tional Collection of Fine Arts are both resident in the Old Pension Building.

The preservation of the Old Masonic Hall is the subject of another resolution (H. Res. 194) that I introduced on March 29, 1979. The building deserves a preliminary feasibility study by the Smithsonian Institution for potential use as a city museum.

The Old City Hall at Judiciary Square is another building mentioned as worthy of conversion to offices and exhibition facilities for a city museum of the District of Columbia. Built between 1820 and 1850, this magnificent structure's public ownership possibly makes its acquisition and conversion for use as a city museum the most immediately attainable.

Again, a preliminary feasibility study by the Smithsonian Institution would be useful and appropriate.

The use of the Old City Hall as a city museum would be very complementary to the developing plans for conversion of the Old Pension Building, at the other end of Judiciary Square, to a national museum of the building arts.

In addition, the Old City Hall and the Old Masonic Hall have downtown locations within walking distance of major archival sources for local historical research; primarily, the Smithsonian Institution, the National Archives, and the Washingtoniana Collection of the Martin Luther King Memorial Library. Nearby Metro subway stations would make a downtown city museum location mutually accessible to national capital area universities and private institutions.

Mr. Speaker, at this point I would like to associate my remarks with those of the Honorable Marion Barry, Mayor of the District of Columbia, who has issued the following statement:

Marion Barry supports the concept of a city museum for Washington. Washington is not only the seat of government for the United States, but also a city/state with a history of its own. Each neighborhood, each ethnic group, each culture represented in its population is an integral part of that history. Washington needs a museum that looks at contemporary urban issues, and at the same time provides historical perspective.

Mayor Barry's support for a city museum has been paralleled by similar statements of the support and expressed interest of numerous members of the District of Columbia City Council, including Chairman Arrington Dixon, and Councilmembers Hilda Mason, John Wilson, and Betty Ann Kane.

Mr. Speaker, I would like to summarize and conclude my remarks by inserting the text of House Resolution 193, as follows:

H. RES. 193

A resolution relating to the need to establish a City Museum of the District of Columbia for compiling, researching, and documenting the history of the planning, development, institutions, events, and resident population of the Nation's Capital.

Whereas the planning and building of the Nation's Capital has engaged some of our greatest statesmen planners, architects, and artists;

Whereas many of the great capital cities of the world have a museum documenting their development and human history;

Whereas the District of Columbia is a unique, evolving governmental entity in the United States;

Whereas the District of Columbia since its establishment in 1800 as the seat of the Government of the United States has had a large Afro-American community whose individuals, families, institutions, and activities have remained largely unavailable for examination;

Whereas this Afro-American community has contributed significantly to all aspects of the planning, development, economic, educational, and cultural history of the Nation's Capital and the magnitude of these contributions was for many years unequaled in any other city of the United States where Afro-Americans, slave and free, lived in large numbers; and

Whereas a City Museum of the District of Columbia could provide information needed daily by those responsible for making the decisions that so profoundly affect the welfare of residents, visitors, and government officials as well as the economic and functional development and esthetic appearance of the Nation's Capital: Now, therefore, be it

Resolved, (1) That the House expresses its strong interest, concern, and support for the establishment of a Museum of the District of Columbia dealing exclusively with the history and culture of the people of the District of Columbia and with the planning and development of the seat of the Government of the United States, and that such a museum be community oriented with the primary goal of integrating education into all aspects of the museum and its activities.

(2) And that furthermore, the museum should have a dual purpose of illustrating the history of the Nation's Capital as a city as well as illuminating contemporary issues that face the city as an urban center of a large metropolitan area, as the seat of the Government of the United States, as a community, and as an evolving economic, social, and political entity.

(3) And to these ends the House encourages every effort be made by the Mayor and Council of the District of Columbia, the District of Columbia Public Schools, the University of the District of Columbia, the National Capital Planning Commission, the Commission of Fine Arts, the Columbia Historical Society, the Smithsonian Institution, the City Museum Project, and all interested local institutions, organizations, and citizens for the formulation and implementation of proposals to establish and operate a Museum of the District of Columbia.

(4) The Clerk of the House shall transmit copies of this resolution to the Mayor and Council of the District of Columbia, the Superintendent of Schools and the President of the Board of Education of the District of Columbia, the President and the Board of Trustees of the University of the District of Columbia, the Chairmen of the National Capital Planning Commission and the Commission of Fine Arts, the Board of Managers of the Columbia Historical Society, the Secretary of the Smithsonian Institution, the Board of Directors of the City Museum Project, the Capitol Historical Society, the President of the United States, and the Vice President of the United States.●

HOUSE OF REPRESENTATIVES—*Wednesday, May 30, 1979*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Almighty God, whose power was sufficient to create the heavens and the Earth, and whose love surrounds our every step, we pray for strength that we may follow the paths of goodwill and peace.

Confirm our resolve to choose the harder right instead of the easier wrong, to make our decisions, aware the timeless truths that have been given us. Enable us to establish justice, to encourage freedom, to defend the weak and to reach out to those in need.

Bless those who serve this place that their sense of righteousness and their spirit of concern for others may enable them to take pride in their calling and be faithful in Your service. This prayer, together with the secret petitions of our own hearts, we place before You. 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.

Pursuant to clause 1, rule I, the Journal stands approved.

REPRESENTATIVE VANIK INTRODUCES JOINT RESOLUTION CALLING UPON JAPAN AND MAJOR WESTERN EUROPEAN COUNTRIES TO SHARE COSTS INVOLVED IN IMPLEMENTATION OF THE ISRAELI-EGYPTIAN PEACE TREATY

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

Mr. VANIK. Mr. Speaker, on June 28 and 29, President Carter will be attending a summit meeting with the heads of state of the world's major free economic powers.

I have today introduced a joint resolution cosponsored by 38 Members of the House urging the President to include on the agenda a proposal for some effective kind of contribution by the major powers to the costs of the Middle East peace.

The peace agreement improves stability in the Mideast and insures protection for the oil lifeline on which the free world depends. The major European countries and Japan share all the benefits of this treaty and should be called upon to share the expenses and costs involved.

The American taxpayer should not

be compelled to carry the full burden of financing the peace effort. It is only fair to expect a contribution from Europe and Japan.

DEPARTMENT OF ENERGY PREVENTS PRAYER SERVICE AT ROCKY FLATS

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

Mrs. SCHROEDER. Mr. Speaker, over Memorial Day a very curious thing happened to me. I attended a Memorial Day prayer service sponsored by various religious groups in Denver. It was to be held at Rocky Flats, a plant which manufactures trigger components for nuclear weapons. The Rocky Flats facility is run by the Department of Energy.

There have been prayer services at Rocky Flats on at least three other Sundays this spring, but there has been continuing confusion about the right of these religious groups to hold their prayer services on the Federal side of a painted boundary line, complete with restraining ropes and "no trespassing" signs. The service I attended occurred on State land adjacent to the highway. There was very little room and a lot of noise. Moreover, there was a group of security personnel on the Federal property side of the line and a number of security vehicles with their motors running and radios blaring the entire time. The security personnel were employees of Rockwell International who had been designated as special deputies by a U.S. marshal to enforce all provisions of the Atomic Energy Act. The special deputies informed the group that anyone stepping on or over the line would be arrested.

Among those participating in the prayer service were several nuns, a baby, a person on crutches with a broken leg, several elderly people, and so on. I knew it was illegal to pray in public schools, but is it illegal to have a voluntary prayer service on Federal property? Since the Rocky Flats complex is operated by Rockwell International under contract with the Department of Energy, these special deputies are indirectly being paid with Federal dollars. What an incredible waste of the taxpayers' money. How much more will the Department of Energy spend protecting Rocky Flats from those who choose to participate in nonviolent protest?

EMERGENCY FUEL ALLOCATION PROGRAM GRINDS TO A HALT

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

Mr. JONES of Oklahoma. Mr. Speaker, I take this time to speak because of the sheer frustration I have had in dealing with the bureaucracy at the Department of Energy. Specifically our frustration concerns the so-called emergency fuel allocation program.

This program was set up to process emergency allocation requests in 2 or 3 days. Instead it is taking 2 or 3 months. These emergency requests are backlogged somewhere between 5,000 and 50,000 cases.

Surely every Member of this body has a corner gasoline station owner, an oil jobber or a small trucker—and surely you have heard their complaints with DOE.

This emergency allocation program has ground to a halt. Neither the people nor the computers can handle the job. The summer intern law students who were going to relieve the pressure are slow in being hired because of bureaucratic inertia.

The tragedy is that it is the little fellow—the gas station operator, the local fuel delivery salesman—who is being hurt.

We can castigate big oil companies, but this fuel allocation backlog is one cause of our current oil shortage—and it can be laid directly at the doorstep of government—both Congress and the administration.

Perhaps if more of my colleagues will demand that this backlog be cleaned—we can make at least one small step of progress for consumers and small business people alike.

PERMISSION FOR SUBCOMMITTEE ON CRIME OF COMMITTEE ON THE JUDICIARY AND FOR SUBCOMMITTEE ON ENERGY AND POWER OF COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO SIT TODAY DURING 5-MINUTE RULE

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that the Subcommittee on Crime of the Committee on the Judiciary and the Subcommittee on Energy and Power of the Committee on Interstate and Foreign Commerce, which are holding a joint hearing on the handling by the Department of Energy of the oil reseller fraud cases, be permitted to sit, for the purpose of receiving testimony only, during the 5-minute rule today.

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

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, the gentleman can assure us there will be absolutely no markup of any bill? This is for hearing purposes only?

Mr. EDWARDS of California. If the gentleman will yield, Mr. Speaker, I assure the gentleman from California that they will be sitting only for the purpose of receiving testimony.

Mr. ROUSSELOT. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

SOHIO REAFFIRMS DECISION TO ABANDON CRUDE OIL PIPELINE FROM CALIFORNIA TO TEXAS

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

Mr. RHODES. Mr. Speaker, last week the Standard Oil Co. of Ohio reaffirmed an earlier decision to abandon its long efforts to build a crude oil pipeline from California to Texas. The company reluctantly concluded that the last-minute flurry of legislative action to save the project could not undo the costs of 5 years of bureaucratic obstruction, foot-dragging, and harassment. Mr. Speaker, the Sohio experience dramatically demonstrates that our energy policy is inconsistent, incoherent, incomprehensible, and bound hand and foot in redtape. I fear this will continue until Congress establishes authority in some person or entity to draw together all the information necessary to make sound energy decisions and see that they are implemented. More than 2 months ago the Senate majority leader and I introduced a joint resolution directing the President to designate an individual or entity to be given responsibility and authority to expedite decisions regarding all aspects of energy. Yesterday's action by the President may reduce some inconveniences for motorists, but it does not address the bottom line of our problem, which is supply. Yesterday's action by the President will not resurrect that Sohio pipeline. And those are the kinds of things we need to be thinking about and doing if we are to overcome this shortage and not simply learn to live with it.

CONGRATULATIONS TO RICK MEARS

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

Mr. THOMAS. Mr. Speaker, on Sunday, May 27, 1979, the richest car race in history was held at the Indianapolis Motor Speedway in Indianapolis, Ind.

I am proud to claim that this year's winner, Rick Mears is a constituent of California's 18th Congressional District and a resident of my own town of Bakersfield.

Rick Mears drove his Penske-Cosworth auto to victory on Sunday after earlier qualifying for the pole position with a qualifying speed of more than 193 miles an hour and taking the lead after 182 laps of this 200 lap classic.

Mr. Mears won the Indy in only his second appearance, at the age of 27. Last year he shared Rookie of the Year honors in this same race.

The Indianapolis 500, the first million dollar race in history, is probably the most famous car race in the world. To achieve victory, Rick Mears had to beat a field that included such former winners as Al Unser, Bobby Unser, A. J. Foyt, and Johnny Rutherford.

I join along with the other residents of California's 18th Congressional District in offering my sincere congratulations to Rick Mears and best wishes for his continued success in the future.

UNJUSTIFIED CRITICISM OF THE UNITED STATES BY U.N. AMBASSADOR YOUNG

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

Mr. LUNGREN. Mr. Speaker, after hearing Andrew Young's latest unjustified criticism of the United States, I am convinced the man has no place as our U.N. Ambassador and should resign.

In a comment on the execution of convicted murderer John Spenkelink Mr. Young said last Friday:

I don't see any difference in the so-called due process in Florida, and the so-called due process of the Khomeini.

Lest anyone think this statement is too incredible for even Mr. Young to make I refer them to page 1 of the May 27 Atlanta Journal Constitution.

Doesn't Mr. Young realize that Mr. Spenkelink's case was heard four times in the Florida Supreme Court, three times in the court of appeals, and five times in the U.S. Supreme Court before his sentence was carried out 6 years after his trial?

Does he really fail to see the difference between that and the justice of the new Islamic government in Iran which arrests people for vague political crimes, holds their trials in secret and executes them the next day in front of a firing squad?

If Mr. Young is serious then he is not only blind to justice, he is blind to U.S. interests. By making these foolish statements he is allowing himself to be the unwitting tool of foreign governments which seek to discredit us internationally. Anyone looking for anti-U.S. propaganda has to look no further than our own U.N. Ambassador for ideas.

Mr. Speaker, this is intolerable. Mr. Young should resign at once.

COMMUNICATION FROM THE SERGEANT AT ARMS—SUBPENA DUCES TECUM IN CASE OF UNITED STATES OF AMERICA AGAINST DANIEL J. FLOOD

The SPEAKER laid before the House the following communication from the Sergeant at Arms of the House of Representatives:

WASHINGTON, D.C., *May 30, 1979.*

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

DEAR MR. SPEAKER: Pursuant to the requirements of House Resolution 10, this is to notify you that I have been served with the enclosed subpoena duces tecum, together with the accompanying findings of materiality and relevancy issued by the court, concerning certain bank records.

Sincerely,

KENNETH R. HARDING,
Sergeant at Arms.

The SPEAKER. Pursuant to the provisions of House Resolution 10, the subpena and findings will be printed in the RECORD at this point.

The material referred to is as follows:

[U.S. District Court for the District of Columbia, Criminal Case No. 78-56, 78-543]

UNITED STATES OF AMERICA, PLAINTIFF, v. DANIEL J. FLOOD, DEFENDANT.

SUBPOENA DUCES TECUM

To: Custodian of Records, Office of the Sergeant-at-Arms, House of Representatives, United States Congress.

You are hereby commanded to bring with you on or before May 30, 1979, at 10:00 a.m.: All Sergeant-at-Arms account records pertaining to the purchase of American Express Travelers Checks, other forms of travelers checks or money orders by and for Representative Daniel J. Flood during the period June–September, 1973 and June–September, 1975. Records should include, but not be limited to the Account maintained by Representative Food, or any general account which would reflect the exchange of cash for travelers checks or money orders.

Compliance with the subpoena may be effected by delivery of the aforementioned documents to an agent of the Federal Bureau of Investigation.

Dated this 25th day of May, 1979.

OLIVER GASCH,
U.S. District Court Judge.

[U.S. District Court for the District of Columbia, Criminal Case Nos. 78-561, 78-543]

UNITED STATES OF AMERICA, PLAINTIFF, v. DANIEL J. FLOOD, DEFENDANT

ORDER

Upon motion of the United States Attorney for the District of Columbia for a subpoena *duces tecum* to the Custodian of Records, Sergeant-at-Arms, United States House of Representatives, the Court finds:

1. The defendant, Daniel J. Flood, was at all times material to the indictment a member of the United States House of Representatives. In that capacity he maintained a checking account in his name with the Sergeant-at-Arms of the United States House of Representatives.

2. It has recently come to the attention of the United States Attorney that certain transactions occurred between the office of Mr. Flood and the office of the Sergeant-at-Arms, with respect to the purchase of travelers checks and/or money orders, during a period at issue in the indictment, specifically, June through September, 1973 and June through September, 1975.

3. That this information is essential to the Government for the purposes of the pending criminal case. Further, the Court finds it is essential that the Government to ascertain whether records of such transactions exist, and the precise information reflected thereon.

Wherefore, based on the representations made to this Court and this Court's finding that the information sought is essential to the administration of justice, it is this twenty-fifth day of May, 1979,

Ordered that a subpoena duces tecum issue to the Custodian of Records, Sergeant-at-Arms, United States House of Representatives, for the production of account records as specified in the subpoena.

Date: May 25, 1979.

OLIVER GASCH,
U.S. District Judge.

ASSASSINATION OF FEDERAL DISTRICT COURT JUDGE, HON. JOHN WOOD

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

Mr. GONZALEZ. Mr. Speaker, I rise to report on the assassination of the Federal district judge in a western district in San Antonio, the Honorable John Wood, an avoidable and preventable death.

As we know, the record will show on one occasion on this particular privileged order of the day, 1-minute addresses, and on six different occasions in the special orders sector in an area I discussed as "King Crime," I predicted that these things would continue to happen after the attack and the attempted assassination of the assistant Federal district attorney, James Kerr, also in San Antonio.

I want to say I have sent a telegram to President Carter because since last October I have been trying to get some coordinated action on a matter of priority on the national level. I am afraid that we have failed. I feel terrible, because just last week I conveyed a message to Judge Wood asking him to please retain his protective custody by the U.S. Marshal. Unfortunately, he is dead. He was assassinated and it is part of the design that started with the attempt on the life of Assistant Federal Attorney James Kerr.

I herewith place the telegram to President Carter:

Hon. JIMMY CARTER,
President of the United States,
The White House,
Washington, D.C.

MR. PRESIDENT: I have just received word that U.S. District Judge John Wood has been shot and killed just outside the door of his residence. This monstrous crime comes only a few months after the yet unsolved attempt to murder Assistant U.S. Attorney James Kerr. These are crimes against justice. They are crimes against the very fabric of society. Such crimes require your personal concern. I request that you issue an immediate order that every available resource be mobilized to investigate these acts and bring to justice those persons who murdered Judge Wood and assaulted James Kerr. The crimes may not be related but their import is identical: They threaten the ability of the United States to prosecute criminal violators and adjudge cases brought before its courts. The rule of law itself is threatened. I request also that you personally issue a statement denouncing these vicious acts and pledging your administration to take any action necessary to insure that these crimes are not repeated in San Antonio or anywhere else.

Sincerely,

Congressman HENRY B. GONZALEZ.

COMMUNICATION FROM THE CLERK OF THE HOUSE

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

WASHINGTON, D.C., *May 25, 1979.*

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

DEAR MR. SPEAKER: Pursuant to the permission granted on May 24, 1979, the Clerk

has received this date the following messages from the Secretary of the Senate:

"That the Senate passed S. 199, An Act to amend the Shipping Act, 1916, to strengthen the provisions prohibiting rebating practices in the United States foreign trades;

"That the Senate passed S. 261, An Act to amend the Consolidated Farm and Rural Development Act to authorize loans for the construction and improvement of subterminal storage and transportation facilities for certain types of agricultural commodities, to provide for the development of State plans to improve such facilities within the States or a group of States acting together on a regional basis, and for other purposes;

"That the Senate passed S. 387, An Act to amend title 5 of the United States Code to provide paid leave for a Federal employee participating in certain athletic activities as an official representative of the United States;

"That the Senate passed S. 640, An Act to authorize appropriations for the fiscal year 1980 for certain maritime programs of the Department of Commerce, and for other purposes;

"That the Senate passed S. 1160, An Act to authorize appropriations for the Federal Fire Prevention and Control Act of 1974, and for other purposes;

"That the Senate passed without amendment H.R. 3404, An Act to amend the Federal Reserve Act to authorize Federal Reserve banks to lend certain obligations to the Secretary of the Treasury to meet the short-term cash requirements of the Treasury, and for other purposes;

"That the Senate passed with an amendment H.R. 3879, An Act to authorize additional appropriations for the Temporary Commission on Financial Oversight of the District of Columbia, and for other purposes;

"That the Senate passed with amendments H.R. 2676, An Act to authorize appropriations for environmental research, development, and demonstrations for the fiscal year 1980, and for other purposes;

"That the Senate insist upon its amendments to the bill H.R. 2729, An Act to authorize appropriations for activities of the National Science Foundation, and for other purposes, and agree to the Report of the Committee of Conference on the disagreeing votes of the two Houses thereon."

With kind regards, I am
Sincerely,
EDMUND L. HENSHAW, Jr.,
Clerk, U.S. House of Representatives.

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COMMUNICATION FROM THE CLERK OF THE HOUSE

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

WASHINGTON, D.C., *May 29, 1979.*

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

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 12:50 p.m. on Tuesday, May 29, 1979, and said to contain a message from the President wherein he transmits the second annual report of the National Institute of Building Sciences.

With kind regards, I am
Sincerely,
EDMUND L. HENSHAW, Jr.,
Clerk, U.S. House of Representatives.

ANNUAL REPORT OF NATIONAL INSTITUTE OF BUILDING SCIENCES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

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

To the Congress of the United States:

I herewith transmit the Annual Report of the National Institute of Building Sciences as required by section 809 of the Housing and Community Development Act of 1974.

JIMMY CARTER.

THE WHITE HOUSE, *May 29, 1979.*

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER laid before the House the following communication from the chairman of the Committee on Public Works and Transportation, which was read and referred to the Committee on Appropriations:

COMMITTEE ON PUBLIC WORKS
AND TRANSPORTATION,
Washington, D.C., May 24, 1979.

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

DEAR MR. SPEAKER: Pursuant to the provisions of the Public Buildings Act of 1959, as amended, the House Committee on Public Works and Transportation approved the following prospectuses on May 24, 1979:

"ALTERATIONS

"U.S. Post Office-Courthouse, 300 N.E. First Avenue, Miami, Florida. Federal Service Center, 125 South Grand Avenue, Pasadena, California."

The original and one copy of the authorizing resolution are enclosed.

Sincerely,
HAROLD T. (BIZZ) JOHNSON,
Chairman.

CONFERENCE REPORT ON S. 7, VETERANS' HEALTH CARE AMENDMENTS OF 1979

Mr. SATTERFIELD. Mr. Speaker, I call up the conference report on the Senate bill (S. 7) to amend title 38, United States Code, to revise and improve certain health-care programs of the Veterans' Administration, to authorize the construction, alteration, and acquisition of certain medical facilities, and to expand certain benefits for disabled veterans; and for other purposes.

The Clerk read the title of the Senate bill.

The SPEAKER. Pursuant to the provisions of clause 2, rule XXVIII, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of May 24, 1979.)

The SPEAKER. The gentleman from Virginia (Mr. SATTERFIELD), will be recognized for 30 minutes, and the gentleman from Arkansas (Mr. HAMMERSCHMIDT) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Virginia (Mr. SATTERFIELD).

GENERAL LEAVE

Mr. SATTERFIELD. Mr. Speaker, I ask unanimous consent that I may revise and extend my remarks and that all Members may have 5 legislative days in which to extend their remarks on the conference report under consideration.

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

There was no objection.

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

Mr. Speaker, the conference report before us today on S. 7, the Veterans' Health Care Amendments of 1979, is similar in fundamental respects to the bill H.R. 1608, which passed the House on May 21.

Mr. Speaker, I want to especially acknowledge the leadership of our chairman of the Committee on Veterans' Affairs, the gentleman from Texas, Mr. ROBERTS, and to distinguish ranking minority member of the full committee, the gentleman from Arkansas, Mr. HAMMERSCHMIDT, as well as all members of the committee for their outstanding efforts to bring about this very extensive legislation which would provide important medical benefits to veterans of this Nation, especially the Vietnam veterans which we are honoring this week.

I wish also to express my deep appreciation to my fellow members of our committee who also served as conferees, Mr. EDWARDS of California, Mr. MONTGOMERY, Mr. DASCHLE, Mrs. HECKLER, and Mr. WYLIE.

Members will recall the basic purpose of this legislation, which was approved by unanimous vote, is to provide improved health services to this country's veterans with special emphasis on the Vietnam-era veterans.

I am pleased to report that the major differences between the Senate and House bills were few and that reconciliation of those differences were successfully concluded by the conferees after careful and serious discussion. We believe that the resulting legislation is just as strong as the measure which the House passed and in some respects is better. Therefore, we once again urge passage.

The principal features of the conference report and the resolution of major differences with the Senate may be outlined briefly as follows.

Priority for outpatient examinations of veterans to determine eligibility for disability pension and service-connected health care services as provided in both the House and Senate bill will, under the conference report, be entitled to the third level preference along with nonservice care for veterans with service-connected disability ratings.

Dental services and appliances are defined under the conference report and outpatient dental care for prisoners of war for 6 months or more and for veterans with total service-connected disability is approved. The Senate bill also provided outpatient contract care to

those veterans who served as POW's for more than 6 months and that provision was accepted by the conferees and is included in the conference version of the bill.

In lieu of a provision contained in the Senate bill which would have provided for the establishment of certain priorities in the provision of dental care, the conferees agreed to a provision which would limit dental services in the case of non-service-connected dental conditions by providing that such service could be delivered only to the extent that dental facilities are not needed to provide dental care or service for service-connected dental conditions; for conditions associated with and aggravating a service-connected disability; for veterans who are totally disabled. For veterans who were POW's for 6 months or more; for non-service-connected dental care which began while a veteran was hospitalized, and for dental conditions of Spanish-American and Indian War veterans.

The conference report would establish an exception for incidental dental care where the condition is associated with or is aggravating a disability for which the veteran was hospitalized or when compelling medical reasons or emergency dental conditions require it. The report makes it clear, however, that routine dental work is not to be considered a compelling medical reason or an emergency dental condition.

The Senate bill limited authorizations for outpatient dental care services which would be provided by contract to the sum expended for such care and services during fiscal year 1978, $45.2 million. In lieu of this measure would increase the number of veterans entitled to dental care. The conferees agreed to direct the Administrator of the Veteran's Administration to report to the VA committees of the House and Senate whenever such expenditures are expected to, or do in fact exceed $42.5 million in any given year. In that report the Administrator is required to place special emphasis upon strict adherence to the criteria applicable to authorizing and providing such contract dental services.

Both the House and Senate bills establish a new program for outpatient readjustment counseling and related mental health services for Vietnam-era veterans who request it within 2 years of discharge or within the 2 years following the effective date of this act, whichever is later.

The conference agreement adopts the House provision which includes the use of psychologists in determining the provision of mental health services to the veteran. It also includes authority to provide readjustment counseling services under contract to private facilities as provided in the Senate bill.

Both bills provide authority to the administrator to furnish mental health services through contract with private facilities to the same extent that he is authorized to provide similar services directly. However, different criteria was specified in the two bills.

The Senate bill provided for contract counseling where the VA facility is not capable of furnishing economic care because of geographic inaccessibility or of furnishing the care or service required. The House bill, on the other hand, provided the Administrator with discretionary authority to provide psychiatric, psychological, preventive health care and counseling services from private sources by contract, after employing specific criteria, namely that the services are not available or inadequate at VA facilities; that undue hardship would be imposed upon the veteran because of the remoteness of the VA facility; that the hours of availability of service at the facility are not compatible with the times which the veteran is available to receive such services; and where the provision of services outside a VA facility is found to be more beneficial to the veteran.

The House receded from its position with an amendment and understanding that when the administrator, acting upon the advice of a VA mental health professional, determines that the VA facility cannot effectively furnish counseling services to meet the needs of the particular veteran he should contract with a private facility to provide such service to that veteran, provided the Administrator has first approved the facility and program as to quality and effectiveness. It is the express view of the conferees that, in such case, a contract with a community mental health center would be appropriate.

This compromise reached by the conferees reflects their strong view that there are veterans who will be eligible for readjustment counseling and related mental health services under this program who might not be served effectively if such services are available only at a VA facility.

The conferees further accepted language contained in the House bill to authorize the administrator to enter into such contract services under this program only to the extent provided in appropriations act.

The community based drug and alcohol treatment program was not materially changed by the conferees other than to limit contract expenditures under this program to amounts specified in appropriations.

Members will recall that the pilot program for preventive health care contained in the House measure provided for a 6-year program with authorizations of $25 million per year. The Senate version authorized a 4-year program with expenditures limited to $3.5 million in 1980, $5 million in 1981, $7 million in 1982, and $9 million in 1983. The conferees compromised these differences by agreeing to a 5-year pilot program with authorization levels of $10 million in 1980, $12 million in 1981, $13 million in 1982, $14 million in 1983, and $15 million in 1984.

