraph (A) of this paragraph."

SEC. 26. Title IV of the National Housing Act is amended—

(1) in section 401(b) (12 U.S.C. 1724(b)), by striking out "Funds" in the third sentence and inserting in lieu thereof the following: "Except in the case of an insured member referred to in the preceding sentence, funds";

(2) in section 405(a) (12 U.S.C. 1728(a)), by inserting after "except that no member or investor" the following: "(other than a member or investor referred to in subsection (d))"; and

(3) by adding at the end of section 405 (12 U.S.C. 1728), the following new subsection.

"(d)(1) Notwithstanding any limitation in this subchapter or in any other provision of law relating to the amount of deposit insurance available for any one account, in the case of an insured member who is an officer, employee, or agent of the United States, of any State of the United States, of the District of Columbia, of any Territory of the United States, of Puerto Rico, of the Virgin Islands, of any county, of any municipality, or of any subdivision thereof having official custody of public funds and lawfully investing the same in an insured institution, the account of such insured member shall be insured for the full aggregate amount of such account.

(2) The Corporation may limit the aggregate amount of funds that may be invested in insured institutions by any insured member referred to in paragraph (1) of this subsection.

SEC. 27. (a) Except as otherwise specified in this section, the provisions of this Act become effective upon enactment.

(b) Sections 4, 5, 6, 7, 8, 9, and 10 and the amendments made by sections 2, 3, and 13 become effective on the first day of the fourth calendar year which begins after the date of enactment.

CAPT. JERRY LANE FINLEY—CASUALTY OF RACISM IN REVERSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana (Mr. RARICK) is recognized for 15 minutes.

Mr. RARICK. Mr. Speaker, on the 11th and 17th of February 1971, I brought to the attention of our colleagues the highly irregular military action taken by the Judge Advocate General of the U.S. Army, Maj. Gen. Kenneth J. Hodson, in suspending a legal officer from his duties in Okinawa and returning him to Washington upon an allegation that Captain Finley had declined to interrupt his meal to shake hands with a black equal employment opportunity officer while eating.

I have been presented with a copy of General Hodson's March 5 letter to Captain Finley and am advised by the captain this is the first written notification concerning this action he has ever received. And rather than being any explanation of why he was reassigned, it comes as a notice for elimination proceeding.

I have tried since January 22 to obtain some concrete factual evidence as the basis for such dictatorial and unprecedented action and have only today received a reply, which I insert in the RECORD at this point followed by the letter to Captain Finley and my letter of this date to the Judge Advocate General reiterating my request for a detailed factual report rather than rhetorical left-wing prejudicial conclusions which must,

at most, be considered to represent the Judge Advocate General's own personal opinions.

DEPARTMENT OF THE ARMY, OFFICE OF THE JUDGE ADVOCATE GENERAL,
Washington, D.C., March 5, 1971.

Hon. JOHN R. RARICK,
House of Representatives,
Washington, D.C.

DEAR MR. RARICK: This is in further response to your letters of 22 and 30 January 1971 concerning Captain Jerry L. Finley.

A review of this case indicates that Captain Finley is so biased against black persons, as a class, that he has not treated, and refuses to treat, black servicemen with the respect due them as fellow members of our armed forces. As his conduct and attitude are contrary to long-standing national and Army policy, as evidenced by Army Regulation 600–21, prohibiting discrimination against members of our armed forces because of their race, religion, or color, I have recommended that Captain Finley be considered for administrative separation from the Army.

Captain Finley will be given an opportunity to explain or rebut the evidence against him and will be provided with the assistance of legal counsel.

Sincerely yours,

Maj. Gen. KENNETH J. HODSON,
The Judge Advocate General.

DEPARTMENT OF THE ARMY, OFFICE OF THE JUDGE ADVOCATE GENERAL,
Washington, D.C., March 5, 1971.

Capt. JERRY L. FINLEY, JAGC.
Office of the Staff Judge Advocate,
Headquarters, Military District of Washington, Washington, D.C.

1. Under the provisions of subparagraphs 5–29 *d* and *e*, Section IX, Army Regulation 635–100, I have initiated a recommendation for your administrative separation from the Army.

2. In support of this recommendation are sworn statements prepared by Colonel Clement E. Carney, Colonel James F. Senechal, Captain John P. Sauntry, Jr., Captain Ronald H. Branch, Jr., and Captain Ralph Lewis, Jr. These statements indicate that you are so biased against black persons, as a class, that you have not treated, and refuse to treat, black servicemen with the respect due them as fellow members of the United States armed forces. Your conduct and attitude are contrary to long-standing national and Army policy, as evidenced by Army Regulation 600–21, that members of our armed forces will be accorded equality of treatment and opportunity, regardless of their race, religion, or color.

3. You have a period not to exceed 7 days, though you may request additional time for good cause, in which to prepare a written statement indicating any pertinent facts or submitting any evidence bearing on the question of your separation. Your statement may be made with the assistance of either an officer of the Judge Advocate General's Corps or civilian counsel of your own selection obtained by you at no expense to the Government. Your statement may be sworn or unsworn and should be returned to me for forwarding with my recommendation to The Adjutant General, Department of the Army.

Maj. Gen. KENNETH J. HODSON,
The Judge Advocate General

WASHINGTON, D.C.
March 8, 1971.

Re: Capt. Jerry L. Finley, JAGC.
Maj. Gen. KENNETH J. HODSON,
The Judge Advocate General, Department of the Army, Washington, D.C.

DEAR GENERAL HODSON: Your kind letter of March 5, 1971, in reply to my inquiries on behalf of Captain Finley, dated January 22 and 30, of this year, are acknowledged.

Unfortunately, after having waited 42 days for the courtesy of a report on Captain Finley, all I am apprised of is that you have tried and convicted him with a verdict to purge from the Army, and giving him the stigma of being some kind of an undesirable citizen. In your letter you overlook including any names, dates, or supporting evidence.

I had always been of the opinion that even military justice provided some degree of due process to the accused to at least give an impression that you are operating in a quasi-judicial function. However, the use of such inflammatory and psychological trigger words as "biased against black persons as a class," "refuses to treat . . . with respect due them . . .," "conduct and attitude . . . contrary to long-standing national and Army policy . . ." as conclusions without any suggestion as to the basis for such findings must be considered an indictment of The Judge Advocate General far more serious than that of an Army JAGC Captain.

Any sense of fairness or justice from you or even due process seems further subject to necessary ridicule by your notifying me that you have recommended the Captain for administrative separation from the Army; and yet having passed judgment, you will offer him the assistance of legal counsel and an opportunity to explain or rebut the evidence against him.

Howbeit, the report on the incident which I had requested in January has never been supplied.

It appears to me that AR 600–21, which you cite against Captain Finley should be the basis for Captain Finley asserting that you have discriminated against him.

Most assuredly, the action that you have outlined will never be in the interest of any volunteer army. You may get volunteers from the Peace Corps, Vista, the flower children, and the civil rights movement, but I fear you will find few men who will be willing to take the oath to preserve and defend the Constitution at the cost of forfeiting their First Amendment rights of freedom of association.

I reiterate my request for a complete and detailed report upon which you as The Judge Advocate General of the United States Army have personally prejudged Captain Finley's conduct as to the conclusions and findings set forth in your letter.

Sincerely,

JOHN R. RARICK,
Member of Congress.

TAKE PRIDE IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. MILLER) is recognized for 5 minutes.

Mr. MILLER of Ohio. Mr. Speaker, today we should take note of America's great accomplishments and in so doing renew our faith and confidence in ourselves as individuals and as a nation. The American free enterprise system has enjoyed unprecedented growth and success in recent years. Since 1939 the number of proprietorships, partnerships, and corporations has increased from 1,793,000 to 11,566,000 in 1967.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. HOGAN (at the request of Mr. GERALD R. FORD), through March 19, on account of official business.

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. HALPERN (at the request of Mr. FISH), for 5 minutes, today, and to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. MAZZOLI), to revise and extend their remarks and to include extraneous matter:)

Mr. PICKLE, today, for 15 minutes.
Mr. PATMAN, today, for 15 minutes.
Mr. RARICK, today, for 15 minutes.
Mr. GONZALEZ, today, for 10 minutes.
Mr. PRYOR of Arkansas, on March 11, for 60 minutes.
Mr. MILLER of Ohio (at the request of Mr. KEMP), for 5 minutes, today, and to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent (at the request of Mr. FISH) permission to revise and extend remarks was granted to:

Mr. HUNGATE to revise and extend his remarks immediately following the message of the President.

Mr. BOLAND, and to include extraneous material.

(The following Members (at the request of Mr. FISH) and to include extraneous matter:)

Mr. STEIGER of Wisconsin in four instances.
Mr. HOSMER in three instances.
Mr. BAKER.
Mr. WYMAN in two instances.
Mr. ARENDS in two instances.
Mr. RHODES.
Mr. DEVINE.
Mr. SCOTT.
Mr. MYERS.
Mr. CONTE.
Mr. SCHWENGEL.
Mr. PRICE of Texas in two instances.
Mr. BURKE of Florida.
Mr. HILLIS.
Mr. ZWACH.
Mr. PETTIS.
Mr. LENT.
Mr. MICHEL.
Mr. BROWN of Michigan.
Mr. HALPERN.
Mr. SHOUP in two instances.

(The following Members (at the request of Mr. KEMP) and to include extraneous matter:)

Mr. SCHMITZ.
Mr. MILLER of Ohio in four instances.
Mr. HAMMERSCHMIDT in two instances.
Mr. NELSEN in three instances.
Mr. SCHWENGEL in five instances.

(The following Members (at the request of Mr. MAZZOLI), and to include extraneous matter:)

Mr. HAMILTON.
Mr. DRINAN.
Mr. MCKAY.
Mr. LONG of Maryland.
Mr. CORMAN.
Mr. DINGELL in four instances.
Mr. HATHAWAY.
Mr. CLARK.
Mr. MURPHY of New York.