Title 3 of the House bill dealing with House and Senate committee approval for the construction, alteration, lease and acquisition of medical facilities was adopted by the conferees substantially in the form contained in H.R. 1608.

The conferees did, however, agree to certain minor changes. First, the provision contained in the House bill to require approval by both committees before the Administrator could accept a gift of more than $500,000 was eliminated. Second, the House provision requiring the approval of the VA committees of the House and Senate whenever the Administrator elected to reduce the size of space already approved by more than 10 percent was eliminated and certain other technical amendments were made to title III.

The only other changes of significance contained in the conference report provide first that the requirement for Senate confirmation of appointees to the office of Deputy Administrator which was contained in both bills, need not apply to the present Deputy Administrator.

Second, the Senate bill required the Administrator of the Veterans' Affairs to report to the Senate and House Veterans' Affairs Committees not later than October 1979, on the home modification needs of veterans who are totally blind from service-connected causes. The House agreed to that provision.

Finally, Mr. Speaker, I believe the conference report on this measure constitutes a strong bill which is eminently satisfactory from the standpoint of the House and I urge its overwhelming approval by the House.

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

Mr. Speaker, I want to compliment the conferees of the Senate and House of Representatives for their statesmanlike approach toward reconciling the differences between H.R. 1608 and S. 7. The result of their intense labors is before us now as the "Veterans Health Care Amendments of 1979." In my opinion, the compromise is better legislation than either of the bills previously passed.

Both Representative RAY ROBERTS of Texas, chairman of the House Veterans' Affairs Committee, and Senator ALAN CRANSTON of California, chairman of the Senate Veterans' Affairs Committee, have every right to take pride in this measure. I also compliment the subcommittee chairman Mr. SATTERFIELD who has been an important guiding hand in this legislation, actually extending back into the 95th Congress.

The bill sets up a system of readjustment counseling and mental health care services for veterans of Vietnam who have had difficulties finding their way back into civilian life. The law will permit the most alienated of these individuals to get the help he needs and deserves.

Another far-reaching section of this bill may yield knowledge that will be helpful to our entire population. It sets up a pilot program for the treatment in community-based facilities of alcohol and drug dependence victims. This is a disease that cripples millions of our citizens and any light that may be shed on its treatment could save incalculable human suffering.

A particularly significant section of the bill gives the two Veterans' Affairs Committees the responsibility for approving the construction of VA hospitals. Since they are charged with the responsibility of providing veterans'

medical benefits, the committees should be involved in deciding the location and type of medical facility where they are dispensed.

There are other beneficial provisions of this bill, Mr. Speaker. I have only touched on a few. This bill stands as proof (if it was needed) that the American people are willing to show (in a tangible way) their gratitude to those who wore the uniform of this country.

I therefore urge that the conference report be approved.

□ 1230

Mr. Speaker, I yield such time as she may consume to the gentlewoman from Massachusetts (Mrs. HECKLER).

Mrs. HECKLER. Mr. Speaker, I rise in strong support of the conference committee report on S. 7, the Veterans' Health Care Amendments of 1979.

As a member of the conference committee that produced this important compromise legislation, I must emphasize that the report before us today indicates the strong will of Congress that mental health treatment and counseling services must and shall be provided to those Vietnam veterans who need and qualify for such services.

The Veterans' Administration, which was a leader in this field following World War II, again is assigned the responsibility of developing mental health treatment and readjustment counseling programs that will assist the Vietnam veteran to adapt successfully to civilian life.

However, this legislative initiative also mandates that the VA shall contract with community based private facilities to provide such services if it serves the best interests of the individual veteran to do so.

The VA is thus provided with the flexibility that is necessary to assure that these programs can work. This flexibility means the veteran who is alienated from his military experience can obtain assistance at community based facilities.

The conference report is a better legislative measure than either House of the Congress has produced acting separately. This is because the report combines into one comprehensive legislative package the House's focus on mental health treatment with the Senate's emphasis on readjustment counseling for veterans with less serious, primarily motivational problems.

This report also breaks new ground with regard to the construction of veterans' medical facilities. It provides the Veterans' Committee of the Congress with authority over the approval of hospital construction projects that many other standing committees of the Congress already have—and have had for years. This is an important and welcome first and adds substantially to the significance of this report.

For these reasons, Mr. Speaker, I strongly support this report and urge my colleagues to vote for its immediate passage.

● Mr. ROBERTS. Mr. Speaker, I want to join my colleagues on the committee in supporting the conference agreement on S. 7, and I want to again compliment the very able and distinguished chairman of the Subcommittee on Medical Facilities and Benefits, DAVE SATTERFIELD, for his leadership in solving the differences between the House and Senate-passed bills. He did a masterful job and it is through his efforts and those of of Senator ALAN CRANSTON that we now have a bill which the President is expected to sign once it clears both Houses of Congress.

Mr. Speaker, I want to especially thank the very able ranking minority member of our committee, the Honorable JOHN PAUL HAMMERSCHMIDT, for his splendid cooperation in helping to bring about this compromise agreement. The distinguished Senator from Wyoming, the Honorable ALAN SIMPSON, played a major role in reaching agreement with the other body. A special thanks, Mr. Speaker, to the gentleman from California, Mr. EDWARDS, who has long advocated the establishment of a psychological readjustment counseling program for Vietnam veterans. He also played a major role in reaching agreement with the other body. I also want to thank the gentleman from Mississippi, Mr. MONTGOMERY; the gentleman from South Dakota, Mr. DASCHLE; the gentlewoman from Massachusetts, Mrs. HECKLER, and the gentleman from Ohio, Mr. WYLIE, for their contributions in helping resolve our differences with the other body. All of our conferees, Mr. Speaker, did a wonderful job and I wish to personally thank each of them.

I am delighted we were able to reach agreement with the other body quickly so that the President can sign the bill and we can proceed to deal with some of the problems which confront our Nation's veterans. It is a fitting tribute to Vietnam veterans that the House pass this conference agreement during Vietnam Veterans Week, a week when we honor those who answered their Nation's call in Southeast Asia during a very difficult period.

I support the conference agreement, Mr. Speaker, and hope that it is adopted unanimously by the House.●

● Mr. GILMAN. Mr. Speaker, I rise in support of this important legislation benefiting our veterans. Today is a most fitting time for discussion of S. 7, the Veterans Health Care Amendments of 1979. It is appropriate that this measure be brought before our body during this, Vietnam Veterans Week of 1979.

This is a vital piece of legislation which will aid the many men and women who donned the uniforms of our Nation's armed services.

S. 7 would amend title 38, United States Code, to revise and improve certain health-care programs of the Veterans' Administration, including the readjustment counseling program; it would authorize the construction, alteration and acquisition of certain medical facilities; and would expand certain benefits for disabled veterans.

The main provisions of this measure include:

Establishing a new program to provide outpatient readjustment counseling and related mental health services for Vietnam-era veterans who request such counseling within 2 years from discharge or release or within 2 years after enactment, whichever is later. The conference agreement would authorize the administrator to contract with private facilities for the readjustment counseling as well as the related mental health services if the administrator, on the advice of a VA mental health professional, determines that the VA facility in question cannot effectively furnish counseling or services to meet the needs of that particular veteran.

Establishing a 5-year pilot program for the treatment and rehabilitation of veterans with alcohol and drug dependence or abuse disabilities. The administrator could contract for the treatment of veterans in halfway houses, therapeutic communities, psychiatric residential treatment centers, and other community-based treatment facilities.

Establishing a 5-year pilot program of preventive health care services for veterans with 50 percent or more service-connected disability ratings and for veterans receiving treatment involving a service-connected disability. The conference agreement would provide for maximum expenditures of $10 million in fiscal 1980; $12 million in fiscal 1981; $13 million in fiscal 1982; $14 million in fiscal 1983, and $15 million in fiscal 1984.

Requiring prior approval by House and Senate Veterans' Affairs Committees for the construction, alteration or acquisition of any VA medical facility costing more than $2 million (or for the leasing of any facility by the VA for more than $500,000 a year).

Mr. Speaker, our Nation has never fully recognized those who fought, suffered and died in Southeast Asia. We have yet to recognize the special problems of Vietnam veterans, and that is why it is imperative we approve S. 7. It is one small step by our Nation toward recognizing some of their special problems. We have not gone far enough in providing the Vietnam-era veterans with employment opportunities, proper health care, training and education benefits. But this measure does make significant strides toward helping those who served.

It is with the deepest humility and pride that I join with our President and my colleagues in the observance of May 28–June 3, as Vietnam Veterans Week.

This week our Nation is honoring the approximately 9 million Vietnam-era veterans currently living in the United States, and the more than 56,000 servicemen who died as a result of the conflict.

As our President stated, we still owe a great moral debt to our Vietnam-era veterans. Those 9 million who served our Nation did so during a painful and bitter time. They returned to an America divided over the war. They never did receive the welcome we showered upon returning veterans of past wars. As we pay tribute to those that served in that unpopular Southeastern Asia conflict, it is important that we not forget another segment who fought . . . those listed as missing in action. The tragedy of not knowing still haunts their families.

Mr. Speaker, since we are considering legislation benefiting our Vietnam veterans, at this point in the RECORD, I would like to insert the text of President Carter's proclamation of Vietnam Veterans Week:

VIETNAM VETERANS WEEK, 1979
(By the President of the United States of America)
A PROCLAMATION

We are a peace-seeking Nation and we are at peace, but we must not forget the lessons war has taught us, nor the brave men and women who have sacrificed so much for us in all our wars.

The decade now drawing to a close began in the midst of a war that was the longest and most expensive in our history, and most costly in human lives and suffering. Because it was a divisive and painful period for all Americans, we are tempted to want to put the Vietnam war out of our minds. But it is important that we remember—honestly, realistically, with humility.

It is important, too, that we remember those who answered their Nation's call in that war with the full measure of their valor and loyalty, that we pay full tribute at last to all Americans who served in our Armed Forces in Southeast Asia. Their courage and sacrifices in that tragic conflict were made doubly difficult by the Nation's lack of agreement as to what constituted the highest duty. Instead of glory, they were too often met with our embarrassment or ignored when they returned.

The honor of those who died there is not tarnished by our uncertainty at the moment of their sacrifice. To them we offer our respect and gratitude. To the loved ones they left behind, we offer our concern and understanding and our help to build new lives. To those who still bear the wounds, both physical and psychic, from all our wars, we acknowledge our continuing responsibility.

Of all the millions of Americans who served in Southeast Asia, the majority have successfully rejoined the mainstream of American life.

To them, and to all who served or suffered in that war, we give our solemn pledge to pursue all honorable means to establish a just and lasting peace in the world, that no future generation need suffer in this way again.

Now, therefore, I, Jimmy Carter, President of the United States of America, call upon all Americans to observe May 28 through June 3, 1979, the week of our traditional Memorial Day, as Vietnam Veterans Week. On this occasion, let us as a Nation express our sincere thanks for the service of all Vietnam era veterans.

I urge my fellow citizens and my fellow veterans, and their groups and organizations, to honor the patriotism of these veterans, and to recognize their civilian contributions to their communities in America today.

I call upon the state and local governments to join with me in proclaiming Vietnam Veterans Week, and to publicly recognize with appropriate ceremonies and activities yesterday's service and today's contributions of Vietnam era veterans.

In witness whereof, I have hereunto set my hand this twentieth day of March, in the year of our Lord nineteen hundred and seventy-nine, and of the Independence of the United States of America the two hundred and third.

JIMMY CARTER.●

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

Mr. SATTERFIELD. Mr. Speaker, I have no further requests for time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

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

Mr. HAMMERSCHMIDT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 342, nays 0, not voting 92, as follows:

[Roll No. 174]

YEAS—342

Abdnor	Davis, S.C.	Hillis
Addabbo	de la Garza	Holtzman
Albosta	Deckard	Hopkins
Alexander	Dellums	Horton
Ambro	Derrick	Howard
Anderson, Calif.	Derwinski	Huckaby
	Devine	Hughes
Andrews, N.C.	Dickinson	Hyde
Andrews, N. Dak.	Dicks	Ichord
	Diggs	Ireland
Annunzio	Dingell	Jacobs
Applegate	Donnelly	Jeffords
Archer	Dornan	Jeffries
Ashbrook	Dougherty	Jenkins
Ashley	Downey	Johnson, Calif.
Aspin	Drinan	Johnson, Colo.
Atkinson	Duncan, Tenn.	Jones, N.C.
AuCoin	Early	Jones, Okla.
Badham	Edwards, Ala.	Jones, Tenn.
Bafalis	Edwards, Calif.	Kastenmeier
Bailey	Edwards, Okla.	Kelly
Baldus	Emery	Kemp
Barnard	English	Kildee
Barnes	Erdahl	Kindness
Bauman	Erlenborn	Kogovsek
Beard, R.I.	Ertel	Kostmayer
Beard, Tenn.	Evans, Del.	Kramer
Bedell	Evans, Ga.	LaFalce
Beilenson	Evans, Ind.	Lagomarsino
Benjamin	Fary	Latta
Bennett	Fascell	Leach, Iowa
Bereuter	Fazio	Leach, La.
Bethune	Fenwick	Leath, Tex.
Bevill	Findley	Lederer
Biaggi	Fish	Lee
Bingham	Fisher	Lehman
Blanchard	Fithian	Levitas
Boland	Flippo	Lloyd
Boner	Foley	Loeffler
Bonior	Ford, Mich.	Long, La.
Bouquard	Fountain	Long, Md.
Brademas	Frenzel	Lowry
Brinkley	Frost	Lujan
Brodhead	Fuqua	Luken
Brooks	Gaydos	Lundine
Broomfield	Gephardt	Lungren
Buchanan	Gibbons	McClory
Burgener	Gilman	McCloskey
Burlison	Gingrich	McDade
Butler	Ginn	McDonald
Byron	Glickman	McHugh
Campbell	Goldwater	McKay
Carney	Gonzalez	McKinney
Carr	Goodling	Madigan
Carter	Gore	Maguire
Cavanaugh	Gramm	Markey
Chappell	Grassley	Marks
Cheney	Gray	Marriott
Chisholm	Green	Martin
Clausen	Grisham	Mathis
Cleveland	Guarini	Matsui
Clinger	Gudger	Mattox
Coelho	Guyer	Mavroules
Coleman	Hagedorn	Mazzoli
Collins, Ill.	Hall, Ohio	Mica
Collins, Tex.	Hall, Tex.	Mikulski
Conable	Hamilton	Mikva
Conte	Hammer-schmidt	Miller, Ohio
Corcoran		Mineta
Corman	Hance	Minish
Courter	Hanley	Mitchell, Md.
Crane, Daniel	Hansen	Moakley
D'Amours	Harkin	Moffett
Daniel, Dan	Harris	Moorhead, Calif.
Daniel, R. W.	Hawkins	
Danielson	Heckler	Moorhead, Pa.
Dannemeyer	Hefner	Mottl
Daschle	Heftel	Murphy, Pa.
Davis, Mich.	Hightower	Murtha
Myers, Ind.	Roybal	Studds
Myers, Pa.	Royer	Swift
Natcher	Runnels	Symms
Neal	Sabo	Synar
Nedzi	Santini	Taylor
Nelson	Satterfield	Thomas
Nichols	Sawyer	Thompson
Nolan	Scheuer	Trible
Nowak	Schroeder	Udall
Oakar	Schulze	Ullman
Oberstar	Seiberling	Van Deerlin
Obey	Sensenbrenner	Vander Jagt
Ottinger	Shannon	Vanik
Panetta	Sharp	Vento
Pashayan	Shelby	Volkmer
Patten	Shumway	Walker
Pease	Shuster	Wampler
Perkins	Simon	Waxman
Peyser	Skelton	Weiss
Preyer	Slack	White
Price	Smith, Iowa	Whitehurst
Pursell	Smith, Nebr.	Whitley
Quayle	Snowe	Whittaker
Quillen	Snyder	Whitten
Rahall	Solarz	Williams, Mont.
Ratchford	Spellman	Williams, Ohio
Regula	Spence	Winn
Reuss	St Germain	Wolpe
Rhodes	Stack	Wright
Richmond	Stanton	Yates
Rinaldo	Stark	Yatron
Ritter	Steed	Young, Fla.
Robinson	Stenholm	Young, Mo.
Roe	Stewart	Zablocki
Rose	Stockman	Zeferetti
Rosenthal	Stokes	
Rousselot	Stratton	

NAYS—0

NOT VOTING—92

Akaka	Gradison	Pickle
Anderson, Ill.	Harsha	Pritchard
Anthony	Hinson	Railsback
Boggs	Holland	Rangel
Bolling	Hollenbeck	Roberts
Bonker	Holt	Rodino
Bowen	Hubbard	Rostenkowski
Breaux	Hutto	Roth
Brown, Calif.	Jenrette	Rudd
Brown, Ohio	Kazen	Russo
Broyhill	Leland	Sebelius
Burton, John	Lent	Solomon
Burton, Phillip	Lewis	Staggers
Clay	Livingston	Stangeland
Conyers	Lott	Stump
Cotter	McCormack	Tauke
Coughlin	McEwen	Traxler
Crane, Philip	Marlenee	Treen
Dixon	Michel	Walgren
Dodd	Miller, Calif.	Watkins
Duncan, Oreg.	Mitchell, N.Y.	Weaver
Eckhardt	Mollohan	Wilson, Bob
Edgar	Montgomery	Wilson, C. H.
Ferraro	Moore	Wilson, Tex.
Flood	Murphy, Ill.	Wirth
Florio	Murphy, N.Y.	Wolff
Ford, Tenn.	O'Brien	Wyatt
Forsythe	Patterson	Wydler
Fowler	Paul	Wylie
Garcia	Pepper	Young, Alaska
Giaimo	Petri	

□ 1240

The Clerk announced the following pairs:

Mr. Murphy of Illinois with Mr. Mitchell of New York.

Mr. Staggers with Mrs. Holt.

Mr. Rostenkowski with Mr. Broyhill.

Mr. Kazen with Mr. Anderson of Illinois.

Mr. Mollohan with Mr. Harsha.

Mr. Rodino with Mr. Gradison.

Mr. Montgomery with Mr. Petri.

Mr. Roberts with Mr. Brown of Ohio.

Mr. Pepper with Mr. Wylie.

Mr. Giaimo with Mr. Tauke.

Mr. Flood with Mr. Bob Wilson.

Mr. Phillip Burton with Mr. Moore.

Mr. Akaka with Mr. O'Brien.

Mrs. Boggs with Mr. Paul.

Mr. Florio with Mr. McEwen.

Mr. Miller of California with Mr. Livingston.

Mr. Hubbard with Mr. Hollenbeck.

Mr. Jenrette with Mr. Forsythe.

Mr. Eckhardt with Mr. Philip M. Crane.

Mrs. Ferraro with Mr. Hinson.
Mr. Patterson with Mr. Coughlin.
Mr. Traxler with Mr. Lent.
Mr. Stump with Mr. Marlenee.
Mr. Russo with Mr. Lewis.
Mr. Rangel with Mr. Lott.
Mr. Wolff with Mr. Pritchard.
Mr. Watkins with Mr. Rudd.
Mr. Hutto with Mr. Sebelius.
Mr. McCormack with Mr. Roth.
Mr. Murphy of New York with Mr. Stangeland.
Mr. Fowler with Mr. Solomon.
Mr. Edgar with Mr. Treen.
Mr. Dixon with Mr. Young of Alaska.
Mr. Cotter with Mr. Wyatt.
Mr. Breaux with Mr. Wydler.
Mr. Brown of California with Mr. Pickle.
Mr. Ford of Tennessee with Mr. Clay.
Mr. John L. Burton with Mr. Leland.
Mr. Holland with Mr. Weaver.
Mr. Charles H. Wilson of California with Mr. Duncan of Oregon.
Mr. Dodd with Mr. Conyers.
Mr. Wilson of Texas with Mr. Bowen.
Mr. Bonker with Mr. Anthony.
Mr. Wirth with Mr. Railsback.
Mr. Garcia with Mr. Walgren.

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR SUBCOMMITTEE ON ENERGY RESEARCH AND PRODUCTION OF COMMITTEE ON SCIENCE AND TECHNOLOGY TO SIT TOMORROW WHILE HOUSE IS IN SESSION

Mrs. BOUQUARD. Mr. Speaker, I ask unanimous consent that the Subcommittee on Energy Research and Production of the Committee on Science and Technology be permitted to sit tomorrow while the House is in session.

Mr. Speaker, the purpose of the subcommittee meeting tomorrow is to take testimony on uranium resources. There will be no markup. It is my understanding that the gentleman from New York (Mr. WYDLER), the ranking minority member of the subcommittee, concurs in this request.

The SPEAKER pro tempore (Mr. RATCHFORD). Is there objection to the request of the gentlewoman from Tennessee?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, can the gentlewoman assure us that this is for the purpose of hearing only?

Mrs. BOUQUARD. If the gentleman will yield, this is for hearing only, to take testimony on uranium resources. There will be no markup.

Mr. ROUSSELOT. This is only for today?

Mrs. BOUQUARD. This is for tomorrow.

Mr. ROUSSELOT. Mr. Speaker, I withdraw my reservation of objection.

Mrs. BOUQUARD. I thank the gentleman.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Tennessee?

There was no objection.

TRADE ADJUSTMENT ASSISTANCE PROGRAM IMPROVEMENTS

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 236 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 236

Resolution providing for the consideration of the bill (H.R. 1543) to improve the operation of the adjustment assistance programs for workers and firms under the Trade Act of 1974

Resolved. That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1543) to improve the operation of the adjustment assistance programs for workers and firms under the Trade Act of 1974, the first reading of the bill shall be dispensed with, and all points of order against said bill for failure to comply with the provisions of clause 5, rule XXI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be read for amendment under the five-minute rule by titles instead of by sections. It shall be in order to consider the amendment recommended by the Committee on Ways and Means now printed on page 8, lines 13 through 23 of the bill, and all points of order against said amendment for failure to comply with the provisions of clause 5, rule XXI are hereby waived. No amendments to the bill or to the committee amendments shall be in order except pro forma amendments for the purpose of debate, the amendments recommended by the Committee on Ways and Means now printed in the bill, and other germane amendments relating only to chapters 2, 3, and 5 of title II of the Trade Act of 1974 (Public Law 93–618), the trade adjustment assistance provisions of said Act. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

□ 1250

The SPEAKER pro tempore. The gentleman from Massachusetts (Mr. MOAKLEY) is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield 30 minutes for the minority to the gentleman from Tennessee (Mr. QUILLEN), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 236 is the rule providing for the consideration of the bill H.R. 1543, which consists of improvements to the trade adjustment assistance program. The rule is a modified open rule with 1 hour of general debate that is, in reality, much more simple and more open than it sounds. It is closed in the sense that it limits amendments strictly to the trade adjustment assistance provisions—chapters 2, 3, and 5 of title II—of the Trade Act of 1974. But within those limits, committee amendments or any germane amendments are in order.

The rule further provides, in order to expedite consideration, that the bill will be read for amendment by titles instead of by sections. And finally, points of order against the bill under clause 5, rule XXI are waived in order to protect certain provisions that contain changes in the trade adjustment assistance entitlement programs and changes in the eligibility requirements for workers and firms that participate in the programs. The waiver is necessary since the changes would allow the use of outstanding funds for a new purpose. In addition, points of order under clause 5 of rule XXI are waived for the committee amendment printed in the bill on page 8, lines 13 through 23, because the amendment also makes changes in the eligibility requirements for the entitlement programs.

Mr. Speaker, this legislation makes a number of important and necessary changes in the trade adjustment assistance program. It is a very good program, but the subcommittee on trade, in its oversight investigations, has identified some pressing problems and inequities that need to be improved. This bill includes those amendments, that will make a good program even better. Workers and firms all across the country who have been adversely affected by imports stand to benefit from prompt passage of the legislation before us today.

Mr. Speaker, I am in strong support of this bill and I urge adoption of House Resolution 236 in order that the bill might be considered.

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

Mr. Speaker, the able gentleman from Massachusetts (Mr. MOAKLEY) has described the provisions of the rule very correctly. It is a modified rule, and I will not go into detail on the provisions of the rule at this time.

Mr. Speaker, the Trade Adjustment Assistance Program Improvements Act does broaden the base, and some might refer to it as improvements. Others might refer to it as hampering of the provisions of the act and the benefits of the act itself. I know that the act does a tremendously good job.

In my district, color television imports have brought about havoc in some of the cities where plants are located. I know that the employees need adjustment pay, and I think it is a good program.

Mr. Speaker, I do not have any requests for time, but I urge the adoption of the rule and reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. VANIK. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1543) to improve the operation of the adjustment assistance programs for workers and firms under the Trade Act of 1974.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. VANIK).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1543, with Mr. MOAKLEY in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Ohio (Mr. VANIK) will be recognized for 30 minutes and the gentleman from Michigan (Mr. VANDER JAGT) will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Ohio (Mr. VANIK).

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

Mr. Chairman, I rise in support of H.R. 1543, as amended by the Committee on Ways and Means, a bill to improve the operation of the trade adjustment assistance programs for workers and firms under chapters 2, 3, and 5 of the Trade Act of 1974.

The Subcommittee on Trade became aware of many legislative and administrative inadequacies and proposals for improvement in the trade adjustment assistance programs brought to its attention by labor unions, industry associations, individual workers and firms, and Members of Congress during its hearing on the program held in the spring of 1977 and again this year.

H.R. 1543, as amended, addresses the most common of these complaints. The main provisions extend adjustment assistance coverage to certain workers and firms which supply component parts or other articles or services essential to the production, transport, or storage of import-impacted articles, reduce the minimum employment eligibility requirement for workers to 40 of the 104 weeks immediately preceding layoff as an alternative to the present 26 of the 52 weeks, and make benefits available retroactively to workers who were not informed of the 1-year time limit under the new program for filing petitions following layoff.

The bill extends benefit periods an additional 26 weeks, up to a maximum of 104 weeks, to enable workers to complete training and until older workers age 60 or over reach social security age, increases job research and relocation allowances, and establishes demonstration projects in trade-impacted areas to test vouchers as an alternative method to encourage worker retraining.

H.R. 1543 expands substantially technical and financial assistance benefits to import-impacted firms. It provides technical assistance to help firms prepare their petitions and economic adjustment plans, raises the ceiling on the Government share of the cost of technical assistance from 75 to 90 percent, and establishes industrywide technical assistance. The bill lowers the interest rate on direct loans, raises the present ceiling on direct loans to firms from $1 million to $3 million and the limit on loan guarantees from $3 million to $5 million, and authorizes interest rate subsidies to reduce interest paid by borrowers on guaranteed loans to rates comparable with direct loans.

The Subcommittee on Trade and Committee on Ways and Means have thoroughly discussed these and other issues during the past 2 years. H.R. 1543 is similar to H.R. 11711 which the House passed last September. The Senate also passed a similar bill last year but agreement could not be reached between the two Houses in the last hour of the session on certain unrelated amendments. The subcommittee favorably reported H.R. 1543 by voice vote to the full committee on February 27. On March 15, the Committee on Ways and Means ordered H.R. 1543 favorably reported by voice vote with two substantive amendments.

The bill reflects the committee's concern that the adjustment assistance program provide an effective response to the economic dislocations that increased imports can bring to certain segments of our society and a more viable alternative to increased import restrictions. The committee considers improvements in trade adjustment assistance to be even more essential this year as the Congress considers legislation to implement the agreements reached in the multilateral trade negotiations providing for further liberalization of international trade. The bill strikes a balance of addressing some of the most serious criticisms of the program, while recognizing that the more basic problems of adjustment could not be solved within reasonable budgetary limits. The first concurrent budget resolution recently passed by the House includes $197 million to cover the full estimated cost in fiscal year 1980 of H.R. 1543 as amended.

Mr. Chairman, I urge the Members of the House to join me in voting for H.R. 1543 as amended.

□ 1300

Mr. VANDER JAGT. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I rise in support of H.R. 1543, and I commend the distinguished chairman of the Trade Subcommittee for the workmanlike and constructive way in which he has fashioned this legislation.

Fifteen years ago, the Congress committed the Nation to a program of trade adjustment assistance. The Nation was committed to liberalizing trade, a step in which every worker and every U.S. industry has a vital stake. It was recognized, however, that the country could not liberalize world trade without incurring some domestic injury in specific cases. So, 15 years ago the trade adjustment assistance program was developed to try to provide assistance to those industries and those workers who were adversely impacted by the Federal program of liberalized trade.

Over the past 15 years, we have had experience with this program. Based on that experience we have developed some improvements and refinements. These necessary adjustments have been developed over a 2-year period under the leadership of the chairman of the Trade Subcommittee, and after extensive hearings. This bill was reported out last year by the Ways and Means Committee, passed the House overwhelmingly only to die in the Senate in the rush toward adjournment.

Essentially the same bill was reported out by the Trade Subcommittee this year. Unfortunately, when the Ways and Means Committee took up the bill two amendments were added which expanded the coverage and, I believe, enormously added to the cost. One is an amendment to make people eligible who have a rather tenuous connection to the labor force; another is an amendment that expands the supplying industries coverage and sets up a ripple effect, and it is very difficult to tell how far those ripples will reach.

So, I would urge my colleagues to reject those two changes and then get on with the necessary business of passing this desperately needed legislation. As the chairman has pointed out, as we come to the culmination of MTN, this legislation is more necessary than ever. It does represent some great refinements and improvements in the program. I do not think we need, however, the excessive, costly, and controversial extra baggage contained in these two additional amendments. I believe we do a disservice to the U.S. industry and workers if we add that excessive package on and, of course, reduce the chances of the administration accepting this program which is so necessary to the workers and industries that are affected.

Mr. VANIK. Mr. Chairman, I yield such time as he may consume to my distinguished colleague from Oklahoma (Mr. JONES), who is a member of the Subcommittee on Trade and also a member of the Committee on the Budget.

Mr. JONES of Oklahoma. Mr. Chairman, I thank the chairman of the Subcommittee on Trade for yielding to me.

Mr. Chairman, I rise to provide a budgetary perspective on the bill, H.R. 1543, the Trade Adjustment Assistance Program Improvements Act.

Mr. Chairman, I include in the RECORD at this time a statement by the chairman of the Committee on the Budget, the gentleman from Connecticut (Mr. GIAIMO):

STATEMENT OF HON. ROBERT N. GIAIMO OF CONNECTICUT, CHAIRMAN OF THE HOUSE BUDGET COMMITTEE, ON H.R. 1543, TRADE ADJUSTMENT ASSISTANCE IMPROVEMENTS

Mr. Chairman, I rise to provide a budgetary perspective on the bill H.R. 1543, Trade Adjustment Assistance Program improvements.

The major budget impact on this bill would be in the Income Security function. Upon the recommendation of the Committee on Ways and Means, the Budget Committee included the $177 million in budget authority and outlays which the Congressional Budget Office estimates the worker provisions of this bill to cost. The House allocation of the conference agreement on

the Budget Resolution allocated $177 million in new entitlement authority to the Committee on Ways and Means for this legislation. This amount is included within the overall total of $798 million in new entitlement authority allocated to that Committee.

ACTION MEMORANDUM

MAY 29, 1979.

To Chairman GIAIMO.
From Bruce Meredith.
Subject H.R. 1543, Trade Adjustment Assistance Improvements, Scheduled for May 30, 1979.

BACKGROUND

The House allocation of the First Budget Resolution conference agreement assumes the cost of this bill, which is a high priority item to both Mr. Ullman and Mr. Vanik.

The Worker Trade Adjustment program is financed with general funds and provides more liberal benefits than the regular Unemployment Compensation Benefits program provides. Regular benefits are supplemented with Trade Adjustment benefits to guarantee beneficiaries the lesser of the average manufacturing wage (currently $261 a week) or 70 percent of previous gross wages. Eligible workers can obtain 52 weeks of benefits. If they are over age 55, or in training, 26 additional weeks of benefits are available.

H.R. 1543 would make the following changes:

Fiscal year 1980 budget authority/ outlay impact

[In millions of dollars]

Extend eligibility to workers in firms supplying components or services to plants impacted by increased imports. The Department of Labor is currently studying the cost of this provision, and the results of the study will not be available for weeks. The preliminary estimate is	100
Provide retroactive benefits to workers who were denied assistance because they were unaware of the one-year filing deadline under the Trade Act of 1974. This provision has a one-time cost	50
Allow workers to qualify for benefits if they were employed for 26 of the 52 weeks prior to their lay-off, as under current law, *or* 40 weeks in the preceding 104 week period	17
Other provisions	10
Total	177

Mr. Frenzel is expected to introduce an amendment which would strike an amendment to the bill offered by Mr. Downey during markup in the Ways and Means Committee. The Downey amendment removed the requirement in the original bill that to be eligible for Trade Adjustment Assistance, firms supplying component parts or essential articles or services to import-impacted firms must do 25 percent or more of their business with an import-impacted firm. Deletion of the Downey amendment would reduce the cost of the bill by $46 million. Mr. Frenzel introduced the same amendment during markup of the Budget Resolution. If the amendment were adopted by the House, the cost of the bill would be $131 million.

Principal Analyst, Jim Rotherham, phone 55792.

Mr. VANDER JAGT. Mr. Chairman, I yield 7 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, I believe in trade adjustment assistance, and I believe that the bill this House passed last year, while it was perhaps a little more expensive than was necessary to cure the problem, was a responsible bill; and I am extremely sorry that the Senate was not able to pass that bill at the end of the last session because then we would not have to be going through the trouble we go through today.

I am personally in a difficult position today because I do support much of the change that occurs in H.R. 1543 to improve trade adjustment assistance. When the bill was introduced early this year I became a cosponsor because, even though there was the problem of an amendment which I will talk about later, I felt that overall it was a reasonably balanced bill and deserving of support. However, when the bill reached the Ways and Means Committee out of the Trade Subcommittee it was subjected to an amendment called the Downey amendment, after the gentleman from New York. In my judgment, that made the bill irresponsible and a bad legislative act for this body.

□ 1310

That amendment would have eliminated the requirement that the supplying firm must provide at least 25 percent of its total production to a trade-impacted firm in order for its workers to be eligible to apply for and receive trade adjustment assistance benefits. As the bill came from the subcommittee, and as the House passed it last year, supplying firms were made eligible, but under that bill the trade test would be that they would have to sell at least 25 percent of their total production to a trade-impacted firm.

The Downey amendment removes that test and now merely says that there should be some important relationship. This gives the Department of Labor, and courts who may look at it, some kind of a standard which I do not think anyone understands, nor can anyone predict the cost as well. Indeed, when the amendment was reviewed by the committee and analyzed by the Congressional Budget Office, it was recognized that there would be or could be considerable additional cost because nobody knows exactly how many supplying firms could or might qualify under the Downey language.

My opposition to it is based, first, on that cost, part of which I think is unknown, but even on the cost that was presented to us by the Congressional Budget Committee, that Downey amendment increases the cost of extending coverage to supplying firms by about $50 million to $100 million. The Downey amendment itself carries a price tag of almost $50 million, according to the CBO. According to me, it is going to be a good deal higher, Mr. Chairman. That provison comprises over 50 percent of the total cost of this bill, in my judgment, not a wise priority for expenditures for trade adjustment assistance, and especially at a time when all of us have worked so hard in working with the budget, trying to hold our expenses to a reasonable amount, we are suddenly offering an extension of these benefits to people whose unemployment may or may not be trade-related in an important way.

Another thing that is wrong with this is the distorting effect it has on trade adjustment assistance programs as a whole. These programs were designed to offset the adverse effects of a free trade policy on American workers and firms. I think everybody in this body approves of that kind of policy. However, the Downey amendment would expand the coverage so greatly and would demand that the program now encompasses so many workers, with only a slight relationship to import-impacted employment, that it seems to make a farce out of trade adjustment assistance. In effect we are creating a second tier interim compensation program with very little justification from the perspective of trade-related unemployment, and obviously those trade adjustment assistance programs were designed to address specifically trade adjustment unemployment.

The administration strongly opposes the Downey amendment. As some of us know, I am not the strongest backer of this administration. However, it has tried to be responsible in this particular area in holding down costs that are not necessary to meet the problems of the day. I do not know if the administration would be willing to veto this bill. I have no idea. But I do know the bill is not acceptable, even without the Downey amendment. With the Downey amendment it is terribly unacceptable to the administration.

Mr. Chairman, as I stated earlier, I am a longtime supporter of adjustment assistance programs. I have tried to be helpful in formulating needed changes over the years. The process of reform has gone on as long as I have been on the Committee on Ways and Means, and I think in general this bill before us is a responsible bill. However, I could vote for last year's bill even though it contains things I do not like. I cannot vote for this year's bill, nor do I think any Member of this body should vote for this year's bill while in includes the Downey amendment. If the Downey amendment remains within the bill, the purposes of the bill are thwarted and subverted, and its costs become outrageously high and unpredictable. I, therefore, Mr. Chairman, will oppose H.R. 1543 and suggest that it may have great difficulty in wending its way through the total legislative process.

I urge my colleagues to join me in opposing the Downey amendment, and if it is not defeated, I urge them to vote against final passage.

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

Mr. VANIK. Mr. Chairman, I yield such time as he may desire to the distinguished gentleman from Florida (Mr. GIBBONS).

Mr. GIBBONS. Mr. Chairman, I want to thank my subcommittee chairman for the fine work that he and the committee have done on this bill. This is a civilized, sound, sensible solution to a tough economic problem. The problems of trade are high in emotional content. Some people will lose their jobs and be forced to find other jobs because of national policy, a policy that is made here by this Congress and by whatever government happens to be in power at the time. We have to find sensible ways of

solving the problem. In the past we have thrown up trade barriers to try to protect those jobs, and we have done that with disastrous economic impact upon our own country and upon other countries throughout the world.

Over the years since 1962 we have experimented with trade adjustment assistance. The program when it was first instituted in 1962 was so strictly written that very few people were able to take advantage of the entitlements that the Government intended for them and that the Congress intended for them. Since that time we have gradually liberalized these tests that people must meet before they can receive assistance.

Some people will say that we have gone too far now. I doubt that we have. I think that the tests that are laid down in this bill are civilized, sound, and sensible, and I hope that we can adopt them. I hope that we will sustain the committee position and the committee amendments.

Mr. Chairman, at this point I yield back the remainder of my time.

Mr. VANDER JAGT. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. REGULA).

Mr. REGULA. Mr. Chairman, I want to add my support to H.R. 1543, the trade adjustment assistance amendments, and hope that the House of Representatives will act expeditiously to pass this bill. Last year both the House and Senate passed bills similar to H.R. 1543, but the bills died during the closing hours of the last Congress.

It was more than 2 years ago that I and others first introduced legislation which would have extended the eligibility for workers laid off for an additional year. At that time we were responding to many complaints received concerning the administration of the trade adjustment program. These complaints centered around two areas: that those eligible were not made aware of the program by the Department of Labor and the fact that many employees with long years of experience were laid off prior to the 1-year time period for certification of damage by imports.

Therefore many of the older workers with increased family responsibilities and ties to the community were not afforded the benefits of younger workers.

Section 223 of the trade adjustment amendments bill provides for a retroactive extension of the impact period from 1 year to 18 months and will help substantially in addressing this inequity.

Adjustment assistance is not a long-term solution to our trade problems, however, it does provide equitable temporary relief.

It is even more imperative that we act in view of the possible termination of the import quotas on specialty steel.

I and many others have urged the President to extend the import quotas, however if these quotas are not extended it is estimated by the International Trade Commission that there will be a 50 percent increase in imports of specialty steel. This will have an impact on American jobs.

I am also concerned that the multilateral trade agreeement may have a negative impact on employment in some domestic industries.

As a member of the steel caucus, I, along with other Members of Congress, have been seeking a more permanent solution to the problem of imports. One of the interim solutions is a better trade adjustment program which will alleviate some of the pressure for hastily conceived protectionist legislation.

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

□ 1320

Mr. VANIK. Mr. Chairman, I yield such time as he may desire to our distinguished colleague from Iowa (Mr. BEDELL).

Mr. BEDELL. Mr. Chairman, I rise in support of H.R. 1543, a bill to improve the operation of the adjustment assistance program for workers and firms under the Trade Act of 1974.

I would like to commend the Committee on Ways and Means for its recognition of the need to revise certain provisions of the Trade Act. The committee has drafted a sound and much-desired piece of legislation which deserves prompt enactment into law.

I was one of those who was greatly disappointed when similar legislation fell by the wayside during the adjournment rush in the final days of the 95th Congress. Not only does the legislation before us include all the welcome and needed changes that were contained in last year's measure, it also incorporates a retroactive extension of assistance to those workers displaced between October 1974, and October 1977, who were precluded from receiving assistance solely because they were laid off more than one year prior to the filing of an application for assistance.

I first became aware of the need to improve delivery of adjustment assistance under the Trade Act through the events subsequent to the closing of a large electronics plant in my district. In late September of 1977, the Zenith Corp. announced a nationwide production cutback which was precipitated by the importation of electronic products from Japan at less than fair market value. The decision resulted in the displacement of 5,600 Zenith employees across the country. In Sioux City, Iowa, 800 jobs were eliminated, 500 of which were held by individuals who were the sole supporters of their families.

Unfortunately, announcement of the production curtailment and widespread layoffs was to be only the first in a series of disillusioning setbacks for these displaced workers. Having lost their jobs to unfair foreign competition, aided in part by the failure of past administrations to enforce existing fair trade laws effectively, the Zenith employees turned to the Federal Government for assistance under the Trade Act of 1974. However, these workers soon found their hopes for timely and direct aid dashed by the poor dissemination of information, lack of coordination among program officials, and general problems with implementation which became characteristic of the existing trade adjustment program. Eventually dozens of these workers learned that they would receive no program benefits simply because they had been displaced more than 1 year prior to the filing of a request for assistance.

Due in part to the complexity of the program, the suddenness of the final layoff announcement, and the number of workers affected, information pertaining to the scope of benefits and procedural steps provided under the Trade Act was not found to be readily available. To remedy this deficiency, the Director of the Trade Adjustment Assistance Office within the Department of Labor came to Sioux City, at my urging, to personally brief the former Zenith employees on the details of the program. Though then aware of available assistance, many workers encountered additional problems in obtaining a correct computation of their individual benefits and specific information relating to their own opportunities for retraining or relocation. This situation was further aggravated by an acute lack of coordination between Federal, State, and local officials in implementing the program and designating local administrating authorities.

In view of the shortcomings of the trade adjustment assistance program which I have observed firsthand, it is with a great deal of enthusiasm that I support the legislation presented before the House today. Notable among the changes in this bill are provisions streamlining eligibility certification procedures, making more equitable the formula used in determining individual worker eligibility, and extending to firms producing key components or providing essential services for trade-impacted firms coverage under the Trade Act. Also, I am pleased to note that the legislation calls for improved dissemination of program information to workers and firms adversely impacted by foreign competition, and it is my hope that this provision will foster improved coordination among Federal and local officials. Finally, I am most encouraged by the section granting retroactive eligibility to workers who were unfairly and arbitrarily denied benefits in the past.

Mr. Chairman, I think that enactment of this legislation will go a long way toward providing much needed assistance to workers displaced by foreign competition, and I urge its approval here today. However, I feel that it is important to recognize that this legislation provides only cosmetic relief for a problem whose root cause in many cases lies in the ineffective enforcement of existing fair trade laws. Many American firms and their employees have been adversely and unfairly affected by the lack of proper enforcement of U.S. fair trade laws, and I urge that the Congress also address this more general problem in a timely and responsible manner.

Mr. VANIK. Mr. Chairman, I yield such time as he might desire to our distinguished colleague from Pennsylvania (Mr. GAYDOS).

Mr. GAYDOS. Mr. Chairman, I thank the subcommittee chairman for his consideration.

Mr. Chairman, H.R. 1543 provides in section 101 the opportunity for certain trade-impacted workers to qualify for TAA eligibility and retroactive payment.

Such workers would be allowed an additional 6 months' impact period—totaling 18 months—back from date of layoff instead of the current 12-month period in which their impact-related unemployment will be recognized under section 223(b)(1) of the Trade Act of 1974. Because of deficiencies in information regarding changes from the earlier 1962 TAA program, this limited group of workers were denied TAA benefits because they did not file their claims within the 12-month time frame. The Trade Expansion Act of 1962 (TEA) did not have any such time frame limitation of 1 year. It was open ended. Many separated and laid-off workers were not made aware of such statutory change and since, administratively, the investigations by DOL of trade impact were delayed for periods of up to 1 year by the crush of the number of petitions claiming trade impact, these poor workers could not relate their layoffs directly to the increase of imported products like or directly competitive to those they produced.

H.R. 1543 thus would limit on a one-shot basis such retroactivity of benefits to those workers separated from their jobs between October 3, 1974, the date the new provisions of the Trade Act of 1974 took effect, and November 1, 1977.

Many of these TAA denied workers were in fact laid off or lost jobs prior to and for longer periods of time than their fellow workers in the same certified unit, yet were denied TAA benefits because they fell through the 1-year technicality provision.

These workers suffered severe economic injury as a result of our liberal national trade policy and should be equitably treated. H.R. 1543 makes this possible.

It is estimated that about 11,000 workers were in units that were certified for trade adjustment assistance, but were denied TAA eligibility by the 1-year rule; and about 15,000 workers were unaware of the TAA program, who may be made eligible by the extended retroactivity period provided in this bill.

Mr. VANIK. Mr. Chairman, I yield such time as he may desire to our distinguished colleague from New York (Mr. DOWNEY.)

Mr. DOWNEY. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, certainly one of the more instructive things we heard today was from our friend, the gentleman from Oklahoma (Mr. JONES), of the Committee on the Budget, indicating that this bill as currently written falls within the budget targets and estimate and is not a budget buster.

I would like to recognize my chairman for the work that he has done and also the gentleman from Minnesota (Mr. FRENZEL) for the work that he has done. Certainly both of these gentlemen have an acute interest in seeing the Trade Adjustment Assistance Act pass and I am sorry my friend from Minnesota feels that my amendment somehow extends coverage that will cause him not to support the bill.

During the debate on the amendment I will go into some detail on what my amendment does. Suffice it to say at this point it is important that Members understand that my amendment extends the same trade adjustment assistance to the same people who will be unemployed that we currently do for end-product workers. It is a very, very simple amendment despite the fact that it is couched in somewhat complicated language.

I would hope that the Members will be listening during the period of debate so they can hear for themselves that this is not going to cost a great deal of money, it is not going to hopelessly extend this bill to people who had not fallen within its coverage before.

I think this bill merits support and I would hope the committee amendments, as written, are adopted.

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

I have been a strong supporter of the Downey amendment. We are reaching a new phenomenon in America in which component parts and the impact of the import of component parts has become more and more a factor.

I am very troubled about the American automobile industry which was rather reluctant to move into the age of conservation by producing a wide variety of gasoline efficient automobiles and, as a result of that reluctance, we are suffering a tremendous import competition from abroad, from the east and from the west. These automobiles are attracting tremendous attention on the part of the American people, particularly during the current gasoline and oil crisis.

I want to point out that more and more the domestic automobile industry is relying on component parts that are coming from all over the world. Even some of the automobiles that are touted as being made in America have extensive parts that come from abroad. Transmissions that come from West Germany, parts that come from England and Spain and parts that come from Japan and from all over the world.

Mr. Chairman, we are dealing with a problem of trade imbalance, trade impacted realities here that have affected a new area of component parts, particularly affecting the American automobile industry. This is going to have an impact on our workers and we must gear up for it.

Mr. Chairman, I certainly hope that the resources of this bill will not be required but I think it is the only safety valve the American worker and the American industrialist has in connection with trade distractions that may occur, and that are currently occurring on the world scene. I hope that the Members of the Committee will support the Committee on Ways and Means in their enthusiastic support of the Downey amendment, which I think is a very essential part of the Trade Adjustment Assistance Act and I hope it will be supported.

I yield back the balance of my time.

● Mr. LAFALCE. Mr. Chairman, I rise in strong support of H.R. 1543, which broadens trade adjustment assistance programs for workers and firms dislocated and adversely affected by import competition.

A simliar bill, H.R. 11711, was passed by both the House and the Senate last fall, but differences on nonrelated amendments were not resolved prior to adjournment. I am pleased that the House is considering this bill at an early date, and I urge the Senate to do likewise.

H.R. 1543 will help correct many of the deficiencies and inequities in the trade adjustment assistance programs, as originally enacted in the Trade Expansion Act of 1962 and expanded by the Trade Act of 1974. A substantial number of workers and firms were unintentionally covered under the provisions of the Trade Act of 1974, although they were adversely and seriously affected by a flood of inexpensive imports.

Title I will significantly broaden the adjustment assistance program for individual workers. One of its provisions is the retroactive extension of the 1-year rule to 18 months for eligibility petitions for assistance filed prior to November 1, 1977. Many qualified workers missed this deadline date in the early months of the program, usually because they were unaware of the existence of the program. Thousands of workers in almost every State of the Union will at long last receive that assistance which was inequitably denied them.

Title I also corrects another important inadequacy in the Trade Act of 1974. That act did not contain provisions for assistance for workers who were secondarily affected by imports, which has left many workers without assistance which they truly deserved. These workers are employed by firms which supply parts or services essential to the production, transport or storage of import-impacted products. In reality, the sole difference between their status and that of employees for primarily impacted companies resides in the name of their employer and not in the nature of their economic circumstances.

Title I contains, in addition, innovative programs for relocation and retraining of workers and provisions to substantially accelerate the certification process and benefit delivery for qualified workers. These improvements are long overdue and should be swiftly enacted.

Title II would increase Federal assistance to firms adversely affected by import competition at relatively little cost to the Federal Government. That assistance will help firms remain in operation in some cases, which would help contribute to fewer lay-offs of employees by employers. The level of possible assistance is oriented toward small and medium size businesses which can be particularly vulnerable to import competition.

I want to urge all of my colleagues to support H.R. 1543 which will help U.S. industry compete in the very competitive

climate of international trade in this new post-multilateral-trade negotiation era and will provide assistance to deserving workers who need that assistance.●

● Mr. COUGHLIN. Mr. Speaker, I rise in support of H.R. 1543, the proposed trade adjustment assistance program improvements, and sincerely urge my colleagues' favorable action on these long-overdue reforms.

H.R. 1543 addresses several serious shortcomings of the present trade adjustment assistance program. First, it rightfully extends benefit coverage to workers and firms which provide essential services or material to import impacted industries. The need for this extended eligibility was dramatically demonstrated in Pennsylvania's 13th Congressional District, which I represent, when the Alan Wood Steel Co. shut down in 1977 due to imports. Although employees of the plant and its subsidiary were certified eligible for assistance, workers of two trucking firms that were restricted by State and Federal regulation to haul only Alan Wood Steel products were ruled ineligible for aid. Clearly, however, their loss of livelihood was caused by imports no less than that suffered by the Alan Wood workers. There is no question that thousands of other American workers lost their jobs under similar circumstances; yet the present programs of trade assistance can offer no help. H.R. 1543 would correct this deficiency.

Second, the legislation before us would curtail needless administrative delays by allowing certification prior to an actual impact by import competition. While benefits would not be released until imports' effects were actually determined, the time-consuming certification process could take place on the basis of an anticipated sales or production drop. Thus, at the time of actual impact, the much-needed assistance could be provided at once—when it is needed the most.

Third, by extending the worker benefit period by 26 weeks, H.R. 1543 brings our trade adjustment assistance programs into the economic reality of 1979. To be a middle-aged jobseeker in the Northeast United States with highly specialized, yet unmarketable, skills is a tragedy of enormous proportions. For most TRA beneficiaries, moreover, retraining provides, at best, only a slim chance of obtaining new work quickly. The process of reentering the work force is painfully slow for many trade assistance recipients through no fault of their own. H.R. 1543 would ameliorate this condition by providing beneficiaries the time and means needed for retraining and job placement.

It is especially import that we enact meaningful trade adjustment assistance program improvements this year. For the economic pressures of imports we have experienced over this decade will come into even sharper focus as we consider the results of the multilateral trade negotiations. While some alteration to H.R. 1543 may be appropriate, it is imperative that our program of trade adjustment assistance be improved to reflect and to address current conditions. I am convinced the legislation before us succeeds in this respect and respectfully enlist my colleagues' support for its passage.●

● Mr. ALEXANDER. Mr. Chairman, I rise in strong support of this legislation to broaden and improve the trade adjustment assistance program for workers and firms adversely impacted by competition from imports.

Mr. Chairman, import competition threatens the very existence of a number of domestic industries. In my State, the shoe industry has been one of those hardest hit by rising imports. Shoe factories are located in medium to small cities and are one of the key elements of those areas' economies. Trade adjustment assistance has proven useful as a tool so as not to wreak havoc with the economy and to insure the maintenance of the industry until such time as the industry can become more competitive.

The trade adjustment assistance program is jointly administered by the Department of Labor, which provides assistance to workers, and the Department of Commerce—through the Economic Development Administration—which provides assistance to industries, firms, and communities.

The legislation before us today makes a number of improvements in the administration of this program. Title I extends worker coverage to employees of eligible firms that supply parts or services essential to the production of import-impacted products, to workers working 40 out of the last 104 weeks in import-impacted firms; and extends benefits by an additional 26 weeks for workers over age 60 until age 62. The bill also provides retroactive eligibility for workers who were unaware of the 1-year time limit for filing petitions after being laid off.

The bill broadens adjustment assistance for firms by extending eligibility to firms that contribute at least 25 percent of parts or services for import-impacted end products. In addition, the Federal Government share of technical assistance to firms is increased from 75 to 90 percent. The bill allows loans at more favorable interest rates and increases the ceiling on direct loans from $1 million to $3 million and on guaranteed loans from $3 million to $5 million.

Mr. Chairman, the trade adjustment assistance program is a reasonable tradeoff for increased trade. Inasmuch as the pending multilateral trade agreement may cause some dislocations, passage of H.R. 1543 is essential to protect the domestic industries and workers who may be impacted by imports. I urge its passage without amendment.●

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

The CHAIRMAN. Pursuant to the rule, no amendments are in order except pro forma amendments for the purpose of debate, and amendments recommended by the Committee on Ways and Means now printed in the bill, and other germane amendments relating only to chapters 2, 3, and 5 of title II of the Trade Act of 1974 (Public Law 93–618), the trade adjustment assistance provisions of said act.

The Clerk will read the bill by titles.

The Clerk read as follows:

H.R. 1543

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

TITLE I—IMPROVEMENTS IN ADJUSTMENT ASSISTANCE FOR WORKERS

SEC. 101. SPECIAL TREATMENT OF CERTAIN CERTIFICATIONS AND PETITIONS.

(a)(1) This subsection applies—

(A) to any petition for a certification of eligibility to apply for adjustment assistance under chapter 2 of title II of the Trade Act of 1974—

(i) if such petition was filed with the Secretary of Labor (hereinafter in this section referred to as the "Secretary") before November 1, 1977; and

(ii) if the Secretary, on the basis of section 223(b)(1) of the Trade Act of 1974—

(I) denied issuance of such a certification,

(II) refused to accept the petition,

(III) caused the petition to be withdrawn, or

(IV) terminated an investigation undertaken with respect to the petition; and

(B) to any worker covered by a certification issued under section 223 of the Trade Act of 1974 on the basis of a petition filed before November 1, 1977, if such worker was not eligible for adjustment assistance under such chapter 2 by reason of subsection (b)(1) of such section.

(2) The Secretary shall promptly reconsider any petition referred to in paragraph (1)(A) and the eligibility for adjustment assistance of any worker referred to in paragraph (1)(B). In undertaking such reconsideration, the provisions of chapter 2 of title II of the Trade Act of 1974 shall apply, except that—

(A) for purposes of section 223(b)(1) of such Act, an 18-month period shall be applied rather than a one-year period; and

(B) for purposes of section 231(1)(B) of such Act, the date of the determination, if an affirmative determination is made incident to reconsideration, under section 223 shall be the 60th day after the date on which the petition concerned was initially filed with the Secretary, or, in the case of any petition to which paragraph (1)(A)(ii)(I) applies, the date of the initial determination by the Secretary denying certification.

(b)(1) Any group of workers separated from employment after October 3, 1974, and before November 1, 1977, may file, or have filed on their behalf (including a filing on their behalf by the Secretary), a petition for a certification of eligibility to apply for adjustment assistance under chapter 2 of title II of the Trade Act of 1974 if a petition for such a certification for such group was not filed with the Secretary after April 2, 1975, and before November 1, 1977. The Secretary may not consider any petition filed under this subsection unless the petition is filed before the close of the 6-month period beginning on the effective date of this Act.