Mr. ASPIN in two instances.
Mr. VANIK in two instances.
Mr. WILLIAM D. FORD in two instances.
Mr. BIAGGI in 10 instances.
Mr. ANDREWS of Alabama.
Mr. BINGHAM in two instances.
Mr. FRASER in four instances.
Mr. HÉBERT in two instances.
Mr. RODINO.
Mr. WALDIE in two instances.
Mr. RARICK in three instances.
Mr. FUQUA.
Mrs. SULLIVAN in two instances.
Mr. KLUCZYNSKI in two instances.
Mr. FOUNTAIN.
Mr. SLACK.
Mr. GONZALEZ in two instances.
Mr. HUNGATE in six instances.
Mr. ANDERSON of California in three instances.
Mr. FLOWERS in two instances.
Mr. BEVILL.

ENROLLED JOINT RESOLUTIONS SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H.J. Res. 16. 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"; and

H.J. Res. 337. Joint resolution authorizing the President to proclaim the second week of March 1971 as "Volunteers of America Week."

ADJOURNMENT

Mr. MAZZOLI. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 14 minutes p.m.) the House adjourned until tomorrow, Tuesday, March 9, 1971, at 12 o'clock noon.

REPORTS OF COMMITTEE ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*Pursuant to the order of the House on March 4, 1971, the following report was filed on March 5, 1971*]

Mr. PATMAN: Committee on Banking and Currency. H.R. 4246. A bill to extend until March 31, 1973, certain provisions of law relating to interest rates, mortgage credit controls, and cost-of-living stabilization; with amendments (Rept. No. 92–36). Referred to the Committee of the Whole House on the State of the Union.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

363. A letter from the Chief Justice of the United States, transmitting the proceedings of the Judicial Conference held in Washington, D.C., on October 29–30, 1970 (H. Doc. No. 92–62); to the Committee on the Judiciary and ordered to be printed.

364. A letter from the Assistant Secretary of State for Congressional Relations, transmitting copies of the Determination of the President No. 71–6, concerning Kuwait, pursuant to section 3(a)(1) of the Foreign Military Sales Act of 1968, as amended; to the Committee on Foreign Affairs.

365. A letter from the Assistant Secretary of State for Congressional Relations, transmitting copies of the Determination of the President No. 71–7, concerning Cambodia, pursuant to sections 610 and 614(a) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

366. A letter from the Assistant Secretary of Agriculture, transmitting a draft of proposed legislation to extend the authority for insuring loans under the Consolidated Farmers Home Administration Act of 1961; to the Committee on Agriculture.

367. A letter from the General Sales Manager, Export Marketing Service, U.S. Department of Agriculture, transmitting a report of agreements signed for the use of foreign currencies during January and February, 1971, pursuant to Public Law 85–128; to the Committee on Agriculture.

368. A letter from the Assistant Director, Office of Management and Budget, Executive Office of the President, transmitting a Federal plan for meteorological services and supporting research for fiscal year 1972, pursuant to section 304 of the Department of Commerce Appropriation Act, 1963; to the Committee on Appropriations.

369. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a draft of proposed legislation to amend the Export-Import Bank Act of 1945, as amended, to allow for greater expansion of the export trade of the United States, to exclude Bank receipts and disbursements from the budget of the U.S. Government, to extend for 3 years the period within which the Bank is authorized to exercise its functions, to increase the Bank's lending authority and its authority to issue, against fractional reserves and against full reserves, insurance and guarantees, to authorize the Bank to issue for purchase by any purchaser its obligations maturing subsequent to June 30, 1976, and for other purposes; to the Committee on Banking and Currency.

370. A letter from the Secretary of Health, Education, and Welfare, transmitting a negative report on disposal of excess foreign property for calendar year 1970, pursuant to the Federal Property and Administrative Services Act of 1949; to the Committee on Government Operations.

371. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to declare that certain federally owned lands within the White Earth Reservation shall be held by the United States in trust for the Minnesota Chippewa Tribe, and for other purposes; to the Committee on Interior and Insular Affairs.

372. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to declare that certain federally owned lands shall be held by the United States in trust for the Stockbridge Munsee Community, Wis.; to the Committee on Interior and Insular Affairs.

373. A letter from the Chairman, Indian Claims Commission, transmitting a report on the final conclusion of judicial proceedings in Docket No. 288, *The Washoe Tribe, Plaintiff*, v. *The United States of America, Defendant*, pursuant to 25 U.S.C. 70t; to the Committee on Interior and Insular Affairs.

374. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to provide for the reporting of weather modification activities to the Federal Government; to the Committee on Interstate and Foreign Commerce.

375. A letter from the Secretary of Commerce, transmitting the annual report for fiscal year 1970 on Department of Commerce activities under the Fair Packaging and Labeling Act, pursuant to section 8 of the act; to the Committee on Interstate and Foreign Commerce.

376. A letter from the Secretary of Health, Education, and Welfare, transmitting a report on studies of deaths, injuries, and economic losses resulting from accidental burning of products, fabrics or related materials, through June 1970, pursuant to section 14(a) of the Flammable Fabrics Act Amendments of 1967; to the Committee on Interstate and Foreign Commerce.