(2) The provisions of such chapter 2 shall apply with respect to any petition filed under this subsection; except that—

(A) for purposes of section 223(b)(1) of the Trade Act of 1974, an 18-month period shall be applied rather than a one-year period,

(B) the date of the petition shall be April 3, 1975, or such other date deemed appropriate by the Secretary on the basis of the information obtained during the investigation, and

(C) for purposes of section 231(1)(B) of such Act, the date of the determination, if an affirmative determination is made, under

section 223 with respect to the petition shall be the 60th day after the date of the petition established under subparagraph (B).

(c) In carrying out subsections (a) and (b), the Secretary may not pay, or recompute the amount of, any program benefit under chapter 2 of title II of the Trade Act of 1974 for the same week of unemployment for which any worker received, or is eligible to receive, such a benefit pursuant to such chapter under other than the authority of this section.

(d) The Secretary shall provide full information to workers regarding the provisions of this section and shall provide whatever assistance is necessary to enable workers concerned to prepare petitions or applications for benefits.

SEC. 102. FILING OF WORKER PETITIONS BY SECRETARY OF LABOR.

Section 221(a) of the Trade Act of 1974 (19 U.S.C. 2271(a)) is amended to read as follows:

"(a) A petition for a certification of eligibility to apply for adjustment assistance under this chapter—

"(1) may be filed with the Secretary of Labor (hereinafter in this chapter referred to as the 'Secretary') by any group of workers or by their certified or recognized union or other duly authorized representative; or

"(2) may be filed by the Secretary on behalf of any group of workers.

Upon the filing of a petition under paragraph (1) or (2), the Secretary shall promptly publish notice in the Federal Register that the filing has been made and that the Secretary has initiated an investigation.".

SEC. 103. GROUP ELIGIBILITY REQUIREMENTS FOR ADJUSTMENT ASSISTANCE.

(a) Section 222 of the Trade Act of 1974 (19 U.S.C. 2272) is amended—

(1) by inserting "(a)" immediately before "The Secretary";

(2) by amending paragraph (2) to read as follows:

"(2) that sales or production, or both, of such firm or subdivision have decreased absolutely, or threaten to decrease absolutely, and";

(3) by inserting ", or threat thereof" immediately before the period at the end of paragraph (3);

(4) by striking out the last sentence thereof; and

(5) by adding at the end thereof the following new subsections:

"(b)(1) The Secretary shall certify a group of workers as eligible to apply for adjustment assistance under this chapter if the Secretary determines—

"(A) that not less than 25 percent of the total sales, or not less than 25 percent of the total production, of such workers' firm or subdivision is accounted for by the provision to import impacted firms of—

"(i) any article (including, but not limited to, any component part) which is essential to the production of any import impacted article,

"(ii) any service which is essential to the production, storage, or transportation of any import impacted article, or

"(iii) any article and any service described in clauses (i) and (ii);

"(B) that a significant number or proportion of the workers in such workers' firm or subdivision have become totally or partially separated, or are threatened to become totally or partially separated;

"(C) that the sales or production, or both, of such workers' firm or subdivision have decreased absolutely, or threaten to decrease absolutely; and

"(D) that the absolute decrease, or the threat thereof, in the sales or production, or both, by import-impacted firms of import-impacted articles, with respect to which such workers' firm or subdivision provides articles or services referred to in subparagraph (A), contributed importantly to the total or partial separation, or threat thereof, referred to in subparagraph (B) and to the decline in sales and production, or the threat thereof, referred to in subparagraph (C).

"(2) For purposes of this subsection—

"(A) the term 'import-impacted article' means any article produced by an import-impacted firm, if such article is one with respect to which a determination under subsection (a)(3) or section 251(e)(3) was made incident to the certification of the group of workers or firm concerned.

"(B) The term 'import-impacted firm' means—

"(i) any form or appropriate subdivision thereof the workers of which have been certified pursuant to subsection (a), or

(ii) any firm which has been certified pursuant to section 251(c).

"(c) For purposes of this section, the term 'contributed importantly' means a cause which is important but not necessarily more important than any other cause.".

(b) The amendments made by subsection (a) shall apply with respect to petitions filed under section 221(a) of the Trade Act of 1974 on or after the effective date of this Act.

SEC. 104. DETERMINATIONS BY SECRETARY OF LABOR.

Section 223 of the Trade Act of 1974 (19 U.S.C. 2273) is amended—

(1) by redesignating subsection (d) as subsection (f); and

(2) by adding immediately after subsection (c) the following new subsections:

"(d) In any case in which the Secretary of Commerce notifies the Secretary that a petition has been filed under section 251 by any firm or its representative, if a petition has been filed under section 221 regarding any group of workers of such firm, the Secretary, notwithstanding any other provision of law, shall promptly provide to the Secretary of Commerce any data and other information obtained by the Secretary in taking action on the petition which would be useful to the Secretary of Commerce in making a determination under section 251 with respect to the firm.

"(e) If any certification issued under subsection (a) is based upon a determination made pursuant to section 222(a)(2) or (b)(1)(C) that the production or sales, or both, of the firm or subdivision concerned threaten to decrease absolutely, no adjustment assistance under this chapter shall be provided to any worker covered by such certification until after the date on which the Secretary determines pursuant to such section that the production, or sales, or both, of such firm or subdivision have decreased absolutely.".

SEC. 105. PROVISION OF INFORMATION ON BENEFITS TO WORKERS.

(a) Section 224 of the Trade Act of 1974 (19 U.S.C. 2274) is amended—

(1) by striking out "; ACTION WHERE THERE IS AFFIRMATIVE FINDING" in the section heading thereto; and

(2) by striking out subsection (c) thereof.

(b) Subchapter A of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271–2274) is amended by adding at the end thereof the following new section:

"SEC. 225. BENEFIT INFORMATION TO WORKERS.

"The Secretary shall provide full information to workers about the benefit allowances, training, and other employment services available under this chapter, and under other Federal programs, which may facilitate the adjustment of such workers to import competition. The Secretary shall provide whatever assistance is necessary to enable groups of workers to prepare petitions or applications for program benefits. The Secretary shall make every effort to insure that cooperating State agencies fully comply with the agreements entered into under section 239(a) and shall periodically review such compliance.".

(c) The table of contents of the Trade Act of 1974 is amended by striking out

"Sec. 224. Study by Secretary of Labor when International Trade Commission begins investigation; action where there is affirmative finding."

and inserting in lieu thereof the following:

"Sec. 224. Study by Secretary of Labor when International Trade Commission begins investigation.

"Sec. 225. Benefit information to workers.".

SEC. 106. QUALIFYING EMPLOYMENT REQUIREMENTS

Section 231(2) of the Trade Act of 1974 (19 U.S.C. 2291(2)) is amended to read as follows:

"(2) Such worker had—

"(A) in the 52 weeks immediately preceding such total or partial separation, at least 26 weeks of employment at wages of $30 or more a week; or

"(B) in the 104 weeks immediately preceding such total or partial separation, at least 40 weeks of employment at wages of $30 or more;

in one or more firms or appropriate subdivisions thereof with respect to each of which a certification has been made under section 223 and which is in effect on the date of separation; or, if data with respect to weeks of employment with a firm are not available, equivalent amounts of employment computed under regulations prescribed by the Secretary.".

SEC. 107. TIME LIMITATIONS ON READJUSTMENT ALLOWANCES.

Section 233(a) of the Trade Act of 1974 (19 U.S.C. 2293(a)) is amended—

(1) by striking out "26 additional weeks" in paragraph (1) and inserting in lieu thereof "52 additional weeks";

(2) by amending paragraph (2) to read as follows:

"(2) such payments shall be made for not more than 26 additional weeks to an adversely affected worker who is not receiving payments under paragraph (1) and has attained age 60 on or before the date of total or partial separation, except that if payment is made for the 26th additional week and such worker has not attained age 62 before the close of such week, such payments shall be made for not more than the number of weeks occurring during the period beginning with the week after such 26th additional week and ending with, but including, the week in which the worker attains age 62."; and

(3) by amending the last sentence thereof by striking out "78 weeks" and inserting in lieu thereof "104 weeks".

SEC. 108. EXPERIMENTAL TRAINING PROJECTS.

(a) Part II of subchapter B of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2295–2296) is amended by adding at the end thereof the following new section:

"SEC. 236A. EXPERIMENTAL TRAINING PROJECTS.

"(a) The Secretary shall establish a program of experimental, developmental, demonstration, or pilot projects, through grants to, or contracts with, public agencies or private nonprofit organizations, or through contracts with other private organizations, for the purpose of improving techniques, and demonstrating the effectiveness, of specialized methods in meeting the employment and training problems of workers displaced by import competition. One such specialized method shall be the provision of certificates

or vouchers to workers entitling employers and institutions to payment for on-the-job training, institutional training, or services provided by them to workers.

"(b) The Secretary shall carry out program projects under this section only within political subdivisions of States with respect to which the Secretary finds that—

"(1) a significant number or proportion of the workers within the political subdivision have become totally or partially separated, or are threatened to become totally or partially separated; and

"(2) increases in imports of articles like or directly competitive with articles produced by firms and subdivisions thereof located within the political subdivision have contributed importantly to the total or partial separations, or threats thereof, referred to in paragraph (1).

For purposes of paragraph (2), the term 'contributed importantly' means a cause which is important but not necessarily more important than any other cause.

"(c) Participation by any worker in a program project established under subsection (a) shall be on a voluntary basis; except that a worker may not be selected by the Secretary for participation unless the worker is, at the time of his application for participation—

"(1) covered by a certification issued under section 223 relating to employment or former employment within the political subdivision in which the project will be undertaken; or

"(2) if not so covered, is—

"(A) included within a group of workers for which a petition has been filed under section 221 and on which a determination under section 223 is pending, and

"(B) totally or partially separated from employment within such political subdivision.

The Secretary shall select workers for participation in a program project on such basis as the Secretary deems appropriate to carry out the purposes of this section, but such selections shall be made in a manner so as to insure that each project undertaken includes workers who represent diverse skill levels and occupations within the political subdivision concerned.

"(d) Grants made, and contracts entered into, by the Secretary under this section shall be subject to such terms and conditions as the Secretary deems necessary and appropriate to protect the interests of the United States. The authority of the Secretary to enter into contracts under this section shall be effective for any fiscal year only to such extent, and in such amounts, as are provided in appropriation Acts.

"(e) Section 239(c) shall apply in the case of any individual in training under a project undertaken pursuant to this section with respect to entitlement to unemployment insurance otherwise payable to such individual. The agreement under section 239 with any State shall be modified to effect the purposes of this section, if the State deems such a modification to be necessary.

"(f) Not later than March 1, 1982, the Secretary shall submit to Congress a report setting forth a description and evaluation of the projects implemented under the program established under subsection (a), together with such recommendations as the Secretary may have for implementing on a permanent basis those methods used in the program which have proven most effective.

"(g) For purposes of carrying out this section, there are authorized to be appropriated to the Department of Labor not to exceed $1,500,000 for each of fiscal years 1980 and 1981.".

(b) The table of contents of the Trade Act of 1974 is amended by inserting after

"236. Training."

the following:

"236A. Experimental training projects.".

(c) Section 245(b)(1) of the Trade Act of 1974 (19 U.S.C. 2317) is amended by inserting "other than section 236A" immediately before the period.

SEC. 109. INCREASED JOB SEARCH ALLOWANCES.

Section 237 of the Trade Act of 1974 (19 U.S.C. 2297) is amended as follows:

(1) Subsection (a) thereof is amended—

(A) by striking out "who has been totally separated";

(B) by striking out "80 percent of the cost of his necessary" and inserting in lieu thereof "100 percent of the cost of his reasonable and necessary"; and

(C) by striking out "$500" and inserting in lieu thereof "$600".

(2) Subsection (b) thereof is amended—

(A) by amending paragraph (1) to read as follows:

"(1) to assist an adversely affected worker who has been totally separated in securing a job within the United States;"; and

(B) by amending paragraph (3) to read as follows:

"(3) where the worker has filed an application for such allowance with the Secretary before—

"(A) the later of—

"(i) the 365th day after the date of the certification under which the worker is eligible, or

"(ii) the 365th day after the date of the worker's last total separation;

"(B) if such worker is 60 or older on the date of his last total separation, the later of—

"(i) the 547th day after such date; or

"(ii) the 547th day after the date of the certification under which the worker is eligible; or

"(C) the 182d day after the concluding date of any training received by the worker, if the worker was referred to such training by the Secretary.".

SEC. 110. INCREASED RELOCATION ALLOWANCES.

Section 238 of the Trade Act of 1974 (19 U.S.C. 2298) is amended—

(1) by amending subsection (a)—

(A) by striking out "who has been totally separated"; and

(B) by striking out the period and inserting in lieu thereof the following:

", if such worker was, or is, entitled to trade readjustment allowances under such certification and files such application before—

"(1) the later of—

"(A) the 425th day after the date of the certification, or

"(B) the 425th day after the date of the worker's last total separation;

"(2) if such worker is age 60 or older on the date of his last total separation, the later of—

"(A) the 547th day after such date, or

"(B) the 547th day after the date of the certification; or

"(3) the 182d day after the concluding date of any training received by such worker, if the worker was referred to such training by the Secretary.";

(2) by amending subsection (c) to read as follows:

"(c) A relocation allowance shall not be granted to such worker unless his relocation occurs within 182 days before or after the filing of the application therefor or (in the case of worker who has been referred to training by the Secretary) within 182 days after the conclusion of such training."; and

(3) by amending subsection (d)—

(A) by striking out "80 percent" in paragraph (1) and inserting in lieu thereof "100 percent", and

(B) by striking out "$500" in paragraph (2) and inserting in lieu thereof "$600".

SEC. 111. DEFINITIONS.

Section 247 of the Trade Act of 1974 (19 U.S.C. 2319) is amended—

(1) by amending paragraph (2) to read as follows:

"(2) The term 'adversely affected worker' means an individual who—

"(A) because of lack of work in adversely affected employment, has been totally or partially separated from such employment;

"(B) has been totally separated from other employment with a firm, in which adversely affected employment exists, within 190 days after being transferred from work in adversely affected employment in the firm because of lack of work; or

"(C) has been totally separated from other employment in a firm in which adversely affected employment exists as the result of—

"(i) the transfer of an individual from such adversely affected employment because of lack of work, or

"(ii) the reemployment of an individual who was totally separated from such adversely affected employment, if the reemployment occurs within the 190-day period beginning on the date of such separation.";

(2) by redesignating paragraphs (3) through (5) as paragraphs (4) through (6), respectively, and by redesignating paragraphs (6) through (14) as paragraphs (8) through (16), respectively;

(3) by inserting immediately after paragraph (2) the following new paragraph:

"(3) The term 'appropriate subdivision' means—

"(A) any establishment or, where appropriate, any group of establishments operating as an integrated production unit or engaging in an integrated process, which is within any multiestablishment firm; or

"(B) any distinct part or section of any establishment which is within any firm, whether or not such firm is a multiestablishment firm."; and

(4) by inserting immediately after paragraph (6) (as redesignated by paragraph (1) of this section) the following new paragraph:

"(7)(A) The term 'firm' includes any of the following entities (regardless whether any such entity is under a trustee in bankruptcy or receivership under court decree):

"(i) Individual proprietorship.

"(ii) Partnership.

"(iii) Joint venture.

"(iv) Association.

"(v) Corporation (including any development corporation).

"(vi) Business trust.

"(vii) Cooperative.

"(B) Any firm, together with any—

"(i) predecessor in interest,

"(ii) successor in interest, or

"(iii) other affiliated firm (if both such firms are controlled or substantially beneficially owned by substantially the same persons),

may be considered to be a single firm for the purposes of this chapter.".

Mr. VANIK (during the reading). Mr. Chairman, I ask unanimous consent that title I be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. FRENZEL. Mr. Chairman, reserving the right to object, when does the Chair intend to take up the committee amendments?

Mr. VANIK. Right now.

Mr. FRENZEL. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio.

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 6, strike out lines 5 and 6.

Mr. FRENZEL. Mr. Chairman, I would like to know what the amendment was.

The CHAIRMAN. The committee amendments are listed in the committee report for the Members to see. They are printed, beginning on page 1 of the committee report.

PARLIAMENTARY INQUIRY

Mr. FRENZEL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FRENZEL. Mr. Chairman, do we not read amendments around here any more? Do we read amendments in this body any more?

The CHAIRMAN. The Chair will inform the gentleman that the Clerk did read the amendment.

Mr. FRENZEL. Mr. Chairman, is it possible the Clerk might reread the amendment?

The CHAIRMAN. (The Clerk reread the amendment.)

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 6, line 7, strike out "(2)" and insert "(1)".

The committee amendment was agreed to.

□ 1330

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 6, line 11, after the semicolon insert "and".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 6, strike out line 12 and all that follows thereafter down through line 12 on page 8 and insert in lieu thereof the following:

(2) by amending paragraph 3 to read as follows:

"(3) that increases of imports of articles like or directly competitive with articles—

"(A) which are produced by such workers' firm or appropriate subdivision thereof, or

"(B) to which such workers' firm or appropriate subdivision thereof provides essential services,

contributed importantly to such total or partial separation, or threat thereof, and to such decline in sales or production, or threat thereof.".

Mr. FRENZEL. Mr. Chairman, I rise in opposition to the committee amendment.

Mr. Chairman, the amendment which just has been read by the Clerk on page 8 is the amendment of the gentleman from New York (Mr. DOWNEY), which was discussed earlier during the scheduled debate.

In my judgment, it is an overly expensive, unnecessary part of trade adjustment assessment. This Downey amendment will cost the taxpayers of the United States about $50 million, according to the estimate of the Congressional Budget Office; however, that office and the Department of Labor and the committee admit that it is very difficult to determine what the actual cost of this amendment will be, since no one knows how many supplying firms will qualify under the Downey amendment, since the criteria of the Downey amendment is vague at best. The criteria is that if contributed importantly to such total or partial separation or threat thereof. That criteria is not very clear, at least for cost-estimating purposes.

Mr. Chairman, under the current law, there is no ability on the part of the employees of supplying firms to claim trade adjustment assistance. The subcommittee on trade wisely looked into this situation and wisely agreed that supplying firms ought to be able to qualify; but it established two benchmarks for qualification. One was that they had to be supplying a firm that was certified to be trade impacted, whose employment was certified to be trade impacted, and it had to be an important trade-related unemployment which could be measured by the fact that the supplying firm ship 25 percent of its product to the trade-impacted, primary firm.

Now, that was a pretty good start. That would cost the taxpayers $50 million; but at least it had some guidelines and we would have some pretty good assurance that people out of work under that kind of criteria would be genuinely trade-impacted unemployed and would qualify; however, the Downey amendment removes the 25 percent. It removes the certification of the primary firms and leaves just about anybody to be qualified for trade adjustment assistance.

Now, what we have done, we are creating a second tier of unemployment compensation paid for by Uncle Sam, by the general taxpayers of this country, out of our general revenues, which are $800 billion in arrears, more or less, and we are going to distribute that to people and firms who think their employment is impacted by trade, but for whom there is a very fuzzy, at best, test as to whether their unemployment is actually trade impacted.

As I said earlier today, Mr. Chairman, the administration strongly opposes the Downey amendment. I think it is bad trade policy. I think it is bad fiscal policy. I would urge this House to reject the Downey amendment.

Mr. VANIK. Mr. Chairman, I rise in support of the committee amendment and in opposition to the position of the gentleman from Minnesota (Mr. FRENZEL).

Considerable concern was expressed in testimony before the subcommittee that H.R. 1543 as introduced would not achieve its intent of extending coverage to workers in firms supplying essential parts or services who are laid off because of the impact of increased imports on the finished article.

The bill as introduced requires prior certification of the workers or firm producing the end product and that the supplying firm provide at least 25 percent of its production of the part or service to the firm or subdivision producing the finished article. These restrictions could deny benefits to workers otherwise eligible, simply because parts producers often supply many different firms and end products. A sufficient number of these end products may not be covered by prior certifications to meet the 25 percent test for the supplying workers to qualify for adjustment assistance even though they lost their jobs because of increased imports.

The committee amendment would apply the same certification criteria that increased imports contribute importantly to layoffs and declines in sales in the firm producing the end product directly to the firm providing the parts or services. The committee report provides guidelines for administration of the amendment. There would have to be a direct and significant supplier relationship with the firm producing the end product and directly identifiable employment in the supplier firm dependent on continued production of the import-impacted end product. Measurable declines in sales or production of the part or service would have to be related to declines in sales or production of the end product. If the plant employment level is so large relative to employment declines that might be associated with the adverse impact of import competition and workers directly affected by that competition cannot be identified, then the workers could not be certified.

These guidelines are designed to prevent abuse of the provision. In combination with removal of the arbitrary restrictions in the bill as introduced, the amendment will insure greater equity in extending coverage of adjustment assistance to workers laid off because of increased imports.

I urge my colleagues to support the committee amendment.

Mr. DOWNEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the committee amendment.

My good friend and colleague from Minnesota has been a driving force behind this bill to improve our trade adjustment assistance programs. Without his work, we might not be considering this bill today.

However, I believe his opposition to the "parts workers" amendment adopted by the full Ways and Means Committee is based on several faulty assumptions.

Before examining these, I would like to briefly explain the committee amendment.

Today, workers qualify for adjustment assistance benefits only if the company they work for makes an end product that is judged to be "import impacted."

Workers who produce a major part for that end product can receive adjustment assistance only if they are employed in a division of the end product firm.

For example, Ford Motor Co. may obtain identical bumpers from both in-house production and an independent parts company for a car model which is

selling poorly because of imports. The Ford workers who produce bumpers for that model car receive adjustment assistance; the employees of the independent company cannot.

This situation, which is not uncommon in the automotive, television, clothing and electrical equipment industries to name a few, was addressed last year by the House. We passed trade adjustment assistance legislation with a provision extending coverage to workers in independent parts firms.

That provision, which also was reported this year by the Trade Subcommittee, extended coverage to workers at independent parts firms if 25 percent of the firm's total production went into an import-impacted end-product and workers at the end-product firm previously had been certified for adjustment assistance.

On its face, this provision seemed reasonable. However, upon closer inspection, it established arbitrary criteria for the certification of workers at independent parts firms.

Under the 25 percent output tests, for example, a parts plant could lay off 20 percent of its work force (including hundreds of workers) entirely because imports have hurt end product sales. Yet, its workers could be denied eligibility because only 20 percent of its production had gone into end-products affected by imports. By contrast, when only 5 percent or 50 workers have been laid off from an end-product firm, these workers can receive benefits when sufficient import connection is shown.

The original parts workers provision also required prior certification of workers at the end-product firm. Thus, insufficient numbers of end-product workers seeking adjustment assistance or the failure of these workers to file timely petitions would result in the inability of parts workers to obtain adjustment assistance. In these situations, a parts plant could close down entirely due to increased imports, yet the laid off workers could not receive adjustment assistance.

The committee amendment, which I offered, simply substitutes the test currently used to certify end-product workers—that imports have "contributed importantly" to their unemployment—for these two rather arbitrary criteria.

What is the "contributed importantly" test? In a nutshell, it allows the certification of workers if, in the judgment of the Labor Department, increased imports represent at least 20 percent of the cause of unemployment at a particular location.

Opponents of the committee amendment argue that it eliminates the basic requirement that there be a causal link between imports and unemployment.

In the minority views to the committee report, the original 25 percent output test is referred to as a "25 percent causal link." The 25 percent output test is not a measure of causation. The proper criterian, the one the full committee adopted, is the effect of increased imports on a particular firm's unemployment figures, not the percentage of the firm's sales to end-product buyers.

The minority report also states that the committee amendment would allow parts workers certification for a correlation "as low as 1 percent" between increased imports and unemployment. This is simply incorrect. It is based on a misreading of the amendment and overlooks the well-established criteria for the "contributed importantly" test.

In terms of cost, the estimates cited by opponents of the committee amendment are highly suspect. They cite an off-the-cuff estimate by the Labor Department that the amendment will cost $100 million in 1980, approximately $46 million more than the $54 million estimated for the original parts workers provision. This official "guess-timate," sanctioned by CBO, is listed as such in the committee report.

My calculations, using the methodology supposedly employed by the Labor Department and CBO, indicate that the cost of the amendment will be somewhere between $14 and $19 million more than the original parts workers provision. This would mean a total cost of approximately $70 million.

The higher estimate seems to stem from faulty assumptions about the scope of the committee amendment. The amendment applies only to "first tier" parts workers. To use my previous example, the parts workers producing the bumpers for Ford would be covered; those workers who produced the rivets and metal for the bumpers would not be covered. This was the intent of the original parts workers provision, and it is not altered one bit by the committee amendment.

One final point is in order about the suspect nature of the high cost estimates associated with this amendment. Yesterday, my office asked CBO to contact the Department of Labor about the cost estimate for all the worker adjustment assistance provisions in the bill. We were informed that the estimate was based on a Labor Department assumption of 105,000 new adjustment assistance claims in 1980. When asked how the 105,000 figure was arrived at, the Labor Department answered, and I quote, "its just a hypothetical * * * just a number we threw out." That answer speaks for itself.

Three final points.

The committee amendment is a workable amendment. The Labor Department so testified before us.

The committee amendment is not a special interest amendment. Independent parts firms in many industries often are less fortunate than end-product firms. Their workers frequently are poorly paid, particularly vulnerable to import competition and, I might add, unrepresented by organized labor.

The committee amendment is a vital amendment. It makes the extension of adjustment assistance coverage to parts workers more than a hollow improvement. It is an important part of a bill which is a necessary complement to the upcoming legislation implementing the MTN agreements.

The administration may think that its opposition to this amendment, as well as other provisions in the worker adjustment program, is pennywise. Clearly, it is pound foolish.

We must strengthen our commitment to provide equitable treatment to all workers who become unemployed as a result of our policies to encourage foreign trade. I therefore urge support for the committee's position on this amendment and the entire bill.

Mr. VANDER JAGT. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the committee amendment.

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

Mr. VANDER JAGT. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, the gentleman from New York (Mr. DOWNEY), I think, may have left the erroneous impression that if his amendment is defeated, parts workers will not be included. That is not true. If his amendment is defeated, the suppliers will be included in the bill.

The gentleman also gave the impression that some workers might not be covered. Any worker who is unemployed in the United States, providing that worker meets the minimum standards—and nearly all our workers do—is covered by unemployment compensation within the individual States. The difference is that if one qualifies for trade adjudgment assistance, that worker will get slightly higher unemployment compensation than if the worker qualifies under the normal State plan.

So we are not talking about whether there is a safety net there at all; we are talking about how high the net is.

The normal difference or the average difference, I am told, between trade adjustment assistance, which is about 70 percent of salary, and unemployment compensation, averaging more or less 62 percent of salary, is about 8 percent. So we are not leaving those people without coverage.

The gentleman also inquired as to how the cost of the amendment could be doubled or the program could be doubled, and the reason is that not only has he brought in more firms but he has changed the basic test. He has changed it not only for supplying firms, he has changed it for primary firms as well. We go from a very fixed test at 25 percent that everybody understands to a test that now says, "contributes importantly."

That change causes the CBO to estimate $50 million of unnecessary expense and causes the Department of Labor to estimate $100 million of unnecessary expense.

So we are not talking about whether or not we have compensation. We have that. We are not talking about whether or not we cover the supplying firms. We cover supplying firms. What we are talking about is the test that we apply, and we are talking about who gets a little higher degree of compensation than others.

Mr. Chairman, in my judgment, the test is insufficient. To have the higher degree of compensation is unwarranted,

and the Downey amendment should be defeated.

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

Mr. VANDER JAGT. I yield to the gentleman from New York.

Mr. DOWNEY. Mr. Chairman, I would just like to engage my friend, the gentleman from Minnesota (Mr. FRENZEL), in a colloquy on this point.

Would the gentleman agree with me that the "contributing importantly" test with respect to end product workers has been a successful test?

Mr. FRENZEL. Mr. Chairman, if the gentleman from Michigan (Mr. VANDER JAGT) will yield, it is my understanding that that test has been a 25-percent test during the period of the Trade Adjustment Assistance Act.

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

Mr. VANDER JAGT. I yield to the gentleman from New York.