377. A letter from the Executive Director, Federal Communications Commission, transmitting a report of the backlog of pending applications and hearing cases in the Commission as of January 31, 1971, pursuant to section 5(e) of the Communications Act, as amended; to the Committee on Interstate and Foreign Commerce.

378. A letter from the Administrator, Environmental Protection Agency, transmitting a report that no exemptions from section 118 of the Clean Air Act were granted during 1970; to the Committee on Interstate and Foreign Commerce.

379. A letter from the Assistant Secretary of the Air Force, transmitting a draft of proposed legislation to amend sections 2734a (a) and 2734b(a) of title 10, United States Code, to provide for settlement under international agreements, of certain claims incident to the noncombat activities of the Armed Forces, and for other purposes; to the Committee on the Judiciary.

380. A letter from the Assistant Secretary of the Air Force, transmitting a draft of proposed legislation to amend section 2735 of title 10, United States Code, to provide for the finality of settlement effected under sections 2733, 2734, 2734a, 2734b, or 2737; to the Committee on the Judiciary.

381. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204 (d) of the Immigration and Nationality Act, as amended; to the Committee on the Judiciary.

382. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize an appropriation for fiscal year 1972 to carry out the metric system study; to the Committee on Science and Astronautics.

383. A letter from the Presiding Commissioner, U.S. Tariff Commission, transmitting the annual report of the Commission for fiscal year 1970, pursuant to section 332 of the Tariff Act of 1930; to the Committee on Ways and Means.

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. 5669. A bill relating to the use in good faith by State and local authorities of freedom of choice systems for the assignment of students to public elementary and secondary schools; to the Committee on Education and Labor.

H.R. 5670. A bill to amend title VI of the Civil Rights Act of 1964 with respect to the use in good faith by State and local authorities of freedom of choice systems for the assignment of students to public elementary and secondary schools; to the Committee on the Judiciary.

By Mr. ABBITT (for himself and Mr. WATTS):

H.R. 5671. A bill to amend the tobacco marketing quota provisions of the Agricul-

tural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

By Mr. ABERNETHY (by request):

H.R. 5672. A bill to authorize the use of certain real property in the District of Columbia for chancery purposes; to the Committee on the District of Columbia.

By Mr. ANDERSON of California:

H.R. 5673. A bill to amend the Fish and Wildlife Act of 1956 to provide a criminal penalty for shooting at certain birds, fish, and other animals from an aircraft; to the Committee on Merchant Marine and Fisheries.

By Mr. CARTER:

H.R. 5674. A bill to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970 to provide an increase in the appropriations authorization for the Commission on Marihuana and Drug Abuse; to the Committee on Interstate and Foreign Commerce.

By Mr. CARTER (for himself, Mr. BAKER, Mr. DICKINSON, Mr. DONOHUE, Mr. DORN, Mr. DUNCAN, Mr. KUYKENDALL, Mr. MARTIN, Mr. MAZZOLI, Mr. MYERS, Mr. ROY, Mr. SEBELIUS, Mr. THONE, and Mr. WATTS):

H.R. 5675. A bill to amend the Uniform Time Act of 1966 to provide that daylight saving time shall begin on Memoral Day and end on Labor Day of each year; to the Committee on Interstate and Foreign Commerce.

By Mr. CLARK:

H.R. 5676. A bill to amend the Internal Revenue Code of 1954 and title II of the Social Security Act to provide a full exemption (through credit or refund) from the employees' tax under the Federal Insurance Contributions Act, and an equivalent reduction in the self-employment tax, in the case of individuals who have attained age 65; to the Committee on Ways and Means.

By Mr. CORMAN:

H.R. 5677. A bill to correct the Tariff Schedules to group cordage products into the same parts of the Tariff Schedules; to the Committee on Ways and Means.

H.R. 5678. A bill to amend the Internal Revenue Code of 1954 to increase the credit against tax for retirement income; to the Committee on Ways and Means.

By Mr. CORMAN (for himself and Mr. HELSTOSKI):

H.R. 5679. A bill to amend title XVIII of the Social Security Act to provide payment for optometrists' services under the program of supplementary medical insurance benefits for the aged; to the Committee on Ways and Means.

By Mr. DENT:

H.R. 5680. A bill to amend the Federal Coal Mine Health and Safety Act of 1969 with respect to the requirements for notification and reports to the Secretary where coal mine accidents occur; to the Committee on Education and Labor.

By Mr. EDWARDS of Alabama:

H.R. 5681. A bill to amend the Higher Education Act of 1965 to remove restrictions on the attendance of students at the community or junior college of their choice; to the Committee on Education and Labor.

By Mr. FULTON of Pennsylvania:

H.R. 5682. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. GIAIMO (for himself and Mr. BURTON):

H.R. 5683. A bill to authorize the National Science Foundation to conduct research, educational, and assistance programs to prepare the country for conversion from defense to civilian, socially oriented research and development activities, and for other purposes; to the Committee on Science and Astronautics.