Mr. DOWNEY. Mr. Chairman, that is not essential to my question. My question was whether or not the "contributes importantly" test provides for certain parameters, and, to repeat my question, has it been successful?

Mr. FRENZEL. Mr. Chairman, my answer is the same. It can be applied to the difficult case of an integrated company, that is where the 25-percent test is used, and that is why it works.

Mr. DOWNEY. Mr. Chairman, is the gentleman also aware of this? The "contributes importantly" requirement is more than a 25 percent "output" test. It, in fact, considers the number of workers unemployed.

For instance, if we have an end product firm that only contributes, let us say, 5 percent of its work force that has been impacted by the import but 250 or 300 workers are put out of work, under the end product "contribute importantly" test they qualify. Under the gentleman's test, those 250 or 300 workers would not qualify.

What I would like to know from the gentleman is this: How does he make a distinction between those tests that apply to end product workers and those that apply to parts workers?

Mr. FRENZEL. Mr. Chairman, if the gentleman from Michigan (Mr. VANDER JAGT) will yield further, the distinction I make is based on what I think is an appropriate criteria, and that is the 25 percent test. Some will get more under that test that maybe should not, and some will be cut out under that test that maybe should not. That is true of any test.

But what we have is an understandable, acceptable test that has been proved. It has been tested itself by experience. What the gentleman from New York (Mr. DOWNEY) has given us is simply some words. I do not know how to interpret those words, and I do not know if the Labor Department knows how to interpret them.

Mr. BRODHEAD. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the committee amendment.

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Mr. Chairman, I would like, if I could, to go back to the fundamentals here. We are talking about a program of assistance to American workers who are displaced as a result of our liberal trade policy. This has been a program which has been a successful program and a needed program and a worthwhile program. But in that program there is a separate test for people who are involved in the parts business, in supplying industries. They have to meet a 25-percent-impact test that people in other industries do not have to meet, and this works substantial hardships on a large number of American workers. It is a substantial inequity in the legislation. I commend the gentleman from New York for offering the amendment which corrects that inequity.

It seems to me that we have to recognize that there are some industries, the automobile industry, for example, in which people in my district are involved and with which I am somewhat familiar, which is basically an assembly industry. It does not manufacture a whole product but it assembles a product. Some of the parts that go into that final product are manufactured by automobile companies themselves. Many of them, the majority of them come in from outside. If there is import competition—and there is very substantial import competition in the automobile area—and if the policy of our Nation is that we are going to allow that to continue through our trade policies, then we have to protect the American workers involved.

I think it is important that we protect not just Ford Motor Co. and General Motors, but that we protect the people who work for the thousands and thousands of suppliers all across the country. You are talking about people all around the country who are making nuts and bolts or some kind of product that goes into these cars. They are just as much impacted by our trade policy and they are just as much out of work as anybody else when this has an impact on the industry.

I think the gentleman has offered a very simple, clear, uncomplicated amendment. The Budget Committee supported it. It is going into the budget. It is a sensible, a proper and a reasonable amendment, and I am happy to rise in support of it.

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

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

Mr. DOWNEY. I thank the gentleman for yielding.

Mr. Chairman, I think it is also important to understand that this does not just apply to organized workers, that the vast majority of the people who would benefit under the provisions of this bill are not organized workers. There are, as the gentleman suggested, throughout this country poorly-paid workers, for the most part unorganized, who are in desperate need of some protection.

Mr. BRODHEAD. Mr. Chairman, I think that is an important point, because by and large the workers in the district I represent are in organized labor unions, who work for the big automobile companies, and they are fully protected. But their brother workers and sister workers around the country are not protected. This takes care of that inequity.

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

Mr. BRODHEAD. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. I thank the gentleman for yielding.

Mr. Chairman, the gentleman has made an extremely important point in suggesting that we need a higher test, we need a higher level of concern by Government, because workers who are displaced by unfair trade—an inequity which this bill is aimed at correcting—are displaced by a conscious act, a deliberate act of Government in the international trade field. What has been said earlier about allowing unemployment compensation to make up the difference is quibbling, in my judgment. It is quibbling that disregards the lifestyle and the livelihood of people whose jobs are literally taken away, deprived by a conscious act of Government dealing in international trade, which action results in them being unemployed. So we should require a higher level of response by Government to help those in need.

Mr. Chairman, I have been an enthusiastic cosponsor of this legislation since early in the session, and I urge its adoption as reported by the Committee on Ways and Means.

Every program can be improved—including the good ones, and the trade adjustment assistance program is a very good program. Within the restrictive guidelines of the Trade Act of 1974, it has successfully met the challenge of helping American workers laid off because of unfair competition from foreign imports. With this legislation, including the Downey amendment, we can make it a much better program.

Since April 1975, over 400,000 workers have been certified for assistance under the trade adjustment program and have received some $650 million in benefits. 120,000 of these workers have been steelworkers, including almost 2,000 iron ore miners in my own district.

The Department of Labor has also certified several hundred northeastern Minnesota textile industry employees.

The Ways and Means Committee has done an excellent job with this legislation—reviewing the entire trade adjustment assistance program and shaping this legislation to make it more effective. The trade adjustment assistance program is a matter of simple equity: If workers lose their jobs because of the Nation's trade policies, then the Nation has an obligation to ease the resulting financial burden, which falls most heavily and most inequitably on working men and women.

Most Americans accept the importance of removing artificial barriers to international trade, and the benefits U.S. industry has enjoyed from being better able

to sell our products abroad. The other side of that coin, however, is the unfair competition in our domestic market from goods produced by foreign firms subsidized or in other ways protected by their governments, and the tragic, often prolonged, sometimes permanent, unemployment suffered by American workers as a result.

Most Americans also accept the responsibility of our Government to cushion the blow of unemployment by providing financial help to workers laid off because of actions in the international trade which are in the national interest, but which have worked to the disadvantage of individuals in the work force. The trade adjustment program is as much in the national interest as are the trade agreements themselves.

I am particularly pleased with several of the provisions in the bill: Extension of benefits for older workers and to workers who have worked 40 of the 104 weeks prior to layoff and the establishment of more flexible criteria for certification of workers in supplying firms.

I know from personal experience in my district that the present requirement that a worker must have 26 weeks of eligible employment in the 52-week period prior to layoff is inadequate. The 1-year period is too narrow for determining "attachment to labor force" and has discriminated against older workers. Paid sick leave and vacation, on which the employee pays taxes and social security, and involuntary layoffs effectively count against the worker.

In the year prior to the final layoff, many workers have faced a number of short-term layoffs as the impact of imports begins to grow.

In permitting a worker to qualify on the basis of 40 weeks of eligible employment in the previous 2 years, H.R. 1543 offers a fair alternative to the current standard.

The provision extending benefits to workers over 60 years of age recognizes the special problems facing the older worker. The committee has acted reasonably to offer special assistance to workers who, laid off as the result of imports, face special difficulties in their layoff. The older worker, nearing retirement age, has a much more difficult time finding a new job than a much younger worker.

The legislation is designed to improve the existing program—the extension of benefits to 104 weeks for the older worker is one such essential improvement.

We owe the committee, the Subcommittee on Trade and its most able chairman, Mr. VANIK, a tremendous debt of gratitude for bringing this legislation to the floor early in this Congress. They have crafted legislation which is fiscally responsible and which will enable the Department of Labor to better fulfill the purposes for which Congress established the program.

I want to commend the Department's Office of Trade Adjustment Assistance. I have found it to be one of the more hardworking agencies in Washington. OTAA has a genuine commitment to assisting American workers laid off as the result of foreign competition, and to correcting the inequities which result from unfair foreign competition.

I thank the gentleman for yielding.

The CHAIRMAN. The time of the gentleman from Michigan (Mr. BRODHEAD) has expired.

(On request of Mr. OBERSTAR and by unanimous consent, Mr. BRODHEAD was allowed to proceed for 2 additional minutes.)

Mr. OBERSTAR. If the gentleman will yield further, we have had experience with the Trade Adjustment Assistance Act in my own congressional district affecting thousands of steelworkers and iron ore miners. They are not involved directly in the making of steel. But without the iron ore, without the taconite pellets, we are not going to have any steel. They are just as impacted by unfair foreign trade as are workers in basic steel, and so are workers in nuts and bolts manufacturing firms. In my district there are plants producing hardboard, which is used in making moldings on the inside of automobiles. People who are in that manufacturing process are laid off just as is the automobile worker, or the steelworker in basic steel when foreign competition is excessive or unfair. We have to exemplify here in this legislation a higher level of concern and understanding for the worker who is thrown out of a job. And if we cannot exhibit that concern and pass legislation of this kind, we do not deserve to be the most prosperous and progressive Nation on earth.

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

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

Mr. DOWNEY. I thank the gentleman for yielding.

Mr. Chairman, I am afraid the example of the gentleman from Minnesota of the output test is somewhat wanting. I would pose to my friend, the gentleman from Minnesota, this hypothetical: Under the 25-percent-output test, as it is written, it is possible for a parts plant to lay off 20 percent of its work force, hundreds of workers, and not have one of those workers covered under the output test, the test that the gentleman from Minnesota is arguing for.

Under the certification for end-product workers, the one test that is in the bill, if, for instance, you had 5 percent of the several hundred workers put out of work, that would be the test, if you could identify the workers, if they have been impacted by imports. That is the test for end-product workers today. It is a careful understanding that we have to identify the workers and find that they have been import impacted. That is the same test that we want to use for the parts workers.

Mr. GAYDOS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Downey amendment.

Mr. Chairman, I would like to make several points to my colleagues. I think they are important and I think they are valuable.

First, when one talks about 8 percent, the difference between the 70-percent allowable under the trade adjustment assistance, and the 62 percent that a person, a displaced worker, would receive under regular unemployment compensation, then the difference of 8 percent is important. I do not think it should be given a secondary consideration. I ask, specifically: Who would give 8 percent of their own salary, particularly when one is laid off, under dire circumstances. If he has a right to it in equity, he should receive that 8 percent.

Believe me, I do not know what considerations others have, but 8 percent of employees wages, is very important to him.

So I think that is one point that should be made, and I think it should be made often and made clear.

Let me talk about the technical point involving the GATT arrangements we have, the international multinational trade negotiations that have been occurring for the last 5 years since we passed the 1974 act. That agreement—if anyone knows anything about it—of necessity is going to result in some worker displacement. And until that pact produces an orderly pattern of international trade there are going to be an awful lot of employees in this situation. I think any practical person making an analysis of that trade pact has to reach that conclusion. It is important to make a distinction between whether a man qualifies for trade adjustment or whether he qualifies in his respective State for unemployment compensation. It is important because we must monitor the flow and the effect of that international trade agreement. We have to know how many people are thrown out of work as a result of this trade pact. We have to know the economic effects of that treaty, otherwise we are not going to be able to analyze it properly, we are not going to be able to make our arguments at the proper time and we are not going to be able to make that international treaty work. We are not going to make the arguments plausible when we meet again on our international trade policy. So it is important to make that distinction clear. It is important to know who is unemployed because of trade adjustments and who is unemployed due to other factors in our society.

Let me just conclude by saying this. We had over 100,000 steelworkers a year who were declared eligible impacted under the Department of Labor and who have received benefits under the old Trade Act. That is 100,000. Who is to say, with certainty, that that might be 200,000 or 150,000? This Downey amendment is a very reasonable one. All it attempts to do is to do justice and make equity among the workers. Who has the right in this legislative body to ignore the fact of people laid off in a particular plant receiving the adjustment and one not receiving it? That is unfair. Commonsense tells us that this is unjust and unfair to the worker.

□ 1400

Let me finally conclude by saying that every time you make even an additional 8 percent, or give the argument of the 8-percent reimbursement available, that money is not going down the drain. That

8 percent is going to be utilized by the individual, by the family and most of all going to be utilized by the community, because a community benefits from a working population, as distinguished from one that is unemployed.

The corporate businesses as such do have provisions under the Trade Act. I think that this is only a fair attempt to make a reasonable liberalization of the existing elements in the act that I think are unfair and improper.

I ask my colleagues, in all justice, to do equity to support the very reasonable Downey amendment.

Mr. MOFFETT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman and my colleagues, I share the desire to move to a vote on this matter, but I want to make a couple of points.

I think the gentleman from Ohio has certainly compiled a great record in terms of sensitivity for workers. I do support this amendment and the efforts of the gentleman and the gentleman from New York and others, but I think it is important to put in perspective what trade adjustment assistance really means.

It really is an after-the-fact, band-aid approach that in the larger picture does not provide all that much protection to our workers. It is an illusion really of protection. It is an illusion of a kind of real assistance.

I am supporting this amendment however, because I think this is the least we ought to be able to do. I am disappointed, if I am not mistaken, that the administration is not supporting many of the important provisions, particularly in view of the fact that the administration is about to offer a trade bill.

Now, I think it is important to point out, and I see the gentleman from Massachusetts here, and, of course, the other gentleman from Massachusetts in the chair, that our region has so many old manufacturing establishments that are being so hard hit by imports. We are going to want to be in support of a trade bill, but from what this gentleman has seen occur, it is going to be very, very difficult to support a trade bill if in fact it means we are saying goodby to the jobs of the people carrying their lunch pails into our plants. What I do not want us to be saying through this legislation is that now we can feel free to adopt trade policies which will cost us jobs because trade adjustment assistance will be better and more available to our workers.

I think we ought to take note just for a half minute of the plight of many of these workers. They used to work for family-owned businesses. There was a great pride in their work. The owner of the family business would go through and know everyone's names.

Now they work for conglomerates that maybe not only many States away, but continents away. A piece of paper can be shuffled and they can be out of work overnight.

They do not feel they have control over their fate. To the extent that our businesses in the Northeast are unable to compete in a fair fight, that is one thing; but where they cannot compete—and I say this to the gentleman from Ohio, with all due respect—where they find they cannot compete in bearing fasteners, which the gentleman has taken an interest in, hand tools, and so forth, because of unfair kinds of advantages, that is another matter.

So to put this in perspective, I think the gentleman from Pennsylvania hit on it by talking about the larger picture of trade agreements. This is an after-the-fact, band-aid kind of approach that provides very little protection.

I think we ought to beef it up to the extent we can. But we should not have any illusions about what it is doing for the worker.

The larger issue, though, is how these trade policies are going to affect the region that many of us represent. And then, what happens with the trade bill.

But I do urge support. This is the least we can do to broaden assistance to workers, and then go on to a larger consideration of how the trade bill affects the workers in areas such as those that the gentleman from Pennsylvania and I represent.

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

Mr. MOFFETT. I yield to the gentleman from Pennsylvania.

Mr. GAYDOS. Does the gentleman agree with me it is absolutely imperative that we receive, put together, and maintain accurate figures as to who loses a job, who is displaced, in order that our trade bill be determined to be workable and, to be supportable also in the future as far as our future policies are concerned on international trade?

Mr. MOFFETT. I could not agree more with the gentleman from Pennsylvania. And I would add that the first thing we need to do is try and prevent the loss of those jobs. The gentleman has been very concerned about that, just as I have. We must work to prevent the enactment of trade policies which in fact give an impression that we have free trade, but what we really have is unfair trade. That is where I am addressing my remarks.

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

Mr. MOFFETT. I would be happy to yield to the gentleman from California.

Mr. THOMAS. The amendment, as I understand it, changes a flat percentage, 25 percent, to a phrase, "contributed importantly." Everyone who has been discussing the amendment on the favorable side indicates that it expands it.

Is there any indication that the Labor Department might, in fact, define "contributed importantly" as a figure higher than 25 percent?

Mr. MOFFETT. Is the gentleman asking me a question or making a point?

Mr. THOMAS. I am asking the gentleman a question.

Mr. MOFFETT. I would be happy to defer to the distinguished subcommittee chairman on that point. I yield to the gentleman from Ohio (Mr. VANIK).

Mr. VANIK. It is on the basis of past practice and legislative history. We consider the language to be one that would increase eligibility.

Mr. THOMAS. Does the gentleman have any idea what percentage it might increase?

Mr. VANIK. No, we do not have any idea of the percentage. I want to point out in this area—and we have talked about the bilateral trade agreement—we really do not know what the impact is going to be. It would be my hope that it would not be serious.

But what this legislation provides is a protective device for impact that may occur. We really are not capable of arriving at an accurate, positive determination.

The CHAIRMAN. The question is on the committee amendment.

The question was taken; and on a division (demanded by Mr. FRENZEL) there were—ayes 29, noes 21.

So the committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the last committee amendment.

The Clerk read as follows:

Committee amendment: Page 9, line 23, strike out "222(a)(2) or (b)(1)(C)" and insert "222(2)".

The committee amendment was agreed to.

The CHAIRMAN. Are there further amendments to title I?

AMENDMENT OFFERED BY MR. FRENZEL

Mr. FRENZEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FRENZEL: On page 11 of H.R. 1543 (Union Calendar No. 22), strike section 106 and substitute the following:

"SEC. 106. Qualifying Employment Requirements.

Section 231(2) of the Trade Act of 1974 (19 U.S.C. 2291(2)) is amended to read as follows:

(2) Such worker had, in the 52 weeks immediately preceding such total or partial separation, at least 26 weeks of employment at wages of $30 or more a week in one or more firms or appropriate subdivisions thereof with respect to each of which a certification has been made under section 223 and which is in effect on the date of separation; or, if data with respect to weeks of employment with a firm are not available, equivalent amounts of employment computed under regulations prescribed by the Secretary."

On page 12, strike lines 7 and 8; and lines 22 and 23.

Mr. FRENZEL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. FRENZEL. Mr. Chairman, this amendment is similar to one which was offered by me and our former colleague, Mr. Steiger, last year. It appeared in last year's bill. Its estimated cost is $17 million to the taxpayers.

What the section that I seek to remove does is to change the current test, which

says that to qualify for a trade adjustment assistance an employee has to be working at least 26 weeks out of the previous 52 weeks. That is, an employee must have worked half the time during the past year to qualify. That is a common, market-attachment test used in many States under their own programs.

Now, the bill before us provides that a worker need only have been employed for 40 weeks out of the past 104. That is 20 weeks in each of the past 2 years before the period of trade-related unemployment.

What that does is add $17 million for people who do not have very much market attachment.

It seems to me that there is no need for us to pay this extra expense unless we simply want to pass out the taxpayers' money.

□ 1410

As a matter of historic record, somewhere between 50 and 80 percent of trade adjustment compensation goes to people who are back on the payroll before they even begin receiving this compensation. So, we are not talking about long-time unemployment. Therefore, there are not very many of these people who do not work at least half of the previous year prior to their unemployment.

What we are doing is stretching the time period to pick up employees who may not even be regular employees. We are going back and picking up under the committee language, under the language of the bill, some people who did not have a very strong attachment, who may have been part-time workers, or who may have left the job 3 months ago, 6 months ago. But under this particular language they are going to qualify. Now, it is very nice if we want to pay that kind of money to those kinds of people who are unemployed, but I do not think it helps either our trade program to contribute money in this way, and is a low priority method to pass-out the taxpayers' money.

Mr. Chairman, I would urge the adoption of the amendment. I submit to the body that this is a good way to save $17 million that will accomplish little good in our society.

Mr. VANIK. Mr. Chairman, I rise in opposition to the amendment offered by my good friend from Minnesota (Mr. FRENZEL).

Mr. Chairman, H.R. 1543 as introduced would allow workers to qualify for trade assistance benefits if they have at least 40 weeks of employment in the 104 weeks immediately preceding their layoff as an alternative to the present 26 out of 52 weeks employment requirement. The committee approved this provision; it was proposed by our distinguished colleague from Florida (Mr. GIBBONS) because of many cases that were brought to its attention by workers who were unable to meet the 26-week requirement in the year preceding their layoffs because their firm instituted shorter intermittent work periods rather than any permanent layoffs of all employees as it becomes impacted by imports. These workers have usually been in the labor force many, many years. The more junior employees with less seniority are being laid off first rather than receiving shorter work schedules.

The provision will result in greater equity in the coverage of eligible workers. At the same time, it will preserve the intent of the existing law that workers demonstrate a substantial attachment to the labor force to qualify for the benefits.

A major number of farmworkers, Mr. Chairman, should also be able to become eligible, particularly, for instance, with 40 weeks' major employment with more than one import-impacted firm.

I urge that the Committee reject the Frenzel amendment to remove the provision that was very, very carefully considered by the Ways and Means Committee and made a part of this bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota (Mr. FRENZEL).

The question was taken, and on a division (demanded by Mr. FRENZEL) there were —ayes 11; noes 14.

So the amendment was rejected.

The CHAIRMAN. Are there any further amendments to title I?

If not, the Clerk will read title II.

The Clerk read as follows:

TITLE II—IMPROVEMENTS IN ADJUSTMENT ASSISTANCE TO FIRMS

SEC. 201. ELIGIBILITY REQUIREMENTS OF FIRMS FOR ADJUSTMENT ASSISTANCE.

(a) Section 251 of the Trade Act of 1974 (19 U.S.C. 2341) is amended—

(1) by amending subsection (c)—

(A) by amending paragraph (2) to read as follows:

"(2) that sales or production, or both, of such firm have decreased absolutely, or threaten to decrease absolutely,",

(B) by inserting ", or the threat thereof" immediately before the period at the end of paragraph (3), and

(C) by striking out the last sentence thereof; and

(2) by striking out subsection (d) and inserting in lieu thereof the following:

"(d)(1) The Secretary shall certify a firm as eligible to apply for adjustment assistance under this chapter if the Secretary determines—

"(A) that not less than 25 percent of the total sales of such firm is accounted for by the provision to import-impacted firms of—

"(i) any article (including, but not limited to, any component part) which is essential to the production of any import-impacted article,

"(ii) any service which is essential to the production, storage, or transportation of any import-impacted article, or

"(iii) any article and any service described in clauses (i) and (ii);

"(B) that a significant number or proportion of the workers in such firm have become totally or partially separated, or are threatened to become totally or partially separated;

"(C) that the sale or production, or both, of such firm have decreased absolutely, or threaten to decrease absolutely; and

"(D) that the absolute decrease, or the threat thereof, in the sales or production, or both, by import-impacted firms of import-impacted articles, with respect to which such firm provides articles or services referred to in subparagraph (A), contributed importantly to the total or partial separation, or threat thereof, referred to in subparagraph (B) and to the decline in sales and production, or the threat thereof, referred to in subparagraph (C).

"(2) For purposes of this subsection—

"(A) The term 'import-impacted article' means any article produced by an import-impacted firm, if such article is one with respect to which a determination under section 222(a)(3) or subsection (c)(3) was made incident to the certification of the group of workers or firm concerned.

"(B) The term 'import-impacted firm' means—

"(i) any firm or appropriate subdivision thereof the workers of which have been certified pursuant to section 222(a), or

"(ii) any firm which has been certified pursuant to subsection (c).

"(e) For purposes of subsections (c) and (d) the term 'contributed importantly' means a cause which is important but not necessarily more important than any other cause.

"(f) A determination shall be made by the Secretary as soon as possible after the date on which any petition is filed under this section, but in any event not later than 60 days after that date.

"(g) In any case in which the Secretary of Labor notifies the Secretary that a petition has been filed under section 221 by any group of workers, their certified or recognized union, or other duly authorized representative, if a petition has been filed under subsection (a) regarding any firm in which such group of workers is, or was, employed, the Secretary, notwithstanding any other provision of law, shall promptly provide to the Secretary of Labor any data and other information obtained by the Secretary in taking action on the petition which would be useful to the Secretary of Labor in making a determination under section 223 with respect to the workers.

"(h) If any certification issued under this section is based upon a determination made pursuant to subsection (c)(2) or (d)(1)(C) that the production or sales, or both, of the firm concerned threaten to decrease absolutely, no technical assistance (other than assistance provided for in section 253(a)(1) or financial assistance under this chapter shall be provided to the firm covered by such certification until after the date on which the Secretary determines pursuant to such subsection that the production, or sales, or both, of such firm have decreased absolutely.".

(b) The amendments made by subsection (a) shall apply with respect to petitions filed under section 251(a) of the Trade Act of 1974 on or after the effective date of this Act.

SEC. 202. TECHNICAL ASSISTANCE.

(a) Section 252 of the Trade Act of 1974 (19 U.S.C. 2342(c)) is amended—

(1) by striking out subsection (c); and

(2) by redesignating subsection (d) as subsection (c).

(b) Section 253 of such Act (49 U.S.C. 2343) is amended—

(1) by amending subsection (b)—

(A) by striking out "(b) The" and inserting in lieu thereof "(b)(1) Except as provided in paragraph (2), the "; and

(B) by adding at the end thereof the following new paragraph:

"(2) The Secretary shall provide technical assistance, on such terms and conditions as the Secretary determines to be appropriate, to any firm certified under section 251 for the purpose of assisting such firm in preparing a proposal for its economic adjustment, unless the Secretary determines, after consultation with the firm, that it is able to prepare such a proposal without such assistance. If technical assistance provided to a firm under this paragraph is furnished, pursuant to subsection (c), through any private individual, firm, or institution, the Secretary shall bear, subject to the 90-percent limitation in such subsection (c), that portion of the cost of such assistance which, in the judgment of the Secretary. the firm is unable to pay.".

(2) by striking out "75 percent" in subsection (c) and inserting in lieu thereof "90 percent".

SEC. 203. FINANCIAL ASSISTANCE.

(a) Section 254 of the Trade Act of 1974 (19 U.S.C. 2344) is amended by adding at the end thereof the following new subsection:

"(d) With respect to any loan guaranteed under this section, the Secretary may, without regard to section 3679(a) of the Revised Statutes of the United States (31 U.S.C. 665(a)), contract to pay annually, for not more than 10 years, to or on behalf of the borrower an amount sufficient to reduce by up to 4 percentage points the interest paid by such borrower on such guaranteed loan. No payment under this subsection shall result in the interest rate paid by a borrower on any guaranteed loan being less than the rate of interest for a direct loan made under this section. The authority of the Secretary to enter into contracts under this section shall be effective for any fiscal year only to such extent, and in such amounts, as are provided in appropriation Acts.".

(b) The amendment made by subsection (a) shall apply with respect to loans guaranteed under section 254 of the Trade Act of 1974 on or after the effective date of this Act.

SEC. 204. CONDITIONS FOR FINANCIAL ASSISTANCE.

(a) Section 255 of the Trade Act of 1974 (19 U.S.C. 2345) is amended—

(1) by amending subsection (b) by striking out "(1)", and by striking out ", plus" and all that follows thereafter and inserting in lieu thereof a period; and

(2) by amending subsection (h)—

(A) by amending paragraph (1) to read as follows:

"(h)(1) The outstanding aggregate liability of the United States at any time with respect to loans guaranteed under this chapter on behalf of any one firm shall not exceed $5,000,000."; and

(B) by striking out "$1,000,000" in paragraph (2) and inserting in lieu thereof "$3,000,000".

(b)(1) The amendments made by subsection (a)(1) shall apply with respect to direct loans made under section 255 of the Trade Act of 1974 on or after the effective date of this Act.

(2) With respect to any direct loan made under such section 255 before such effective date, at the request of the borrower the Secretary of Commerce shall take such action as may be appropriate to adjust the rate of interest on such loan consistent with the amendment made by subsection (a)(1) effective with respect to—

(A) the outstanding balance of the loan existing on October 31, 1977, if the loan was entered into before that date; or

(B) the total amount of the loan if the loan was entered into on or after October 31, 1977.

SEC. 205. PROVISIONS OF INFORMATION ON BENEFITS TO FIRMS.

(a) Section 264 of the Trade Act of 1974 (19 U.S.C. 2354) is amended—

(1) by striking out "; ACTION WHERE THERE IS AFFIRMATIVE FINDING" in the section heading thereto; and

(2) by striking out subsection (c) thereof.

(b) Chapter 3 of title II of the Trade Act of 1974 (19 U.S.C. 2341–2354) is amended by adding at the end thereof the following new section:

SEC. 265. BENEFIT INFORMATION TO FIRMS.

"The Secretary shall provide full information to firms about the technical and financial assistance available under this chapter, and under other Federal programs, which may facilitate the adjustment of such firms to import competition. The Secretary shall provide whatever assistance is necessary to enable firms to prepare petitions for certifications of eligibility.".

(c) The table of contents of the Trade Act of 1974 is amended by striking out

"Sec. 264. Study by Secretary of Commerce when International Trade Commission begins investigation; action where there is affirmative finding."

and inserting in lieu thereof the following:

"Sec. 264. Study by Secretary of Commerce when International Trade Commission begins investigation; action where there is investigation.

"Sec. 265. Benefit information to firms.".

Mr. VANIK (during the reading). Mr. Chairman, I ask unanimous consent that title II be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 24, line 10, strike out "222(a)(3)" and insert "222(3)".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 28, strike out lines 4, 5, and 6 and insert the following:

(1) by amending the second sentence of subsection (b) to read as follows:

"The rate of interest on direct loans made under this chapter shall be whichever of the following rates is lower:

"(1) A rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods of maturity that are comparable to the average maturing periods to maturity that are comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 percent.

"(2) A rate calculated by the Secretary of the Treasury to be the average annual interest rate on all interest-bearing obligations of the United States then forming a part of the public debt as computed at the end of the fiscal year next preceding the date of the loan and adjusted to the nearest one-eighth of 1 percent, plus one-quarter of 1 percent per annum."; and

Mr. FRENZEL (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. FRENZEL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I ask that the amendment be considered as read in this case because this happens to be another Downey amendment, and it happens to be one that the committee unanimously supports, and I do also. I just wanted the gentleman from New York to know that I approve of most of his work, and I am sorry that we could not agree on the previous amendment.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the last committee amendment.

The Clerk read as follows:

Committee amendment: Page 30, in the matter appearing after line 22 strike out "; action where there is" and insert a period.

The committee amendment was agreed to.

The CHAIRMAN. Are there any other amendments to title II?

If not, the Clerk will read title III.

The Clerk read as follows:

TITLE III—GENERAL PROVISIONS

SEC. 301. ADJUSTMENT ASSISTANCE COORDINATION.

Section 281 of the Trade Act of 1974 (19 U.S.C. 2392) is amended to read as follows:

"SEC. 281. ADJUSTMENT ASSISTANCE COORDINATION.

"(a) There is established an Adjustment Assistance Coordinating Committee to consist of a Deputy Special Representative for Trade Negotiations as Chairman and the officials charged with adjustment assistance responsibilities of the Department of Labor, the Department of Commerce, and the Small Business Administration. It shall be the function of the Adjustment Assistance Coordinating Committee to coordinate the development and review of all policies, studies, and programs of the various agencies involved pertaining to the adjustment assistance of workers, firms, and communities to import competition for the purpose of insuring prompt, efficient, and effective delivery of adjustment assistance available under this title.

"(b) There is established the Commerce-Labor Adjustment Action Committee (hereinafter referred to in this subsection as the 'Committee') the members of which shall be officials charged with economic adjustment responsibilities in the Department of Commerce, the Department of Labor, and any other appropriate Federal agency. The chairmanship of the Committee shall rotate among members representing the Department of Commerce and the Department of Labor. In addition to any other function deemed appropriate by the Secretary of Commerce and the Secretary of Labor, the Committee shall facilitate the coordination between such departments in providing to trade-impacted workers, firms, and communities timely and effective assistance under this title (including, but not limited to, the implementation of sections 225 and 265) and under other appropriate programs administered by such departments. The Committee shall report quarterly on its activities to the Adjustment Assistance Coordinating Committee.".

SEC. 302. GRANT PROGRAMS AND STUDIES.

(a) Chapter 5 of title II of the Trade Act of 1974 (19 U.S.C. 2391–2271) is amended—

(1) by redesignating section 284 as section 287; and

(2) by inserting immediately after section 283 the following new sections:

"SEC. 284. GRANTS TO LABOR ORGANIZATIONS.

"(a) The Secretary of Labor may make grants to unions, employee associations, or other appropriate organizations for the purpose of enabling such organizations to carry out research on, and the development and evaluation of, issues relating to the design of an effective program of trade adjustment assistance for workers in industries in which significant numbers of the workers have been, or will likely be, certified as eligible for adjustment assistance. Such issues shall include, but not be limited to, the impact of new technologies on workers, the design of new workplace procedures to improve efficiency, the creation of new jobs to replace those eliminated by foreign imports, and worker training and skill development. Any

grant made under this section shall be subject to such terms and conditions as the Secretary deems necessary and appropriate. The Secretary of Labor may not expend more than $2,000,000 in any one year for grants under this section.

"(b) There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

"SEC. 285. GRANTS TO INDUSTRY ORGANIZATIONS.

"(a) The Secretary of Commerce may make grants, on such terms and conditions as the Secretary of Commerce deems appropriate, for the establishment of industrywide programs for research on, and the development and application of, technology and organizational techniques designed to improve economic efficiency. Eligible recipients may be associations or representative bodies of industries in which a substantial number of firms have been certified as eligible to apply for adjustment assistance under section 251. The Secretary of Commerce may not expend more than $2,000,000 in any one year for grants under this section.

"(b) There are authorized to be appropriated such sums as may be necessary and appropriate to carry out the purposes of this section.

"SEC. 286. INDUSTRY STUDIES BY SECRETARY OF COMMERCE.

"The Secretary of Commerce may conduct studies of those industries actually or potentially threatened by import competition. The purpose of such studies shall include—

"(1) the identification of basic industrywide characteristics contributing to the competitive weakness of domestic firms;

"(2) the analysis of all other considerations affecting the international competitiveness of industries; and

"(3) the formulation of options for assisting trade-impacted industries and member firms, including industrywide initiatives.".

(b) The table of contents of the Trade Act of 1974 is amended—

(1) by striking out

"Sec. 281. Coordination."

and inserting in lieu thereof

"Sec. 281. Adjustment assistance coordination."; and

(2) by striking out

"Sec. 284. Effective date."

and inserting in lieu thereof

"Sec. 284. Grants to labor organizations.

"Sec. 285. Technical assistance grants.

"Sec. 286. Industry studies by Secretary of Commerce.

"Sec. 287. Effective date.".

SEC. 303. EFFECTIVE DATES.

(a) Except as provided in subsection (b), this Act shall take effect on October 1, 1979 or on the date of the enactment of this Act if the date of the enactment is after October 1, 1979.

(b) The amendments made by sections 106, 107(2), 109, 110, and 111(1) shall take effect on the 60th day after the effective date of this Act and shall apply with respect to workers separated from employment on or after such 60th day.

(c) The amendments made by section 107 (1) and (3) shall take effect on the effective date of this act and shall apply:

(1) with respect to workers separated from employment on or after such effective date, and

(2) with respect to workers receiving trade readjustment allowances on the effective date to assist them in completing an approved training program as provided by section 233 (a) (1) of the Trade Act of 1974.

Mr. VANIK (during the reading). Mr. Chairman, I ask unanimous consent that title III be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 32, line 14, strike out "2391–2271)" and insert "2391–2394 and 2271)".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the last committee amendment.

The Clerk read as follows:

Committee amendment: Page 35, line 13, strike out "apply:" and insert "apply—".

The committee amendment was agreed to.

The CHAIRMAN. Are there further amendments to the bill? If not, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. MOAKLEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1543) to improve the operation of the adjustment assistance programs for workers and firms under the Trade Act of 1974, pursuant to House Resolution 236, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. FRENZEL

Mr. FRENZEL. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. FRENZEL. In its present form, I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. FRENZEL moves to recommit the bill, H.R. 1543, to the Committee on Ways and Means.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. VANIK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill, H.R. 1543, just passed.

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

There was no objection.

□ 1420

SPECIAL INTERNATIONAL SECURITY ASSISTANCE ACT OF 1979

Mr. DODD. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 287 and ask for its immediate consideration.

The Clerk read the resolutions, as follows:

H. RES. 287

Resolution providing for the consideration of the bill (H.R. 4035) to authorize supplemental international security assistance for the fiscal year 1979 in support of the peace treaty between Egypt and Israel, and for other purposes

Resolved, That upon the adoption of this resolution it shall be in order to move, section 402(a) of the Congressional Budget Act of 1974 (Public Law 93–344) to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4035) to authorize supplemental international security assistance for the fiscal year 1979 in support of the peace treaty between Egypt and Israel, and for other purposes, the first reading of the bill shall be dispensed with, and all points of order against section 3 of the bill for failure to comply with the provisions of clause 5, rule XXI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 4035, the House shall proceed, section 402(a) of the Congressional Budget Act of 1974 (Public Law 93–344) to the contrary notwithstanding, to the consideration of the bill S. 1007, and it shall be in order in the House to move to strike out all after the enacting clause of the said Senate bill and to insert in lieu thereof the provisions contained in H.R. 4035 as passed by the House.

The SPEAKER. The gentleman from Connecticut (Mr. DODD) is recognized for 1 hour.

Mr. DODD. Mr. Speaker, I yield 30 minutes to the gentleman from Tennessee (Mr. QUILLEN) for the purpose of debate only, pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 287 provides for the consideration of H.R. 4035, the Special International Security Assistance Act of 1979. This resolution provides for an open rule with 1 hour of general debate to be equally divided and controlled by the chairman and ranking

minority member of the Committee on Foreign Affairs.

In addition, this resolution provides for three waivers of points of order. First, it contains a waiver of points of order that might be brought against the consideration of H.R. 4035 for the bill's violation of section 402(a) of the Congressional Budget Act. Section 402(a) of the Budget Act bars the consideration of any bill which authorizes the enactment of new budget authority for a fiscal year unless that bill has been reported on or before May 15 preceding the beginning of such fiscal year. Sections, 3, 4 and 5 of the bill would authorize the enactment of additional new budget authority for fiscal year 1979. Since the bill was not reported by May 15, 1978, it would be subject to points of order under section 402(a) of the Budget Act. The Budget Committee has agreed that this waiver should be provided.

Second, the resolution waives points of order against section 3 of the bill for failure to comply with the provisions of clause 5 of rule XXI of the Rules of the House, which prohibits making appropriations in an authorization bill.

Third, the resolution waives points of order that might be brought against the consideration of S. 1007 for the bill's violation of section 402(a) of the Budget Act. Like H.R. 4035, S. 1007 violates section 402(a) of the Budget Act, because it authorizes funds for the current fiscal year. The Budget Committee concurred in the granting of this waiver also.

Finally, the resolution provides that after the passage of H.R. 4035, the House shall take up consideration of S. 1007, and it shall be in order to move to strike out all after the enacting clause of the Senate bill and to insert in lieu thereof the provisions contained in H.R. 4035 as passed by the House.

H.R. 4035 authorizes $1.47 billion to support the recently signed Israeli-Egyptian peace treaty. This authorization will support a total of $4.8 billion in economic and military aid for Israel and Egypt; $1.1 billion will be in the form of grants and loans and $370 million will finance foreign military sales totaling $3.7 billion. It is important to note that this economic and military assistance for Israel and Egypt is in addition to the previous fiscal year 1979 authorizations for the two countries.

I firmly support this legislation because it strongly establishes a program of incentives for peace in the Middle East. The United States, in this legislation, is in effect recognizing the courageous steps towards a true and lasting peace in the region taken by Israel and Egypt. I have always believed that the United States should give strong incentives to nations in the Middle East which have taken positive measures towards real peace, and I have also believed that we should do far more in the way of providing disincentives to those nations in the region which have opposed the peace process. Throughout the long and complex negotiations, Israel and Egypt have proved again and again that they are willing to make the necessary concessions and take the political risks in order to achieve peace between their two nations. The recent return of El Arish to Egyptian sovereignty highlights the tremendous gains which both sides have made. We all realize that future negotiations between Israel and Egypt will not be easy, but both nations fully deserve the economic and military aid which is proposed in this legislation.

Mr. Speaker, as you know, there has been some public opposition to providing further aid to Israel and Egypt. Some Americans believe that the price tag is simply too high. I can understand the concern of many people who see themselves as taxpayers faced with a bill for $1.47 billion and who cannot see any direct benefit to the United States from this expenditure. I have briefly discussed why I believe this assistance is necessary to provide incentives for peace in the Middle East and hence why it benefits U.S. foreign policy. However, to those who see this assistance as primarily a pocketbook issue, I would still maintain that this assistance is a bargain for the United States. We would do well to remember the cost the United States has paid for war in the Middle East and compare that cost to the more noble cost of furthering peace. After the 1973 Middle East War, the United States appropriated $2.2 billion just to replace Israeli battlefield equipment losses. In addition, the immediate cost to the U.S. economy as a result of the 1973–74 Arab oil embargo was estimated at $15 billion. The cost of war in the Middle East has been very high for the United States, but more importantly the cost to thousands of young Israeli and Arab men and women, and their families, has been immeasurably high.

As a major architect of the Israeli-Egyptian Peace Treaty, the United States has a moral responsibility and duty to further this peace through providing economic and military assistance to the only two nations in the Middle East courageous enough to take this major step toward peace.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, the able gentleman from Connecticut (Mr. DODD) has not only explained the provisions of the rule, but has gone into the bill in depth. Normally, Mr. Speaker, I oppose any foreign aid measure, but I know how important it is in the Middle East to bring about peace and, therefore, I support this rule. I am going to take a good look at the bill when it is discussed on the floor of the House, but I am committed to the peace effort. I had the privilege of being in the Middle East in November of 1977 and met with President Sadat and Prime Minister Begin. How forcefully those two individuals tried to bring about peace at that time was very evident. The peace efforts throughout the years have been great, and now that they are finally realized, I think this Nation has a great obligation to see that they are funded.

Mr. Speaker, I have no requests for time and I reserve the balance of my time.

Mr. DODD. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. HAMILTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4035) to authorize supplemental international security assistance for the fiscal year 1979 in support of the peace treaty between Egypt and Israel, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Indiana (Mr. HAMILTON).

The motion was agreed to.

The SPEAKER. The Chair designates the gentleman from California (Mr. BEILENSON) as Chairman of the Committee of the Whole and requests the gentleman from Connecticut (Mr. DODD) to assume the chair temporarily.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4035, with Mr. DODD (Chairman pro tempore) in the chair.

☐ 1430

The CHAIRMAN pro tempore. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Indiana (Mr. HAMILTON) will be recognized for 30 minutes, and the gentleman from Illinois (Mr. FINDLEY) will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Indiana (Mr. HAMILTON).

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

Mr. Chairman, I rise in support of H.R. 4035, the Special International Security Assistance Act of 1979.

H.R. 4035 provides for important economic and military aid programs which represent a vital aspect of the process of implementation of the Egyptian-Israeli Treaty of Peace signed by the Governments of Egypt and Israel on March 26, 1979 at the White House.

The Subcommittee on Europe and the Middle East and the Subcommittee on International Security and Scientific Affairs of the Committee on Foreign Affairs held three lengthy hearings on this bill. This legislation which was announced in March would authorize a supplemental fiscal year 1979 appropriations of $1.47 billion to support the total proposed program of $4.8 billion in economic and military aid for Egypt and Israel.

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

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

Mr. GILMAN. Mr. Chairman, I thank the gentleman for yielding.

The gentleman mentions $1.4 billion. Actually, it is my understanding that the

actual outlays would be just a little over $1 billion; is that not correct?

Mr. HAMILTON. Yes, it is correct. I will get to that in just a few minutes.

Mr. GILMAN. That would be over a 3-year period?

Mr. HAMILTON. That is correct.

Mr. GILMAN. I urge my colleagues to support this measure which certainly would be less costly than the cost of total war in that area which we have been confronted with for the past decade.

Mr. Chairman, I rise in support of H.R. 4035, the Special International Security Assistance Act of 1979.

With the signing of the treaty of peace between Egypt and Israel on March 26, 1979, both Egypt and Israel reaffirmed their adherence to the "framework for peace in the Middle East agreed at Camp David" on September 17, 1978. Both nations declared that this treaty "is an important step in the search for a comprehensive peace in the area" and invited "the other Arab parties to this dispute to join the peace process." A few weeks later, at a site near the battlegrounds of the past, Israel and Egypt exchanged the instruments of peace, thereby bringing to an end an era of war and bloodshed.

The Middle East treaties are a major step on the road to the resolution of those issues which have brought conflict to the Middle East for the last 30 years. While they are but a beginning to the process rather than an end, they represent an important achievement toward peace which is in both the economic and security interest of the United States. An interest that includes not only our longstanding and continued commitment to Israel, but also because of the importance of the Middle East to the security of future U.S. oil supplies.

For our part, the Congress has been asked to pass special implementing legislation to enable those parties to the treaties to carry out its provisions. H.R. 4035 would authorize a supplemental fiscal year 1979 appropriation of $1.47 billion for Egypt and Israel. Our past support of our Middle East policy in times of war have cost the United States many billions of dollars. The October 1973 Arab-Israel war alone cost the United States more than $7 billion in assistance to Israel. The current treaty package, aimed at promoting peace, amounts to only a fraction of those costs.

While the total value of our assistance under this legislation has been projected to be some $4.8 billion, it is estimated that this legislation will result in actual outlays over a 3-year period of $1.091 billion.

Looking at the bottom line, after the repayment of these loans, the cost to our Nation will be just a little over $1 billion, or essentially about $365 million per year for the next 3 years.

Secretary of State Vance, in recent testimony before our Committee on Foreign Affairs, said "it is essential to keep in mind the far greater potential cost of failing to make progress toward peace in the Middle East. Four Wars in that region have cost the U.S. taxpayer several tens of billions of dollars in direct costs alone. The cost of peace is modest when compared with the cost of further war."

With regard to Egypt, the political survival of President Sadat may well depend on the extent of the support he receives from the United States. His bold leadership, as a friend of the United States with a personal and national commitment to peace, deserves our support.

While the cost of peace is high, the cost of war is higher. The United States must continue in its efforts to help bring about a peaceful settlement of the conflict in the Middle East. Passage of H.R. 4035 is a step in that direction. As a cosponsor of this most important legislation, I urge the support of my colleagues.

Mr. HAMILTON. Mr. Chairman, I thank the gentleman from New York.

Mr. Chairman, the committee is aware of the claim made by many that the price for progress toward peace in the Middle East is too high. Although the committee acknowledges that levels of regular and supplemental assistance being provided in the Middle East are high, the committee contends that the costs to the United States of another conflict in the Middle East would be far higher.

In short, peace is expensive, but war is more expensive.

Secretary of State Vance estimated during our hearings that the cost to the United States of four Middle East wars over the last three decades has been somewhere between $55 billion and $70 billion and those figures do not include the human costs of conflict or the risk of United States-Soviet confrontation in the area when conflict erupts.

But the committee also sees positive reasons for supporting this assistance to Irael and Egypt:

First, H.R. 4035 is an essential element in assuring the success of the Egyptian-Israeli peace, in helping implement the peace treaty and in maintaining the momentum of recent successes in the upcoming negotiations involving the Israeli occupied territories of the West Bank and Gaza without this bill the peace process will be jeopardized;

Second, H.R. 4035 is a onetime, special request to help Israel and Egypt deal with real economic and military needs emanating from new security requirements in the post-treaty environment. Israel has to adjust significantly its defense lines, relocate forces and develop new early warning capabilities. Egypt's military is in dire need of new equipment because its supply relationship with the Societ Union is ending and it is turning to the West for meeting its legitimate defense requirements;

Third, both Egypt and Israel face immediate economic problems as they enter the post-treaty era. The financial cost to Israel of withdrawal from the Sinai will be substantial. For its part, the Egyptian Government has an urgent and critical need to demonstrate to its people the economic benefits of peace. AID is working to accelerate implementation of our AID current economic programs; the proposed additional assistance will provide funds to move quickly to meet these new requirements.

Mr. Chairman, these commitments help encourage both Egypt and Israel to take risks to further the peace process and enter the unknown post-treaty environment with greater confidence. The unknown in an area as volatile as the Middle East carries its own risks. In order for both governments to lead their people through these uncharted waters, they must be confident that they can deal effectively with threats to their continued security. Without favorable action on this legislation, the parties' confidence in the peace process will be shattered, implementation of the peace treaty seriously impaired, and momentum in the upcoming peace talks dissipated.

Moreover, if the United States is to play a mediating role in the negotiations, it must be reasonably responsive to the security requirements of Israel and Egypt.

Mr. Chairman, as was mentioned, this bill would authorize a supplemental fiscal year 1979 appropriation of $1.47 billion which would support a total program of $4.8 billion in economic and military aid for Egypt and Israel. Of that total program, $1.1 billion will be in the form of loans and grants, while $370 million will finance foreign military sales (FMS) totaling $3.7 billion. Under section 24 of the Arms Export Control Act, only 10 percent of the face value of the sales need to be set aside as a guarantee against default.

The actual distribution of funds authorized to be appropriated in this bill breaks down as follows:

A sum of $800 million is authorized to be furnished as a grant for certain defense articles and services necessary for the construction of two air bases in Israel at Ovda and Matred in the Negev Desert to replace bases in the Sinai to be evacuated by Israel under terms of the treaty;

A sum of $220 million in FMS guaranties is authorized to be appropriated to finance $2.2 billion in sales of defense articles and services to Israel, including the costs of ground and naval forces relocation and better early warning capability;

A sum of $300 million is authorized for economic support fund (ESF) loans and grants for Egypt that will provide essential commodities for the Egyptians and may also provide limited education support to enable Egypt to develop needed expanded middle-level management and techenical expertise; and

A sum of $150 million in FMS guaranties to finance total military sales of $1.5 billion to Egypt to help Egypt meet its legitimate self-defense and force modernization requirements through the purchase of additional aircraft and air defense equipment and armored personnel carriers.

Mr. Chairman, this bill also:

Requires that Israel contribute all costs of the construction of the air bases in excess of the $800 million authorized for this purpose in this legislation;

Authorizes the President to transfer

to Egypt the U.S. Sinai Field Mission facilities and related property which were valued at around $10 million in 1976;

Requires an annual report to the Congress on the economic conditions in the countries which may affect their already large foreign debt burdens and their ability to repay loans authorized in this bill;

Stipulates that the authorities in the legislation do not signify approval by the Congress of any agreement, understanding, or commitment made by the executive branch other than the treaty of peace and known related agreements, this language being similar to language in legislation passed in 1975 pursuant to the Sinai II accords;

And finally, expresses the sense of Congress that other countries should provide financial assistance to help support the Middle East peace process.

Mr. Chairman, these are the principal features of H.R. 4035. Because of the tight timetable set forth under the peace treaty between Egypt and Israel and the time required to build air bases, it is necessary to move as quickly as possible with this legislation.

I urge my colleagues to support H.R. 4035.

Mr. FINDLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. BROOMFIELD).

Mr. BROOMFIELD. Mr. Chairman, I rise in support of the Special International Security Assistance Act in the belief that it is critical to the Middle East peace process. It facilitates the peace treaty between Egypt and Israel and will help promote further progress toward a full and comprehensive peace in the Middle East. This legislation authorizes funds for two air bases in Israel to replace those Israel must evacuate in the Sinai, it authorizes foreign military sales credits for Egypt and Israel to help those two nations assure their legitimate security needs, and it authorizes assistance for Egypt to enable that nation to meet some of its pressing economic problems.

Like other members of the committee, I am extremely conscious of the costs involved for the United States in this supplemental aid package for Egypt and Israel. However, the program level of $4.8 billion is not the only relevant figure or cost indicator. As is pointed out in the committee report, much of the aid is in the form of loans rather than grants and, thus, necessitates an actual budget outlay of $1.47 billion. In addition, the committee was assured by the Department of State that most of the funds involved will be expended on U.S. goods and services.

It is also important to examine the expense involved in this peace package in relation to the costs of the alternatives. Secretary of State Vance noted before the Foreign Affairs Committee that four wars in the last 30 years in the Middle East have directly costs the U.S. taxpayers tens of billions of dollars. This is in addition to the price we have paid in inflation, unemployment, and other adverse economic developments stemming from conflict in the Middle East. The potential costs and dangers of renewed Middle East hostilities are, therefore, much vaster than those involved in this bill.

And, if this aid appears considerable, the rewards are far greater. We have now, in fact, witnessed the first steps of the implementation of the treaty between Egypt and Israel. As Israel returned El-Arish to Egypt and as Israeli ships steamed through the Suez Canal for the first time, the treaty became reality for the people of Egypt and Israel. And the strong popular support in both countries for peace and its hopeful prospects was evident. We can rejoice with those who feel their well-being enhanced by the reconciliation of Egypt and Israel. And we can feel proud that by means of this legislation we will help a longtime friend, Israel, to come closer to attaining the recognition, acceptance, and security for which she has so long striven and fought.

However, the struggle for peace and security in the Middle East is not yet over. This region is far from tension free. We will yet witness moments of great difficulty in the coming negotiations between Egypt and Israel. Relations between these two countries as between most neighbors, will be rocky at times. Those opposed to this treaty in the Arab world and elsewhere will maintain old hostilities and will generate new risks. We must proceed, therefore, in the recognition that the process toward full peace in the Middle East will be long and difficult though not, we hope, without ultimate rewards.

☐ 1440

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

Mr. Chairman, I rise in support of the Special International Security Assistance Act of 1979.

A considerable portion of the debate and discussion today will focus on the costs of this peace treaty to the United States. Some will argue that the costs of renewed war would be much greater than this $4.8 billion aid package. Others, perhaps reflecting the views of many concerned constitutents, will express reservations about the ever-increasing levels of U.S. military and economic assistance to the Middle East.

But it would be unfortunate should we, in our concern with figures, overlook the most significant U.S. contribution to the Mideast peace process: U.S. leadership.

Bringing the Egyptian-Israeli treaty to fruition has required an active and involved United States. In the future, this U.S. role will only deepen. We will continue to be closely involved in the negotiations over the West Bank and in other mediation efforts. Also, the memoranda and understandings that do not require congressional approval which the United States has signed in connection with the Egyptian-Israeli treaty vastly increase U.S. responsibilities in the Middle East. I would urge all of you who have not yet done so to examine carefully the letters President Carter and Secretary of Defense Brown have written to their counterparts in Egypt and Israel. The pledges they contain go far beyond previous understandings and arrangements the United States had with either country.

United States involvement and leadership in the Middle East peace effort must not become a static one. The grants and loans in this bill will, in fact, be a gesture with little meaning without continued and forceful U.S. leadership to obtain a full peace in the Middle East. It is this leadership much more than any sum of money which will continue to represent the more significant American contribution to the peace process between Israel and its neighbors.

An important sign of this leadership will be U.S. efforts to bring an end to the current spiral of violence in the Middle East. As the Congress considered this legislation to facilitate the Egyptian-Israeli Peace Treaty, the level of violence in the Middle East was rapidly escalating. The lives lost—Israeli, Palestinian, and Lebanese—have been a grim reminder of the fragility of peace in the Middle East. They harshly recall the fact that the treaty betwen Egypt and Israel is only a partial peace that includes but two of many parties. And the issues this treaty encompasses leave untouched many thorny problems that still desperately require solutions. These problems will continue to exacerbate tensions, threaten conflict, and cost lives in the Middle East until a comprehensive peace resolves them all.

The attacks of Palestinians against Israelis and of Israelis against Palestinians have been equally senseless. Both sides are enflaming tensions in a way that too often ends tragically for all parties in the Middle East. And this violence is intruding upon a critical juncture in this region when the peace process will either continue to move forward or stagnate with the important results to date perhaps unraveling. And we will move forward only by talking, not by shooting.

It will be up to the United States to initiate the much needed dialog in the Middle East to replace the current violence. This dialog must include Israel and the Palestinians and those who represent them—the PLO.

Indeed, only by bringing the Palestinians into the peace process will we preclude their efforts to put an end to it. The more quickly we realize this, the sooner we can move to full peace in the Middle East. And this alone will assure the well-being and security of Israel.

Mr. HAMILTON. Mr. Chairman, I yield 5 minutes to the distinguished chairman of the committee, the gentleman from Wisconsin (Mr. ZABLOCKI).

Mr. ZABLOCKI. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the bill H.R. 4035, the Special International Security Assistance Act of 1979.

I would like to take this opportunity to commend the distinguished chairman of the Subcommittee on Europe and the Middle East LEE HAMILTON and the distinguished ranking minority member of the subcommittee PAUL FINDLEY for their management of this important legislation.

The $1.47 billion authorized to be appropriated by this legislation is an essential element of the Middle East peace process—a process which has been greatly facilitated by the Treaty of Peace concluded between Egypt and Israel.

The funds authorized in this bill will provide both Egypt and Israel the much needed boost both countries require in order to cope with the immense economic and military demands the crucial post-treaty period will bring.

In the case of Israel, the bill authorizes the appropriation of $1.20 billion in loans and grants whose purpose will be to assist Israel in replacing vital bases given up in the Sinai and in relocating forces and developing new early warning capabilities to replace those given up under the terms of the treaty.