By Mr. GUDE (for himself, Mr. ALEXANDER, Mr. BADILLO, Mr. BOLAND, Mr. CAFFERY, Mr. COLLIER, Mr. DELLUMS, Mr. DUNCAN, Mr. WILLIAM D. FORD, Mr. GIBBONS, Mr. GUBSER, Mr. HOGAN, Mr. JACOBS, Mr. MCKAY, Mrs. REID of Illinois, Mr. RYAN, Mr. ST GERMAIN, Mr. THOMSON of Wisconsin, Mr. WHALEN, Mr. WHITEHURST, Mr. WIGGINS, and Mr. YATRON):

H.R. 5684. A bill to authorize the Secretary of the Interior to protect, manage, and control free-roaming horses and burros on public lands; to the Committee on Interior and Insular Affairs.

By Mr. HANLEY:

H.R. 5685. A bill to prohibit certain conflicts of interest and encourage competition in the banking industry and related fields, to provide for restrictions and disclosures with respect to certain loans, to prohibit brokered deposits in banks and other financial institutions, to limit the use of giveaways in the solicitation of deposits, to permit full deposit insurance for Government depositors, and for other purposes; to the Committee on Banking and Currency.

By Mr. HARRINGTON (for himself, Mr. WALDIE, and Mr. WOLFF):

H.R. 5686. A bill to amend the Foreign Assistance Act of 1961, as amended, to prohibit any involvement or participation of U.S. Armed Forces in an invasion of North Vietnam without prior and explicit congressional authorization; to the Committee on Foreign Affairs.

By Mr. HELSTOSKI:

H.R. 5687. A bill to assist in the provisions of housing for the elderly, and for other purposes; to the Committee on Banking and Currency.

H.R. 5688. A bill to amend title II of the Social Security Act to increase to $3,000 the annual amount individuals are permitted to earn without suffering deductions from the insurance benefits payable to them under such title; to the Committee on Ways and Means.

By Mr. HOSMER (for himself, Mr. KYL, Mr. STEIGER of Arizona, Mr. DON H. CLAUSEN, Mr. RUPPE, Mr. CAMP, Mr. SEBELIUS, Mr. TERRY, Mr. GERALD R. FORD, Mr. BOB WILSON, Mr. WIDNALL, Mr. BLACKBURN, and Mr. COUGHLIN):

H.R. 5689. A bill to provide for the cooperation between the Federal Government and the States with respect to environmental regulations for mining operations, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. KOCH (for himself, Mrs. ABZUG, Mr. BURTON, Mr. CLAY, Mr. DRINAN, Mr. FRASER, Mr. MIKVA, Mr. MITCHELL, and Mr. ROSENTHAL):

H.R. 5690. A bill to amend the Military Selective Service Act of 1967 clarifying the definition of conscientious objector so as to specifically include conscientious opposition to military service in a particular war; and providing certain individuals the opportunity to claim exemption from military service as selective conscientious objectors irrespective of their existing selective service status; to the Committee on Armed Services.

By Mr. KOCH (for himself, Mrs. ABZUG, Mr. BURTON, Mr. CLAY, Mr. DRINAN, Mr. FRASER, Mr. HARRINGTON, Mr. MIKVA, Mr. MITCHELL, and Mr. ROSENTHAL):

H.R. 5691. A bill to amend the Military Selective Service Act of 1967 clarifying the definition of conscientious objector so as to specifically include conscientious opposition to military service in a particular war; to the Committee on Armed Services.

By Mr. LENNON:

H.R. 5692. A bill to consent to the Interstate Environment Compact; to the Committee on the Judiciary.

By Mr. MATSUNAGA (for himself, Mr. FRENZEL, Mr. HATHAWAY, Mr. KEMP, Mr. MCKAY, and Mr. PUCINSKI):

H.R. 5693. A bill to amend title 18, United States Code, to prohibit the establishment of emergency detention camps and to provide that no citizen of the United States shall be committed for detention or imprisonment in any facility of the U.S. Government except in conformity with the provisions of title 18; to the Committee on Judiciary.

By Mrs. MINK:

H.R. 5694. A bill to amend title 38, United States Code, to permit veterans' educational assistance payments to be applied to the repayment of educational loans under Federal programs entered into by veterans before commencing active service; to the Committee on Veterans' Affairs.

H.R. 5695. A bill to carry out the recommendations of the Presidential Task Force on Women's Rights and Responsibilities, and for other purposes; to the Committee on Ways and Means.

By Mr. MONAGAN:

H.R. 5696. A bill to amend section 103 of the Social Security Amendments of 1965 to provide hospital insurance benefits (under title XVIII of the Social Security Act) for certain uninsured individuals who are not otherwise eligible for such benefits; to the Committee on Ways and Means.

H.R. 5697. A bill to amend the Trade Expansion Act of 1962; to the Committee on Ways and Means.

By Mr. MOSS:

H.R. 5698. A bill to strengthen enforcement of the Flammable Fabrics Act and to authorize appropriations for fiscal years 1971, 1972, and succeeding fiscal years in order to carry out the purposes of the act; to the Committee on Interstate and Foreign Commerce.

By Mr. NELSEN:

H.R. 5699. A bill to provide for the disposition of funds appropriated to pay judgment in favor of the Mississippi Sioux Indians in Indian Claims Commission dockets Nos. 359, 360, 361, 362 and 363, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PATMAN (for himself, Mr. BARRETT, Mr. MOORHEAD, Mr. ST GERMAIN, Mr. GONZALEZ, Mr. MINISH, Mr. ANNUNZIO, Mr. BRASCO, and Mr. MITCHELL):

H.R. 5700. A bill to prohibit certain conflicts of interest and encourage competition in the banking industry and related fields, to provide for restrictions and disclosures with respect to certain loans, to prohibit brokered deposits in banks and other financial institutions, to prohibit the use of giveaways in the solicitation of deposits, to permit full deposit insurance for Government depositors, and for other purposes; to the Committee on Banking and Currency.

By Mr. PERKINS:

H.R. 5701. A bill to amend section 302(c) of the Labor-Management Relations Act, 1947, to permit employer contributions for joint industry promotion of products in certain instances; to the Committee on Education and Labor.

H.R. 5702. A bill relating to the requirements for proof of entitlement to black lung benefits under the Federal Coal Mine Health and Safety Act of 1969; to the Committee on Education and Labor.

By Mr. PICKLE:

H.R. 5703. A bill to amend title 39, United States Code, as enacted by the Postal Reorganization Act, to provide that proposed changes in postal rates and classes shall be submitted to Congress and shall be ineffective if either House disapproves such changes by three-fifths vote, to repeal the authorization for temporary postal rates and classes, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. PODELL:

H.R. 5704. A bill to amend the Fair Packaging and Labeling Act to require a packaged

perishable food to bear a label specifying the date after which it is not to be sold for consumption as food; to the Committee on Interstate and Foreign Commerce.

H.R. 5705. A bill to amend the Fish and Wildlife Coordination Act to provide additional protection to marine and wildlife ecology by providing for the orderly regulation of dumping in the ocean, coastal, and other waters of the United States; to the Committee on Merchant Marine and Fisheries.

H.R. 5706. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. PRICE of Texas:

H.R. 5707. A bill to require advance payments to feed grain farmers participating in the feed grain program; to the Committee on Agriculture.

By Mr. QUIE:

H.R. 5708. A bill to prevent the assignment of draftees to active duty in combat areas without their consent; to the Committee on Armed Services.

H.R. 5709. A bill to make rules respecting military hostilities in the absence of a declaration of war; to the Committee on Foreign Affairs.

H.R. 5710. A bill to establish a Department of Education and Manpower; to the Committee on Government Operations.

By Mr. QUILLEN:

H.R. 5711. A bill to amend the Social Security Act to provide for medical and hospital care through a system of voluntary health insurance including protection against the catastrophic expenses of illness, financed in whole for low-income groups through issuance of certificates, and in part for all other persons through allowance of tax credits; and to provide effective utilization of available financial resources, health manpower, and facilities; to the Committee on Ways and Means.

By Mr. RHODES (for himself, Mr. COLLIER, Mr. DERWINSKI, Mr. DEVINE, Mr. GOODLING, Mr. GUBSER, Mr. HALEY, Mr. MCKINNEY, Mr. MYERS, and Mr. WHITEHURST):

H.R. 5712. A bill to provide for the establishment of a U.S. Court of Labor-Management Relations which shall have jurisdiction over certain labor disputes in industries substantially affecting commerce; to the Committee on the Judiciary.

By Mr. RODINO (for himself, Mr. ALEXANDER, and Mr. WRIGHT):

H.R. 5713. A bill to amend section 620 of the Foreign Assistance Act of 1961 to suspend, in whole or in part, economic and military assistance and certain sales to any country which fails to take appropriate steps to prevent narcotic drugs, produced or processed, in whole or in part, in such country from entering the United States unlawfully, and for other purposes; to the Committee on Foreign Affairs.

H.R. 5714. A bill to provide for the mandatory civil commitment of certain narcotic addicts, to provide for more facilities for treating, supervising, and controlling narcotic addicts, and for other purposes; to the Committee on the Judiciary.

By Mr. RONCALIO (for himself and Mr. MCKAY):

H.R. 5715. A bill to amend the Rail Passenger Service Act of 1970 in order to expand the basic rail passenger transportation system to provide service to certain States; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSENTHAL:

H.R. 5716. A bill to amend the Public Health Service Act to continue and broaden eligibility of schools of nursing for financial assistance, to improve the quality of such schools, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. RUPPE:

H.R. 5717. A bill making appropriations to the Secretary of Commerce for the fiscal year 1972 to carry out the provisions of the National Sea Grant College and Program Act of 1966; to the Committee on Appropriations.

By Mr. SCHWENGEL:

H.R. 5718. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to require motor vehicle safety standards relating to the ability of the vehicle to withstand certain collisions; to the Committee on Interstate and Foreign Commerce.