For Egypt, the bill provides $300 million in economic assistance and $150 million in foreign military sales credits. The economic assistance, which is in addition to such assistance provided in the regular foreign economic assistance bill for fiscal year 1979, will help the Egyptian Government, in cooperation with the U.S. Agency for International Development, develop programs designed to demonstrate to the Egyptian people the economic rewards of peace. On the other hand, the foreign military sales credits will help Egypt to meet legitimate self-defense requirements and provide the confidence that government needs in order to go forward in the peace process.

The fruits of that process have already begun to appear as demonstrated this past weekend in the town of El Arish in the Sinai where Preme Minister Begin and President Sadat officially opened their countries' borders for the first time since the Middle East conflict began.

The legislation before us today will help to keep the momentum for peace moving beyond El Arish to the delicate but vital negotiations over the future of the West Bank and Gaza and, ultimately, to a broader peace settlement involving the other parties to the conflict.

As the gentleman from Indiana noted, the funding authorized in this legislation is substantial, but the cost of another war in the Middle East would be much higher and it would, once again, bring the threat of superpower involvement in the area—a risk whose cost would be incalculable.

Mr. Chairman, the Committee on Foreign Affairs and its Subcommittees on International Security and Scientific Affairs, and on Europe and the Middle East have given the President's request for the assistance authorized in this legislation a most careful and thorough examination. As a result of our deliberations, we concluded that the bill, as reported, will help to establish the necessary climate for an eventual comprehensive peace settlement in the Middle East.

I urge the adoption of the bill.

Mr. FINDLEY. Mr. Chairman, I yield 4 minutes to the gentleman from Kansan (Mr. WINN).

Mr. WINN. Mr. Chairman, I rise in support of H.R. 4035.

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

Mr. WINN. I would be glad to yield to the gentleman from Indiana.

Mr. QUAYLE. Mr. Chairman, I am happy to join in support of this legislation, in expressing every hope for a new era of peace and stability in the Middle East. I hope that this cost will be borne by other nations as well.

This is, indeed, an historic occasion, marking the success of many years of efforts to bring about a peace settlement in the Middle East. While the peace treaty between Egypt and Israel is only the first step toward peace in that region of the world, it is a vitally important step and one which brings hope of a comprehensive peace between Israel and all of her Arab neighbors.

For many years, the United States has borne the major financial burden of the war in the Middle East. While the authorization called for in this legislation may seem large, it will prove to be far smaller than the cost of an indefinite continuation of violence and hostilities in the Middle East.

Peace in the Middle East is of signal importance to all Western countries, not only to the United States. The cost of that peace should not rest solely on the shoulders of American taxpayers. We must make clear to the President our resolve that other nations share in the costs of a peace through which we all will benefit. It is important that other Western countries become involved in this peace initiative and share the tremendous economic burdens which face Egypt and Israel as they rebuild their countries for peace after years of violence and war.

Both Egypt and Israel have serious economic and security problems which will have to be met in order to spread their peace initiative throughout the Middle East. This legislation will help them meet some of their most urgent security needs, and merits our support. I am pleased to join with my colleagues in support of this legislation and in expressing every hope for a new era of peace and stability in the Middle East.

Mr. WINN. Mr. Chairman, the Egypt-Israeli treaty represents a significant stride toward peace in the Middle East. It ends the state of war between these two neighbors and puts in its stead a web of agreements and understandings that will enhance the well-being and security of each nation. Full peace in the Middle East may only come gradually but this peace between Egypt and Israel is a solid foundation for future efforts.

H.R. 4035 will facilitate the treaty between Egypt and Israel. The funds it authorizes are meant to ease what will be some very difficult steps for each nation. In fact, the sums we are considering today—though very large, indeed—will no where near cover the expenses incurred by Israel in withdrawing from the Sinai and reconstructing new lines of defense. Egypt, as well, in provoking the wrath of the Arab states who oppose this treaty, is encountering the high cost of peace. The economic and military assistance this bill provides will only in part supplant the shortfalls in aid from Saudi Arabia and other Arab nations. This U.S. aid to Egypt is also designed to meet very real and pressing Egyptian development and defense requirements. The $1.1 billion in FMS credits for Egypt will not expand that nation's defense forces, but will only maintain them at near present levels of readiness. Much of Egypt's present military equipment is deteriorating as spare parts are no longer available from the Soviet Union.

In authorizing this legislation, therefore, Congress is underlining the constructive role the United States is playing in the Middle East:

We are facilitating peace between two nations that very much want peace and that have made great sacrifices to achieve it.

We are signaling to this administration as we have to previous administrations that we will support their efforts to mediate differences in regions around the globe.

It is also important to indicate that we are encouraging the peace process to go forward. Now is not the time for this administration to rest on its laurels. Indeed, I sense that the mood of the Congress and of the American public regarding progress toward peace is expectant. And, although the Egyptian-Israeli treaty is a great event, it has also generated tensions that could increase the potential for conflict in the Middle East.

In closing, I would note that this constructive U.S. role contrasts sharply with the very negative role the Soviet Union plays in the Middle East. Far from encouraging the peace process, Moscow has criticized it sharply. It has encouraged Arab nations to take steps to undermine it. And it is now threatening to veto the continuation of the United Nations Emergency Force mandate when it comes to a vote in the Security Council in August. Since UNEF is to monitor the transfer of the Sinai from Israel to Egypt according to the terms of the treaty, such Soviet opposition is damaging, indeed. I hope that Members will reflect upon this negative Soviet role as we ponder our own positive role today.

□ 1450

Mr. HAMILTON. Mr. Chairman, I yield 6 minutes to the gentleman from New York (Mr. SOLARZ).

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

Mr. SOLARZ. I yield to my friend, the gentleman from Connecticut.

Mr. MOFFETT. Mr. Chairman, I thank the gentleman for yielding.

I strongly support the legislation, and I wish to compliment the committee and particularly the gentleman from Indiana (Mr. HAMILTON) for his usually fine work.

Mr. Chairman, I rise in strong support of this legislation. For too long, the world and the people of the Middle East have been hungering for peace. It is vital to the cause of peace and to our friendship with Israel and Egypt to pass this legislation.

In the proposition 13 atmosphere that is clearly affecting the willingness of

Congress to spend money, it is especially important to recognize what are wise and prudent investments, investments of taxpayers' dollars that will be repaid many times over. This is just such an investment. Oh yes, we have all received mail in opposition to this measure. People are justifiably angry about wasteful Government spending. But this is not wasteful spending. This legislation is a reflection of the fact that this country is not shirking its responsibility in the world and in the Middle East.

As a Lebanese-American, I am especially concerned about the future of Lebanon. It is my belief that any concrete step toward peace in the region is a step for the survival of Lebanon as well. This measure providing assistance for the purposes of carrying out provisions of the peace treaty is just such a concrete step and I strongly urge my colleagues to support it.

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

Mr. SOLARZ. I yield to my good friend, the gentleman from New York.

Mr. WOLFF. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in support of this legislation, and I commend the gentleman from Indiana (Mr. HAMILTON) for his outstanding leadership.

Mr. Chairman, passage of H.R. 4035, the Special International Security Assistance Act is essential for the continuing peace process in the Middle East. American support will enable Egypt and Israel to continue their delicate negotiations despite the risks and threats that they face. Our support will help maintain political stability and security while the two nations continue their negotiations toward a lasting peace.

Both countries have taken on tremendous risks in negotiating for peace. We must be responsive to the defense requirements of Egypt and Israel as they negotiate in the face of terrorism, violent criticism from their neighbors, economic boycotts, and the constant threat of war. Both countries must know that their national security is protected as they continue this difficult process.

Our economic support shows our true commitment toward peace in the Middle East. To refuse to support, or to inadequately support, this effort toward peace could lead to the collapse of the negotiations. To those who object to the cost, I say the price of peace is a bargain compared to what the costs to our country would be from another Middle Eastern war that could engulf the entire world. The October war cost the United States over $7 billion in economic and military aid. That is less than the amount authorized by this bill, and more than three-quarters of the special aid authorized is in the form of loans which must be repaid.

I would like to remind my colleagues of the tremendous national interest we have in furthering peace in the Middle East. Another cost to our country from the October war alone was $15 billion in increased oil costs. The OPEC cartel has engaged in economic warfare against us, and would not hestitate to impose another oil embargo if there were another war. This region is extremely volatile and has been subject to the intrusion of the geopolitics of aggressive nations, such as the Soviet Union. This volatile nature and its strategic importance as the major source of the world's oil makes the Middle East a tripwire for confrontation, the area of the world most likely to spawn world war III. Our national interest in seeking peace, parallels that of the whole world.

We need peace in the Middle East as much as the nations in the Middle East need us to continue to be a viable economic power. The slow economic death of the industrialized West that could be caused by oil economic warfare would make their oil useless and OPEC the precursor of the new Dark Ages. The role of the United States in the world financial and economic system is too important to destroy and expect that system to survive.

The Egyptian-Israeli Peace Treaty is the first step in a comprehensive peace in the region. The delicate nature of these talks cannot be understated. The road ahead is a difficult one fraught with danger. Our unwaivering support will continue to be necessary. This authorizing legislation shows the depth of our commitment to peace, and adds substance to our mediator role. I urge my colleagues to support this legislation and allow the United States to make its contribution toward world peace.

Mr. SOLARZ. Mr. Chairman, I want, first of all, to congratulate the chairman of the subcommittee, the distinguished gentleman from Indiana (Mr. HAMILTON) and the ranking minority member of the subcommittee, the distinguished gentleman from Illinois (Mr. FINDLEY), for their great leadership in bringing this bill to the floor.

I have not always agreed with both of these gentlemen on each and every aspect of the problem in the Middle East, but I think they have acted not only in the highest traditions of American statesmanship but in the best interests of our country by making it possible to bring this bill before the House for a vote today.

I think the peace treaty between Israel and Egypt, which was signed on the lawn of the White House 2 months ago, represents the most hopeful and encouraging development in the search for peace between Israel and its Arab neighbors in the last 30 years. There is no guarantee that the peace treaty between Israel and Egypt will mean that there will never be another war in the Middle East, but the treaty between Israel and Egypt has significantly diminished the possibility that there will be another war in the Middle East.

The stage has now been set for the negotiations concerning the West Bank and Gaza which will hopefully lead to the establishment of a self-governing council on those territories and which, over the course of the next 5 years, may very well lead to the kind of comprehensive peace involving Israel and each of its Arab neighbors which all of us seek.

I think, more than anything else, what this peace treaty has demonstrated is that it is possible to achieve much more in the search for peace in the Middle East in the context of conciliation than in the context of confrontation. As time goes by and the rest of the Arabs see Israel actually withdrawing from Sinai, and the people of Israel actually see a real peace developing betwen themselves and Egypt, both the Israelis and the Arabs can gain confidence in the possibility of the kind of comprehensive peace which is a prerequisite of a just and lasting settlement of the conflict between Israel and its Arab neighbors.

The ability of Israel and Egypt to carry out this peace treaty, however, is very much contingent on the passage of this legislation. Let there be no doubt about the fact that if this treaty is not implemented, if this treaty should collapse, the prospects for a comprehensive peace will go down the diplomatic drain. The cost to Israel in implementing this treaty and in withdrawing its airbases and defense line from Sinai to Negev is enormous. Israel has a foreign debt in excess of $12 billion, and without the resources which this legislation will make available, there is literally no way in which it will be able to rebuild its airbases and relocate its defense line in the Negev in the next 3 years, by which time it is obligated to withdraw from the Sinai.

In a similar sense, the ability of Egypt to continue on the course which President Sadat has set is very much contingent on the extent to which the Egyptian people can begin to experience any of the tangible benefits of peace. The additional economic aid contained in this legislation is absolutely essential if we are going to give Egypt the possibility of making the kind of social and economic progress which, from the point of view of the Egyptian people, is a political precondition for the continuation of the peace process.

So I would say that while this treaty does not provide any guarantee that Utopia will necessarily be ushered in tomorrow in the Middle East, it does create the conditions for the kind of progress to which all of us are so very much committed.

I think perhaps the best summary of the situation can be found in the words of Winston Churchill who, after the Battle of El Alamein in World War II, when General Montgomery finally succeeded in turning back General Rommel in the sands of the Libyan desert, said in a speech to the British people in words that are amazingly applicable to the situation today:

> This is not the end, it is not even the beginning of the end, but it may perhaps, be the end of the beginning.

Mr. Chairman, through the adoption of this legislation today, we will be making it possible for this process to go forward and for agreements to ultimately be enacted, not only between Israel and Egypt, but between Israel and Jordan, between Israel and Syria, between Israel and Lebanon, and ultimately, I say to

my good friend, the gentleman from Illinois (Mr. FINDLEY), between Israel and the Palestinians as well.

Mr. FINDLEY. Mr. Chairman, I yield 4 minutes to the gentleman from California (Mr. LAGOMARSINO).

Mr. LAGOMARSINO. Mr. Chairman, I am pleased to rise in support of this bill. It can only reaffirm our interests in and commitment to peace in the Middle East.

The United States should be proud of the part it has played so far in helping facilitate Egyptian/Israeli negotiations. This bill is a clear signal from Congress that—in this case at least—the President has our strong backing. We are united.

A lot of work remains to be done, but this at least starts us in the right direction.

When people first learned of the peace agreement, I think they were pleased, but cautious, about the total U.S. cost. That is not surprising, in light of our huge foreign aid bill. However, I think this package is both inexpensive, and good policy for the United States.

I think it is inexpensive because—in spite of the $5 billion figure that is always quoted—the actual appropriation is only $1.47 billion over a 3-year period, 1 billion of which is in a grant form. That is for both Egypt and Israel. The remainder is a loan that both countries have pledged to repay. And, in light of the fact that we have already invested between $55 and $70 million in the four Middle East wars, I think it a low price-tag for peace.

It is a good policy for the United States, because it continues our involvement for peace in a crucial part of the world. We are helping to bring peace to people who have only known hostility and war during their lifetimes.

This bill is good for the Middle East, for the United States, and the rest of the world.

Mr. Chairman, I urge support of the bill.

□ 1500

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

Mr. LAGOMARSINO. I yield to the gentleman from California.

Mr. ROUSSELOT. I appreciate the gentleman's yielding. I wish to associate myself with the remarks of my colleague from California (Mr. LAGOMARSINO), a member of the committee. I think the gentleman is correct in bringing out so forcefully that the ultimate cost of this legislation, of roughly $1.09 billion, is so far less than what the costs were during prior military engagements. The costs were anywhere from $40 to $50 billion for some four wars that have erupted in that area. This legislation is really a major contribution on our part at a much lower cost to try to establish an ongoing agreement of peace that has been started. It is very different from many of the other foreign aid programs we have had before us. Would the gentleman say that is correct?

Mr. LAGOMARSINO. That is correct. I thank the gentleman for his contribution.

Mr. ROUSSELOT. Assuming the full appropriation of the amounts authorized in H.R. 4035, the committee estimates that the total gross cost of the enactment of this bill will be $1.47 billion. A 5-year cost projection is detailed in the Congressional Budget Office (CBO) cost estimate below. The committee agrees with the CBO estimate.

If fully appropriated, the amounts authorized in H.R. 4035 will result in actual outlays over a 3-year period totaling $1.091 billion which is only 0.2 percent of total Government outlays estimated for fiscal year 1980. Thus, the inflationary impact of the bill would be negligible.

Mr. HAMILTON. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland (Mr. MITCHELL).

Mr. MITCHELL of Maryland. Mr. Chairman, I will say to my colleagues that this is very difficult for me. I came to this Congress as a peace candidate in 1971. At that time I was fully aware of the futility and the insanity of war. Some years ago I spoke on this floor and indicated that I might have to leave the Congress at some time in the near future, because I am moving closer and closer to becoming a pacifist. I make these remarks only to indicate how intensely I feel about peace. I just do not feel that man is a warlike animal. In addition to that, I have always supported foreign aid programs in this House. It has not always been popular in my district, but I believe that this Nation is great enough and has a position in history where it ought to support the poor nations of the world.

Mr. Chairman, I share these two ideas with my colleagues, because I face a real dilemma. I am as ecstatic as anyone else in this House about the possibility of lasting peace in Middle East. Yet I have to ask some questions, and I would appreciate it if some members of the committee or some Members of the House would answer these questions for me.

How can I go to the youth in my district, who have now been cut out of summer jobs by both the President's budget and the budget passed by this House, and say that I am going to support this and yet at the same time we cannot tend the money that the youth need for summer jobs?

I have to go back to my district and confront a whole series of people who have flooded my office with letters based upon the cuts in programs that will take place, because of the budget that this House and the other body passed.

I admire the effort toward peace. I think our President has been magnificent in moving us to this juncture. I admire the two principals involved in this, Mr. Begin and Mr. Sadat. Yet I have to come down to grips with what I have to live with every day, when people ask me, "Why is it that the President took out this program that is needed? Why is it that the Congress took out this program that is needed? Why is it not inflationary to do this and indeed it is inflationary to try to help out some of our domestic programs?"

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

Mr. MITCHELL of Maryland. I will yield to the gentleman, because I desperately need some answers.

Mr. FINDLEY. Mr. Chairman, first of all I want to indicate my admiration for the gentleman from Maryland (Mr. MITCHELL) in speaking out, in conscience, on this dilemma. My constituents have voiced some of the same questions the gentleman has voiced here today. This is not a popular piece of legislation back in my home district. And to add to the depths of the dilemma, there is no assurance that this legislation, that this treaty, is actually going to advance the peace process. We are taking a gamble. It is a big risk. We do not know how it is going to come out.

The CHAIRMAN. The time of the gentleman from Maryland (Mr. MITCHELL) has expired.

Mr. MITCHELL of Maryland. My time has expired, but I ask the gentleman to see me afterwards and give me some answers to the other part of my question.

Mr. FINDLEY. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland (Mr. MITCHELL).

Mr. MITCHELL of Maryland. I thank the gentleman for yielding.

Mr. Chairman, I need answers to the other part of my question. I can sell the peace idea. I think that is salable.

Mr. FINDLEY. If the gentleman will permit me, this need is intensified, because the existence of this treaty has actually created new tensions in the Middle East. I think we have to support the treaty. But we are far from the goal of peace. I think we have no practical choice but to support this piece of legislation, even though it is most difficult to explain back home.

Mr. MITCHELL of Maryland. It is not the legislation. It is the fact that I have to answer the question of the 15-year-old kid who says, "What happened to my summer youth job this year?" I have to say that the President cut it and the Congress cuts some of these projects in their budget, because the cost was inflationary. And the kid will ask, "What is the difference between that billion dollars being inflationary and the cost of the summer youth program being inflationary?"

Mr. FINDLEY. I guess the gentleman will have to direct his question to the White House.

Mr. MITCHELL of Maryland. And to the Congress. We did the same thing here.

Mr. FINDLEY. The gentleman has raised some important questions here. As the gentleman knows, the Federal level is the only level that can provide legislation of this sort. Summer jobs can be provided at the local, the county and the State levels if those levels of government see fit to budget the funds.

Mr. MITCHELL of Maryland. I thank the gentleman.

Mr. FINDLEY. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Chairman, it cannot be emphasized too strongly that a major reason, if not the major reason, for the heavy cost to the United States in the Middle East is the policy of the Soviet Union. While we are busy trying to construct some kind of peaceful solution in the Middle East, the Soviet Union is at work destabilizing the area. The radical Arab States, all of whom vilify President Sadat, attack the peace treaty which Egypt, Israel and the United States so painstakingly put together, and support the escalating terrorism of the Palestine Liberation Organization, all recipients of Soviet tanks, Mig's and rockets in substantial amounts.

Iraq, Syria, and Libya, for example, have all been heavily equipped with the T–62, the Soviet modern battle tank. They also have the Mig–23 jet aircraft, roughly equivalent to the U.S. F–18, a modern first-line plane. These three rejectionist Arab countries also have received Soviet medium-range tactical missiles, roughly comparable to our Pershing or Lance and capable of carrying a nuclear warhead. The SA–7 handheld, heat-seeking, ground-to-air missile has been provided by the U.S.S.R. to PLO terrorists for use against civil airliners.

The epitome of sinister Soviet policy is its support for the Libyan dictator, Mu'ammar Qadhafi, whose latest contribution to African chaos was his intervention in Uganda on behalf of Idi Amin. The Soviet Union has supplied Libya with 2,000 tanks, more than its army of 30,000 men can possibly use. The Libyan desert has apparently become a tank park for Soviet armor.

From its support of Palestinian terrorists to its heavy supply of sophisticated tanks and jets to the Arab rejectionist States, the Soviet Union is promoting a dangerous, destabilization program. The administration in its foreign policy, including SALT II, deliberately overlooks the role the Soviets are playing in the Middle East and elsewhere. There are two areas where the U.S.S.R. could help rather than hinder efforts for peace in the Middle East: Renewal of the United Nations peacekeeping force in Lebanon and the positioning of a new U.N. peacekeeping force in the Sinai desert as part of the Israeli-Egyptian accords. The Soviets, threatening to veto, seek to renew the Geneva Conference on the Middle East, reintroduce themselves into the settlement process, and sabotage it. The Russians have a vested interest in forment and disarray.

The United States on the other hand has legitimately earned the trust of the moderate Arab States. We must maintain the momentum achieved thus far in the Middle East peace process; this special security assistance act is a logical step in the ongoing efforts to reach a permanent peace in the Middle East. Although, I fully appreciate the concern of the Members with the cost of the program, I believe this to be a worthwhile and practical investment in peace—a bargain compared to the costs of another war.

Mr. HAMILTON. Mr. Chairman, I have no further requests for time.

Mr. FINDLEY. Mr. Chairman, I yield 4 minutes to the gentleman from Pennsylvania (Mr. MARKS).

☐ 1510

Mr. MARKS. Mr. Chairman, the borders of Israel and Egypt are open, and Israeli ships are now sailing through the Suez Canal.

I think that that is a great tribute to the President of the United States. I think, since it has not been mentioned so far, that we ought to make it a matter of record that without the President of the United States to have come forward aggressively and determinatively to see to it that the peace treaties were entered into, we would not have the opportunity today to add to peace in this world by providing a relatively small amount of dollars for peace.

So, for the record, may I suggest that the great peacemaker in all of this was the President of the United States.

This Congress part in peace is yet a great one, because we have the opportunity of providing some dollars to see to it that that treaty is implemented.

I think what my colleague from Maryland asked a moment ago, I think about that, because it concerned me; one, because I think he is the most outstanding colleague that I have in this Congress. I know he is concerned.

If I may be so presumptuous to suggest from this side of the aisle, what one can say to those young men, 15, 16, 17, who do not have jobs, what one can answer to people who suggest that programs, necessary, vital social programs, may not have enough money, I think the answer has to be that there is perhaps no absolute answer. We cannot relate necessarily the two, but we can assure that young man of 15 or 16, or those people who desperately need additional money for social programs that perhaps at least they will not have to fight or their children may not have to fight in the Middle East as a result of what we are doing today. Without any guarantees, at least it is a step forward toward peace, which I believe is the reason that the President himself made such an aggressive move to bring about the treaty.

I am not sure that answer is satisfactory, but I think it is a fair one.

May I suggest to my colleague from Illinois, who, in his opening remarks, suggested something about fairness or, to quote him, "Equally senseless actions taken by the Israelis and the PLO or the Palestinians," I think, may I say to my colleague, whom I respect tremendously, that I do not think it is equally senseless.

I do not think that the Israeli retaliation, if I may say so, to terror, by the PLO, is senseless.

I think it is a normal reaction for people who can no longer take the awfulness of having their men and women and children destroyed by terrorists who have no thought of human concern.

Lastly, may I suggest that, since we are on the road to peace, as a result of what is being done here today, that we can at least, on one occasion, walk out of here today and think we have done a pretty good job.

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

Mr. MARKS. I yield to the gentleman from Illinois.

Mr. FINDLEY. One of the problems in a rational discussion of the Middle Eastern crisis is the definition of terms.

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

(By unanimous consent, Mr. MARKS was allowed to proceed for 1 additional minute.)

Mr. FINDLEY. To the Palestinians who have sustained day after day of air strikes, some of these air strikes inflicting losses of life to innocent civilians, an action that is termed reprisal from the Israeli side, can well be viewed as terrorism from the Palestinian side.

So maybe we need a new vocabulary in order to elevate the discussion of the Middle East problem to a rational level.

Mr. MARKS. If the gentleman would permit me, I can understand what the gentleman is saying. But the gentleman, I am sure, understands that the Israeli mother and father, the Israeli Government, has had committed against it almost daily acts of terrorism; that is not a definition we need argue over. That is something that we can, I think, all agree upon.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. MARKS) has again expired.

(By unanimous consent, Mr. MARKS was allowed to proceed for 1 additional minute.)

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

Mr. FINDLEY. I yield to the gentleman from Illinois.

Mr. MARKS. When the Israel, have this happening to them day after day after day, then one can turn the cheek just so many times. So what they are doing, and I would say with a great deal of restraint under the circumstances, is to retaliate when it is necessary to retaliate to wipe out the PLO bases and the PLO aggressiveness.

May I suggest if it were happening to us in Illinois or in Pennsylvania, that we would do the same thing.

I thank the gentleman.

Mr. FINDLEY. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. GREEN).

Mr. GREEN. Mr. Chairman, the package of assistance incorporated into H.R. 4035, the Special International Security Assistance Act of 1979, is an essential element in the struggle for peace in the Middle East. I have argued for years that the security of Israel, the most stable and democratic government in the Middle East, is vital to American interests. However, this assistance package will not only help keep Israel secure, it will promote economic health and cooperation throughout the region, benefiting Jew, Muslim, and Christian alike.

At the present time, woefully few nations are involved in this peace effort, with the principal participants being Israel, Egypt, and the United States. The aid found in H.R. 4035 will help provide Israel and Egypt with security as they implement provisions of the peace treaty which the world has awaited for so many years.

Today we debate the price of peace. Some may argue that our Federal deficit or the rate of inflation are reasons to reduce or oppose the level of assistance in H.R. 4035. Indeed, the United States is committing itself to a 4-year $4.8 billion package of loans and grants. However, Secretary of State Vance has estimated that the cost to the United States of the four Middle East wars was between $55 billion and $70 billion. When we consider the destruction and suffering of the past, and the importance of this peace treaty to U.S. security interests, our economic commitment is a very wise investment.

I, therefore, urge my colleagues to support this measure. It will show the firm by its commitments, and that we will assist both Israel and Egypt in meeting their economic needs and security requirements as they pursue efforts to ecure a comprehensive and lasting peace in the Middle East. While the price of peace is great, it is insignificant when compared to the price of war.

Mr. FINDLEY. Mr. Chairman, I yield 1 minute to the gentleman from Maryland (Mr. BARNES).

Mr. BARNES. Mr. Chairman, I rise simply to praise the leadership of the President of the United States, the leadership of the chairman of our committee, the gentleman from Wisconsin (Mr. ZABLOCKI), and the chairman of our subcommittee, the gentleman from Indiana (Mr. HAMILTON).

This legislation will give me the opportunity to cast the vote about which I will be most proud as a new Member of the House of Representatives. It is, as has been said by many of the previous speakers, a small price that the United States can pay to bring about the beginnings of peace in the Middle East.

It is unfortunate that many Americans have been confused by the extent of President Carter's commitment to Egypt and Israel in support of the peace treaty. Although the pledge represents a total value of $4.8 billion in economic and military assistance, the actual cost to the United States is less than $1.5 billion over the next 4 years. This amount supports and guarantees the loans and credit financing which will be repaid to the United States.

It is important to note, in this respect, that the State of Israel has never defaulted on repayment of loans with full interest.

We are not "buying" peace, Mr. Chairman. But we are investing in peace by helping those who have the courage to take the first steps. That is a worthy commitment from any nation, and I am proud that this Nation has offered it. And I hope to have the opportunity in the future to vote again for each of the additional steps toward a just and lasting peace in the Middle East. I thank the gentleman.

Mr. FINDLEY. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado (Mr. JOHNSON).

Mr. JOHNSON of Colorado. Mr. Chairman, I have no illusions about the outcome of this particular bill, but I would like to address the allegation that the U.S. national interests are served by this bill and by the others which provide aid to Israel and Egypt.