By Mr. SKUBITZ:

H.R. 5719. A bill to authorize the Secretary of the Interior to conduct a program of demonstration parks, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. STEELE:

H.R. 5720. 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.

By Mr. ULLMAN:

H.R. 5721. A bill pertaining to the inheritance of enrolled members of the Confederated Tribes of the Warm Springs Reservation of Oregon; to the Committee on Interior and Insular Affairs.

By Mr. WINN:

H.R. 5722. A bill to provide for a program of Federal assistance in the development, acquisition, and installation of aircraft antihijacking detection systems and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 5723. 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. ABBITT:

H.J. Res. 442. Joint resolution proposing an amendment to the Constitution relating to the continuance in office of Justices of the Supreme Court; to the Committee on the Judiciary.

By Mr. HELSTOSKI:

H.J. Res. 443. Joint resolution to proclaim National Night Driving Safety Week; to the Committee on the Judiciary.

By Mr. RIEGLE (for himself, Mr. BARING, Mr. BLACKBURN, Mr. CARTER, Mr. ERLENBORN, Mr. GUDE, Mr. HALPERN, Mr. HORTON, Mr. KUYKENDALL, and Mr. STUCKEY):

H.J. Res. 444. Joint resolution to declare the policy of the United States with respect to its territorial sea; to the Committee on Foreign Affairs.

By Mr. RODINO:

H.J. Res. 445. 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. 446. Joint resolution to proclaim the second week in July as National Salesmen's Week; to the Committee on the Judiciary.

By Mr. KEMP:

H. Con. Res. 196. Concurrent resolution expressing the sense of Congress that U.S. Route 219 should be designated as part of the Interstate System; to the Committee on Public Works.

By Mr. RODINO (for himself, Mr. BURTON, Mr. DIGGS, Mr. EVINS of Tennessee, Mr. FLOOD, Mrs. MINK, and Mr. WOLFF):

H. Con. Res. 197. Concurrent resolution expressing the sense of Congress relating to films and broadcasts which defame, stereotype, ridicule, demean, or degrade ethnic, racial, and religious groups; to the Committee on Interstate and Foreign Commerce.

By Mr. KEMP:

H. Res. 275. Resolution requesting the National Park Service make available to Congress the findings of the National Safety Council study; to the Committee on Interior and Insular Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

42. By Mr. BARING: Memorial of the Assembly and Senate of the State of Nevada, jointly, that the Legislature of the State of Nevada memorializes the President of the United States, the Congress of the United States, the U.S. Department of the Interior, the Bureau of the Budget, and the U.S. Bureau of Reclamation to accelerate the funding, designing, and construction of the Marble Bluff Dam and fishway; to the Committee on Interior and Insular Affairs.

43. Also, a memorial of the Assembly and Senate of the State of Nevada, jointly, that the Legislature of the State of Nevada hereby requests the Hurlbut Amusement Co. and Paramount Pictures give priority consideration to the State of Nevada in its desire to reacquire the collection of locomotives and cars of the old Virginia & Truckee R.R. to the State of Nevada; and be it further

Resolved, That the National Park Service is hereby requested to assist in turning over to the State of Nevada such collection; to the Committee on Interior and Insular Affairs.

44. Also, a memorial of the Assembly and Senate of the State of Nevada, jointly, that the Administrator of Veterans' Affairs is hereby respectfully memorialized to submit a plan for the establishment of a Veterans' Administration hospital in southern Nevada to the Congress of the United States; and be it further

Resolved, That the Legislature of the State of Nevada respectfully requests the Congress of the United States to approve such a plan for the establishment of such a hospital; to the Committee on Veterans' Affairs.

45. Also, a memorial of the Assembly and Senate of the State of Nevada, jointly, that the Legislature of the State of Nevada hereby respectfully memorializes the Congress of the United States to establish a national cemetery in southern Nevada; to the Committee on Veterans' Affairs.

46. Also, a memorial of the Assembly and Senate of the State of Nevada, jointly, that this Legislature on behalf of the people of the State of Nevada respectfully memorializes the Congress of the United States to enact legislation providing a credit of 80 percent against the tax imposed by 26 U.S.C. § 4461 upon slot machines for the amount of any tax paid upon such machines to a State, for educational support; to the Committee on Ways and Means.

47. By the SPEAKER: A memorial of the Legislature of the State of Nevada, relative to construction of the Marble Bluff Dam and Fishway; to the Committee on Interior and Insular Affairs.

48. Also, a memorial of the Senate of the State of Indiana, relative to daylight saving time; to the Committee on Interstate and Foreign Commerce.

49. Also, a memorial of the Legislature of the Commonwealth of Massachusetts, requesting Congress to call a convention for the purpose of amending the U.S. Constitution to provide for intergovernmental sharing of Federal income tax revenue; to the Committee on the Judiciary.

50. Also, a memorial of the Senate of the State of Washington, relative to funding for the Lower Granite Dam project, Washington; to the Committee on Public Works.

51. Also, a memorial of the Legislature of

the State of Nevada, relative to the establishment of a national cemetery in southern Nevada; to the Committee on Veterans' Affairs.

52. Also, a memorial of the Legislature of the Commonwealth of Massachusetts, relative to Federal-State revenue sharing; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDABBO:

H.R. 5724. A bill for the relief of Giacomo and Salvatrice DiGrigoli and minor son, Angelo; to the Committee on the Judiciary.

By Mr. BROTZMAN:

H.R. 5725. A bill for the relief of Robert E. Middleton; to the Committee on the Judiciary.

By Mr. HARVEY:

H.R. 5726. A bill for the relief of Josefa Peconcillo-Nepomueeno; to the Committee on the Judiciary.

By Mr. MURPHY of New York:

H.R. 5727. A bill for the relief of Kelvin Roberto Forbes to the Committee on the Judiciary.

By Mr. ROONEY of New York:

H.R. 5728. A bill for the relief of Meir Dayan; to the Committee on the Judiciary.

By Mr. ROYBAL:

H.R. 5729. A bill for the relief of Salvador A. Casaclang; to the Committee on the Judiciary.

By Mr. THOMPSON of New Jersey:

H.R. 5730. A bill for the relief of Santo Midulla; to the Committee on the Judiciary.

By Mr. WOLFF:

H.R. 5731. A bill for the relief of Elena Affo; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

38. By the SPEAKER: Petition of the Senate of Micronesia, Saipan, Mariana Islands, Trust Territory of the Pacific Islands, relative to the self-government of the Trust Territory; to the Committee on Interior and Insular Affairs.

39. Also, petition of the Portland, Maine, Superintending School Committee, relative to Federal-State revenue sharing; to the Committee on Ways and Means.

SENATE—*Monday, March 8, 1971*

(Legislative day of Wednesday, February 17, 1971)

The Senate met at 11:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. ELLENDER).

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Thou God of life and light, shed Thy pure light upon this place, and illumine our minds that this may be a vital week of service to the Nation. Take from us all that obscures Thy presence or dims the light of Thy truth from the judgments which must be made. Grant that clear illumination which separates truth from falsehood, justice from injustice, love from hate. Help us to have the hospitality of mind and magnanimity of spirit, which leads beyond contention and division that we may learn from one another and be drawn into a firmer alliance and truer brotherhood.

Let Thy blessing be upon all who lead this Nation that out of troubled times may come a brighter, fairer world in which Thou dost rule in the hearts of men and in the capitols of the nations.

In the Redeemer's name we pray. Amen.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Leonard, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations received today, see the end of Senate proceedings.)

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Friday, March 5, 1971, be approved.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. SCOTT. Mr. President, will the distinguished majority leader yield?

Mr. MANSFIELD. I am delighted to yield.

Mr. SCOTT. I would like to inquire as to the course of business during the present week.

Mr. MANSFIELD. Mr. President, in response to the question raised by the distinguished minority leader, if we dispose of the pending motion tomorrow, it is the intention of the majority leader—the minority leader concurring—to ask unanimous consent that the Senate turn to the consideration of the joint resolution reported by the Judiciary Committee which has to do with extending the vote, through constitutional amendment, to those 18 years of age and over who are excluded on the basis of the Supreme Court finding which allows 18-year-olds to vote in national elections only. This constitutional amendment would cover State and local elections as well.

Mr. SCOTT. If the distinguished majority leader will further yield, I have no objection to the joint resolution coming up at that time. I would simply ask that time be given us to advise the ranking minority member of the committee, the Senator from Nebraska (Mr. HRUSKA), to make sure he knows of no objection. With that reservation, I would agree that we ought to dispose of whatever we have before us in the way of legislation.

Mr. MANSFIELD. That is a most reasonable request. It is my understanding—and I see the distinguished chairman of the subcommittee, the Senator from Indiana (Mr. BAYH), and the distinguished Senator from Kentucky (Mr. COOK), the Senator from West Virginia (Mr. BYRD), all members of the Judiciary Committee, present—that it was reported by the Judiciary Committee unanimously. The Senator from Pennsylvania also is a member of the committee.

Mr. SCOTT. Yes.

Mr. BAYH. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. BAYH. The Senator from Montana is exactly correct. It was reported unanimously. The Senator from Nebraska supported the measure in the subcommittee and the full committee. It was supported by the Senator from Kentucky (Mr. COOK) and the Senator from West Virginia (Mr. BYRD). We have had more unanimity on this critical measure than on any that has come before the committee.

Mr. MANSFIELD. I thank the Senator.

Mr. SCOTT. Mr. President, if the majority leader will yield, does he have any thought as to how long the debate might require?

Mr. MANSFIELD. No. I should not think too long in view of the unanimity in the Judiciary Committee, the need for something to be done, and the fact that if something is not done it will place a costly burden on the States because of the necessity of the preparation of separate ballots.

Then it is anticipated, following the disposal of that resolution, that the Senate will turn to the consideration of the bill dealing with Appalachia—again with the approval of the distinguished minority leader.

Mr. SCOTT. I know of no objection to that bill.

I know that this colloquy will now be in the RECORD, and the members of the relevant committees will indeed be advised.

Mr. MANSFIELD. I thank the Senator.