As a matter of fact, our policy toward Israel is not in our self-interest, but actually operates to our national detriment.

The allegation we must support this bill because it is cheaper, because peace is cheaper, is faulty, and we all know it. We do not have to be involved in all those wars over there. We do not have to provide that money except we chose to do that. Our allegiance to the so-called special relationship has cost us billions of dollars. It has earned us the enmity of the Arab States and is leading us to an involvement that will ultimately and inevitably lead to our sending troops to the area.

Israel has already offered us a naval base, and we will be sending troops as part of a multinational peacekeeping force, if the U.N. does not renew its presence. More and more frequently we hear our national leaders speak of the possibility of war in the Middle East.

□ 1520

We cannot justify it, and I do not see how we can say that the purposes of peace are being served when we are here providing $4.5 billion of arms to both recipients as a reward for making peace. We are paying ransom to them to stop fighting each other. It seems to me that peace should be an incentive to them—not our arms.

Mr. FINDLEY. Mr. Chairman, I yield 1 minute to the gentlewoman from New Jersey (Mrs. FENWICK).

Mrs. FENWICK. Mr. Chairman, I thank my colleague for yielding.

Mr. Chairman, I would like to speak in favor of this bill. I do not see how we can say that what happens in an area of the world which supplies some 60 percent of all the energy needs of Japan and Europe and the United States is a matter of indifference, or that we can contemplate with calm the question of upheavals and troubles in that part of the world. That is shortsighted. It does not demonstrate a serious sense of responsibility for where we stand; which in some terrible way strikes me every day as more and more dangerous, as though we were sliding toward a precipice that none of us like to contemplate.

I think this is an essential step to halting that terrible slide. I hope the bill will pass.

● Mr. LENT. Mr. Chairman, on this historic occasion, I am proud to rise in strong support of H.R. 4035, the Special International Security Assistance Act, which is one of the most important pieces of legislation ever to come before the House. By a vote of 73 to 11 on May 14, the U.S. Senate overwhelmingly approved a similar bill which reaffirms the U.S. unyielding commitment to peace in the Middle East, and I urge my colleagues here today to do the same. By endorsing the President's commitment to Israel's and Egypt's first step on the road to lasting, regional peace, the Congress can both enhance U.S. security and provide a real alternative for war-weary nations to more bloodshed, poverty, Soviet-sanctioned terrorism, and carnage.

Furthermore, approval demonstrates to the world community that the United States is willing to reassert its world leadership role as a force for peace. Secondly, it demonstrates our commitment to the proposition that the benefits of peace far outweigh the costlier alternatives of continued hostility and war. Thirdly, it demonstrates that security and prosperity, not battlefields, are the solid foundations on which the future should rest. Finally, it demonstrates that we, as a nation, can be depended upon to support our staunch allies like Israel, which stands as the major stabilizing force in an area where there are continual threats to our vital oil supply lines.

Some critics claim that the costs of the U.S. commitment to the Israeli-Egyptian Treaty are too high. But, what are the costs of war? U.S. Secretary of State Cyrus Vance estimates the costs to the United States of the four Middle East wars at somewhere between $55 billion and $70 billion, not including the incalculable human costs of 30 years of hostility and intermittent bloody battles.

The $1.47 billion in new budget authority we are considering today pales in comparison. Moreover, it is important to note that the aid package is to be spread over a 3-year period, and nearly 80 percent of the assistance is in the form of foreign military sales credits and loans. In fact, the Congressional Budget Office estimates the total 3-year cost at $1.1 billion.

Some critics question where the U.S. interest most properly lies. I say to them that a strong, secure Israel is vital to this Nation's interest in the Middle East. Israeli withdrawal from the Sinai, including the dismantling and reconstructing of two of the world's most modern air bases—Etam and Etzion—poses a real danger to our courageous and valuable ally's economic health. Moving the bases could cost in the neighborhood of $10 billion. With a 66-percent tax rate and inflation running at a 50-percent rate, Israel is ill-equipped economically to handle this additional burden without the help we have promised. Also, Egypt is participating in the peace process, despite concerted Arab opposition and efforts to isolate her from her Arab neighbors.

If we fail to stand by our treaty commitments, we will more effectively thwart the peace effort than the Arab League which has that as its goal. The cause of peace in the Middle East is enhanced by an economically stable Egypt and Israel,

and the aid package we are considering today will help counter the hostile Arab blackmail now being waged against nations in search of peace.

Therefore, I urge my colleagues in the strongest possible terms to support this special assistance program so that Israel and Egypt can continue on the road to a peaceful settlement in the Middle East.●

● Mr. BIAGGI. Mr. Chairman, just over 2 months ago, I was proud to attend one of the most historic events of the 20th century—the signing of the peace treaty between Israel and Egypt at the White House. It was a day of great significance not only for the nations involved but also for the world community who saw the treaty as a beacon of a new era of peace in the Middle East.

Today, the House is being asked to follow the Senate in approving the necessary aid to insure effective implementation of the treaty and more importantly—the achievement of the treaty's objective—to promote peace and stability in the Middle East.

The fact is—since the time of the establishment of the Jewish state of Israel in 1948—the Middle East has been the rockbed of unrest. The two superpowers viewed developments in this area with the most avid of interest and concern. The two major wars of 1967 and 1973 brought our two nations closer to direct conflict than at anytime in the Cold War era.

While the signing of the Israel-Egypt Treaty does not in and of itself spell the end of hostility in the Middle East—it does bring together for the first time two main adversaries—Egypt and Israel—in the pursuit of peace.

One fact related to the treaty must be underscored to help place this legislation, and our responsibility to pass it, in a clearer perspective. Prime Minister Begin, President Sadat, and President Carter all incurred substantial political and personal risks in the pursuit of this treaty. Since its signature, these same men—especially President Sadat—have continued to endure hostility from other nations. Egypt has been economically ostracized by many of her Arab neighbors and her military security is in some question. Israel continues to be threatened by Arab nations.

It is against this backdrop that we must evaluate the compelling nature of this legislation. I respect the concerns of those who see the price tag of this legislation. It is expensive. However, consider the only alternative—war. It is unacceptable.

I firmly support this legislation and feel my colleagues should as well. We must be willing to make a commitment to this treaty. We must demonstrate our support for the outstanding work which has already been accomplished. But above all, a vote today may mean peace tomorrow in the Middle East and the world. It may lead to a first generation of Israelis able to live in peace.●

● Mr. GOLDWATER. Mr. Chairman, I rise today to urge support and passage of H.R. 4035 which authorizes U.S. support of the Israeli-Egyptian Peace Treaty.

It is rare, indeed, that I find myself asking for support of a foreign aid bill, and the barometer with which I determine support is, "Does the expenditure serve our national interests." In this case, I believe there is little question that the answer is, "Yes."

I have no illusions about this peace agreement being anything but a beginning, and I am also fully cognizant that the situation in the Middle East is still fraught with danger and that there are many unanswered questions and unsolved problems. Nonetheless, I believe this first step is a momentous one, and with a continued commitment—if we grasp this moment in history—perhaps this acorn of hope will grow into the enduring oak of peace. After 30 years of hostility at a cost of untold billions of dollars and tens of thousands of lives, there is at last a breakthrough, a foundation upon which to build, and it is in our interest to support the stabilization of that area of the world and decrease Russian influence.

I do understand legitimate concerns over the cost of this treaty, but as a card-carrying fiscal conservative, I believe that to deny this particular expenditure would be pennywise and pound foolish. Comparatively speaking, the cost of peace is small, indeed, to the cost of war. It has been estimated that the cost to the United States for the last four Mideast wars was between $55 and $70 billion. Today, we are authorizing $1.47 billion, of which $370 million are for foreign military sales guarantees, and of the total moneys promised in the treaty ($4.8 billion), $3.7 billion are for loans to be paid back over 30 years at over 9 percent interest. In other words, we are talking about a little over $1 billion in outright grants, and in terms of possible benefits, I think it is worth it.

I have not forgotten the tense and frightening time when our Armed Forces were put on active alert during the 1973 War. The Middle East is volatile, and like it or not, the two superpowers are involved. Every time there is a flareup, the danger of superpower confrontation is real. In my judgment, lessening this danger goes hand in hand with U.S. defense—not to mention U.S. dependence on Middle East oil.

Finally, I would like to commend the committee for including in this bill a sense-of-the-Congress resolution that other countries should provide financial assistance to support peace in the Middle East. I cannot emphasize this point too strongly. The entire free world will benefit by this peace treaty, and it is right and fair that they share in the cost of peace. I shall be following the State Department's efforts to comply with the Congress wishes in this regard and I stand ready to join efforts to prod the administration into substantive efforts to attain shared responsibility for the cost.●

● Mr. WAXMAN. Mr. Chairman, this legislation underwrites the commitments made by the United States during the negotiations which led last March to the signing of the peace treaty between Egypt and Israel. This is a bill which deserves our overwhelming and wholehearted support. Egypt and Israel are dependent on enactment of this measure for their security and prosperity. Indeed, all who care so deeply about peace in the Middle East are gratified by the generous terms of this bill, which recognizes the critical role the United States has and will continue to play in the peace process.

The declared intention of the United States to assist both Egypt and Israel was essential for both nations to make the sacrifices and pledges so crucial to the success of the treaty. Again and again, the desire of the peoples of Egypt and Israel for peace, and the blessings which flow from it, have been demonstrated. But peace is a fragile commodity in a region which has been so hostile to it.

There are enormous costs of peace for both countries. Egypt has been isolated by the entire Arab world, its economic support cut off, its diplomatic ties severed, by those who oppose the treaty. Egypt is a country with overwhelming economic difficulties—challenges which can only be addressed by setting aside the war with Israel. But Egypt cannot meet them alone. Peace requires that the development of Egypt be supported.

For Israel, the costs are very pressing. By relinquishing the Sinai, which has served as such an effective buffer against aggression, Israel has diminished its security. The cost of relocating its two Sinai airbases will run $3.5 billion. The expense of resettling Israelis from the Gaza Strip will be large. Because of continued threats on all its other fronts, Israel's military preparedness must be maintained.

For Israel, any hope of an economic "peace dividend" is illusory. Peace, with its inflationary pressures, will impose a cruel burden on an already-ravaged Israeli economy. Next year, inflation in Israel could go over 100 percent for the year.

Many have argued that the price of peace is too high for the United States to bear. But the cost of war in the Middle East is much, much greater. The total amount appropriated in this bill is but $1.47 billion. In 1974, the United States sent $2.2 billion to Israel to replace its losses in the Yom Kippur War. The oil embargo alone—not counting inflation and secondary effects wrought by OPEC price rises—cost over $15 billion. The four wars in the Middle East have cost the United States over $60 billion.

Does anyone doubt that the costs of the next war would be truly awesome? The price of peace is small compared to the costs of war.

By virtue of its role in the peace negotiations, the United States has a special responsibility to both countries. Egypt and Israel, for all their courage, have many powerful enemies, and few dedicated friends. The Arab League is bent on destroying the peace treaty, and renewing the war with Israel.

The promise of peace will come to naught if we do not help these two countries bear the burdens they have assumed.

For all these reasons, it is essential

that this legislation be enacted. Stability in the Middle East is indispensable to our security. Peace in the Middle East must be given a chance to yield the prosperity it promises. We can do no less than to support this great effort.●

● Mr. O'NEILL. Mr. Chairman, I rise in strong support of the action taken by the Foreign Affairs Committee in support of the authorization level requested by President Carter in this special foreign assistance legislation to implement the treaty of peace between Egypt and Israel.

The principal purpose of this legislation is to provide supportive financial assistance, a total of $4.8 billion for Israel and Egypt in economic and military assistance. In adopting this legislation the House of Representatives recognizes the need to take the necessary and specific steps required to support the peace process.

For the first time in 30 years hostilities between Israel and Egypt have ceased; the borders between these two nations are freely open; and, diplomatic relations between two former adversaries have been established. The United States has always wanted the nations of the Middle East to live in peaceful coexistence as neighbors. Today, that goal is a reality, where yesterday, it was only an ideal, distant dream.

Through political courage, foresight and statesmanship, and a sincere desire for peace, President Carter guided and assisted Prime Minister Begin and President Sadat on that long journey toward peace. Phase I of that journey was concluded with the signing of the treaty between the Government of Israel and the Government of Egypt on March 26, 1979.

The peace process has begun and is continuing. We must take these next steps to assist Israel in maintaining, strengthening, and modernizing its security forces as it relocates its defense lines following withdrawals from the Sinai, and provide financing for Egypt to meet its requirement for modernization of its defense forces through a program of arms transfers from the United States. Support of this legislation will demonstrate to both Egypt and Israel that the United States will assist them in meeting their economic needs and security requirements as they pursue efforts to achieve a comprehensive peace settlement in the Middle East.

In signing the peace treaty on March 26, 1979, Egypt and Israel pledged a partnership with the United States to work together toward economic, military, and political security in the Middle East. As a nation we would be greatly remiss if we did not live up to our obligation and to the commitment to peace that we made 2 months ago.

This important legislation has received the full consideration it rightfully deserves. Through a careful and thorough deliberation of the issues involved, first by two foreign affairs' subcommitees under the leadership of two distinguished and able chairmen, CLEM ZABLOCKI and LEE HAMILTON, and finally by the full Foreign Affairs Committee, this special security assistance was reported favorably to the House by voice vote. Adoption of this bill as reported by the Foreign Affairs Committee correctly reflects the will of the American people, who want peace in the Middle East.

The 96th Congress is concerned about fiscal restraint, fiscal austerity. This assistance package to implement the Israeli-Egyptian Treaty with a total cost of $4.8 billion is far more prudent and far less costly than the real costs of the four most recent wars in the Middle East which carried an American price tag of nearly $20 billion.

This legislation makes clear the congressional intent to support the peace treaty—no more, no less. While it provides the financial arrangements in support of the treaty, it specifically states that enactment of this legislation does not signify approval by the Congress of any other agreement, understanding, or commitment made by the executive branch. This bill further contains a sense of Congress statement implying that peace in the Middle East should not be viewed as the exclusive concern or responsibility of the United States and encouraging the President to consult with other countries to develop a common program of assistance to Egypt and Israel and to other nations of the Middle East who join in the peace agreements.

No President has put more effort, time and energy into achieving peace in the Middle East than President Carter. In this legislation the President has asked the Congress to provide the financial assistance to implement the treaty signed on March 26, 1979. I urge all of my colleagues to vote aye in support of the peace treaty and of our President's noble and sincere commitment to peace.●

● Mr. WEISS. Mr. Chairman, on March 26, 1979, a peace treaty was signed which officially terminated the state of war existing between Israel and Egypt. The treaty was the culmination of 18 months of arduous and intensive face-to-face discussion between these two great nations and was fostered through the skill and persistence of President Carter.

Those who have watched the development of the treaty realize that this great achievement is the cornerstone in the foundation of an overall peace in the Middle East. The treaty is really the beginning of a long process to a full and longstanding peace in this historically troubled region.

Over the next few months we will hopefully witness the successful completion of the second phase of this "peace building" process. Egypt and Israel—again with vital assistance from the Carter administration—will embark on negotiations to resolve the question of the Arabs who reside on the West Bank and Gaza.

To give these second set of negotiations the best possible chance of success, special reassurance and support in the form of economic and military aid to both Israel and Egypt are essential.

In order to provide this support and reassurance the President proposed and the House Foreign Affairs Committee has reported legislation providing supplemental economic and military aid to both nations.

I strongly support the passage of the Special International Security Assistance Act of 1979 (H.R. 4035). H.R. 4035 authorizes a total sum of $1.47 billion to support the Israeli-Egyptian peace treaty. This sum will permit a much greater dollar amount of aid.

The $1.47 billion will provide a $1.1 billion grant and loan program. The remaining $370 million will be utilized to generate and finance foreign military sales totaling an additional $3.7 billion. In total $4.8 billion will be divided between Egypt and Israel for much needed economic and military aid.

It is appropriate for the United States to advance this assistance in light of the great risks both Israel and Egypt assumed by initiating the peace process in the Middle East region. They are the first to have ended the violence and to join in good faith face-to-face negotiations in order to reach a peaceful settlement of their differences. In the face of hostile neighboring countries—whose emnity has appeared to intensify after the signing of the treaty—this has not been an easy course to follow. The courageous step of Prime Minister Begin and President Sadat in leading their countries to peace must be encouraged by the American people. It is both in the best interests of the United States and in the interest of all nations that the Middle East tensions be eliminated in a peaceful manner.

The State of Israel has been the target of hostility from the day it was established. For all those who struggled to forge a Jewish homeland and to defend Jewish culture in the Middle East it has been a long hard-fought path toward a lasting negotiated peace. The March 26 treaty is a tribute to their efforts and to the struggle of Israel over the last 31 years. H.R. 4035 signifies a fulfillment of that agreement.●

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

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H.R. 4035

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 "Special International Security Assistance Act of 1979".

STATEMENT OF POLICY AND FINDINGS

SEC. 2. (a) It is the policy of the United States to support the peace treaty concluded between the Government of Egypt and the Government of Israel on March 26, 1979. It is a significant step toward a full and comprehensive peace in the Middle East. The Congress urges the President to continue to exert every effort to bring about a comprehensive peace and to seek an end by all parties to the violence which could jeopardize this peace. The peace treaty between Egypt and Israel having been ratified, the Congress finds that the national interests of the United States are served—

(1) by authorizing the President to construct air bases in Israel to replace the Israeli air bases on the Sinai peninsula that are to be evacuated;

(2) by authorizing additional funds to finance procurements by Egypt and Israel through the fiscal year 1982 of defense articles and defense services for their respective security requirements; and

(3) by authorizing additional funds for economic assistance for Egypt in order to promote the economic stability and development of that country and to support the peace process in the Middle East.

(b) The authorizations contained in section 4 do not constitute congressional approval of the sale of any particular weapons system to either Israel or Egypt. These sales will be reviewed under the normal procedures set forth under section 36(b) of the Arms Export Control Act.

(c) The authorities contained in this Act to implement certain arrangements in support of the peace treaty between Egypt and Israel do not signify approval by the Congress of any other agreement, understanding, or commitment made by the executive branch.

CONSTRUCTION OF AIR BASES IN ISRAEL

SEC. 3. Part II of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new chapter:

"CHAPTER 7—AIR BASE CONSTRUCTION IN ISRAEL

"SEC. 561. GENERAL AUTHORITY.—The President is authorized—

"(1) to construct such air bases in Israel for the Government of Israel as may be agreed upon between the Government of Israel and the Government of the United States to replace the Israeli air bases located at Etzion and Etam on the Sinai peninsula that are to be evacuated by the Government of Israel; and

"(2) for purposes of such construction, to furnish as a grant to the Government of Israel, on such terms and conditions as the President may determine, defense articles and defense services, which he may acquire from any source, of a value not to exceed the amount appropriated pursuant to section 562(a).

"SEC. 562. AUTHORIZATION AND UTILIZATION OF FUNDS.—(a) There is authorized to be appropriated to the President to carry out this chapter not to exceed $800,000,000, which may be made available until expended.

"(b) Upon agreement by the Government of Israel to provide to the Government of the United States funds equal to the difference between the amount required to complete the agreed construction work and the amount appropriated pursuant to subsection (a) of this section, and to make those funds available, in advance of the time when payments are due, in such amounts and at such times as may be required by the Government of the United States to meet these additional costs of construction, the President may incur obligations and enter into contracts to the extent necessary to complete the agreed construction work, except that this authority shall be effective only to such extent or in such amounts as are provided in advance in appropriation Acts.

"(c) Funds made available by the Government of Israel pursuant to subsection (b) of this section may be credited to the appropriation account established to carry out the purposes of this section for the payment of obligations incurred and for refund to the Government of Israel if they are unnecessary for this purpose, as determined by the President. Credits and the proceeds of guaranteed loans made available to the Government of Israel pursuant to the Arms Export Control Act, as well as any other sources of financing available to it, may be used by Israel to carry out its undertaking to provide such additional funds.

"SEC. 563. WAIVER AUTHORITIES.—(a) It is the sense of the Congress that the President should take all necessary measures consistent with law to insure the efficient and timely completion of the construction authorized by this chapter, including the exercise of authority vested in him by section 633(a) of this Act.

"(b) The provisions of paragraph (3) of section 636(a) of this Act shall be applicable to the use of funds available to carry out this chapter, except that no more than sixty persons may be engaged at any one time under that paragraph for purposes of this chapter.".

SUPPLEMENTAL AUTHORIZATION OF FOREIGN MILITARY SALES LOAN GUARANTIES FOR EGYPT AND ISRAEL

SEC. 4. (a) In addition to amounts authorized to be appropriated for the fiscal year 1979 by section 31(a) of the Arms Export Control Act, there is authorized to be appropriated to the President to carry out that Act $370,000,000 for the fiscal year 1979.

(b) Funds made available pursuant to subsection (a) of this section may be used only for guaranties for Egypt and Israel pursuant to section 24(a) of the Arms Export Control Act. The principal amount of loans guaranteed with such funds shall not exceed $3,700,000,000 of which amount $2,200,000,000 shall be available only for Israel and $1,500,000,000 shall be available only for Egypt. The principal amount of such guaranteed loans shall be in addition to the aggregate ceiling authorized for the fiscal year 1979 by section 31(b) of the Arms Export Control Act.

(c) Loans guaranteed with funds made available pursuant to subsection (a) of this section shall be on terms calling for repayment within a period of not less than thirty years, including an initial grace period of ten years on repayment of principal.

(d)(1) The Congress finds that the Governments of Israel and Egypt each have an enormous external debt burden which may be made more difficult by virtue of the financing authorized by this section. The Congress further finds that, as a consequence of the impact of the debt burdens incurred by Israel and Egypt under such financing, it may become necessary in future years to modify the terms of the loans guaranteed with funds made available pursuant to this section.

(2) In order to assist the Congress in determining whether any such modification is warranted, the President shall transmit to the Speaker of the House of Representatives and to the chairman of the Committee on Foreign Relations of the Senate, by January 15 of each year, an annual report regarding economic conditions prevailing in Israel and Egypt which may affect their respective ability to meet their obligations to make payments under the financing authorized by this section. In addition to such annual report, the President shall transmit a report containing such information within thirty days after receiving a request therefore from the chairman of the Committee on Foreign Relations of the Senate or from the chairman of the Committee on Foreign Affairs of the House of Representatives.

SUPPLEMENTAL AUTHORIZATION OF ECONOMIC SUPPORT FOR EGYPT

SEC. 5. There is authorized to be appropriated to the President to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, $300,000,000 for the fiscal year 1979 for Egypt, in addition to amounts otherwise authorized to be appropriated for such chapter for the fiscal year 1979. The amounts appropriated pursuant to this section may be made available until expended.

TRANSFER OF FACILITIES OF THE SINAI FIELD MISSION TO EGYPT

SEC. 6. The President is authorized to transfer to Egypt, under such terms and conditions as he may determine, such of the facilities and related property of the United States Sinai Field Mission as he may determine, upon the termination of the activities of the Sinai Field Mission in accordance with the terms of the peace treaty between Egypt and Israel.

CONTRIBUTIONS BY OTHER COUNTRIES TO SUPPORT PEACE IN THE MIDDLE EAST

SEC. 7. It is the sense of the Congress that other countries should give favorable consideration to providing financial assistance to support peace in the Middle East. Therefore, it is the sense of the Congress that the President should consult with other countries to develop a common program of assistance to, and investments in, Israel and Egypt and other countries in the region should they join in Middle East peace agreements.

Mr. HAMILTON (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

AMENDMENT OFFERED BY MR. LEVITAS

Mr. LEVITAS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEVITAS: Page 8, line 12, insert "(a)" immediately after "Sec. 7."; and immediately after line 19, insert the following:

(b) It is the sense of the Congress that other countries should give favorable consideration to providing for support for the implementation of the peace treaty between Egypt and Israel. Therefore, the Congress requests that the President take all appropriate steps to negotiate with other countries an agreement for the establishment of a peace development fund whose purpose would be to underwrite the costs of implementing a Middle East peace.

(c) The President shall report to the Congress within one year after the enactment of this Act with regard to (1) the efforts made by the United States to consult with other countries in order to increase the economic assistance provided to Egypt and Israel and others in the region participating in the peace process by other donors, and (2) the impact on Egypt's economy of Arab sanctions against Egypt.

Mr. LEVITAS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LEVITAS. Mr. Chairman, first of all I would like to commend the gentleman from Indiana (Mr. HAMILTON) and the gentleman from Illinois (Mr. FINDLEY) for their outstanding leadership in bringing this important legislation to the floor, and I rise in support of it.

Mr. Chairman, the Middle East Peace Treaty was a historic accomplishment. It represented the culmination of efforts in the search for peace of this and prior administrations. It is a remarkable accomplishment by President Carter. There can be no doubt that stability in the Middle East is in the best interest of the United States and of most other nations of the world as well. I sincerely hope that this treaty will prove to be the initiative which encourages subsequent agreements between Israel and its other Arab neighbors who, thus far, have

chosen not to participate in this peace effort.

By authorizing funds to help support the Israeli-Egyptian Treaty implementation, our country achieves a major diplomatic and strategic triumph. The success of the treaty will mean an acceptance of the United States' approach to world affairs which emphasizes negotiation and stability, and repudiation of the Soviet tactics of conflict and instability.

We are also helping to bring peace to a region that has seen four bloody, costly wars in the past 30 years. The costs in terms of human life and suffering have been staggering. Since 1948, Middle East wars have resulted in more than 115,000 Arab and 40,000 Israeli military casualties.

The financial costs have also been high and these costs have extended well beyond the region itself. Our own country has already provided $10 billion in military grants to Middle East countries and the 1973 oil embargo probably cost the American people about $300 billion.

The full costs of implementing the treaty are not covered by this legislation. Indeed, the larger portion of the ultimate costs will be borne by Egypt and especially, Israel. This bill is only a contribution to the process which directly serves American interests.

Our costs have greatly exceeded the $1.4 billion authorization for grants and loan interest costs over 3 years that we are considering today. The American people know that without peace in the Middle East we will continue to be exposed to the danger of war and the ensuing horror and suffering that war brings. Who can estimate the costs of such a war? Who can measure the cost of human lives and of human suffering? We can count the costs in tanks and planes, in towns and buildings, but who can determine the cost of lives? What is the price of peace compared to the cost of war? And we may even be talking about a war which could spread to a worldwide nuclear conflict from which we would not be immune.

The American people also understand that the United States is by no means the only beneficiary of the stability which this treaty helps to insure. Peace in the Middle East will have a dramatic favorable impact on most of the nations of the world including all of our closest allies. All nations, but especially those which are most dependent on oil from this region, have a vital stake in this treaty and the potential it holds for further negotiations. We should not let our friends ignore this fact.

They must realize the significant impact that a worldwide commitment to peace can have on encouraging other Arab nations to join in the agreement. Leaders in Baghdad, Amman, Damascus, and other Arab capitals will be far more likely to rethink their position if an array of the world's nations demonstrate unified support for peace. Nations throughout the world will share in the benefits of this treaty. It seems only fair that they share in the costs of peace.

Therefore, I am proposing an amendment which would provide an opportunity for this sharing. My amendment requests that the President undertake negotiations with other countries to establish a peace development fund.

This amendment is similar in nature to one offered by our colleague, the gentleman from Pennsylvania (Mr. RITTER) during consideration of the International Development Cooperation Act. That amendment was accepted by voice vote. This amendment is substantially the same language which has already been accepted by the Senate in their version of this authorization.

My amendment simply recognizes that many of the world's nations will benefit from this treaty and creates a mechanism for them to help share in its costs. Specifically, the President is requested to negotiate with these countries to establish a fund which would underwrite the costs we are considering in this authorization.

My amendment is not designed to undo any of the work of the committee. I am seeking to augment that work by the creation of this special purpose fund. The committee's bill already contains language requesting that the President seek to encourage other countries to assist in the general economic development of Israel and Egypt and any other Middle East countries which join in the agreement. I believe this proposal also has great merit and I do not seek to eliminate it with my amendment. In fact, the second part of my proposal would expand upon this idea by requesting that the President report to Congress on the success of these negotiations. Lastly, the amendment also requests the President to report on the impact of Arab sanctions against Egypt's economy.

I urge my colleagues to support this amendment. While I sincerely believe that the American people understand the importance of peace and are willing to support the benefits that flow from peace, I am equally certain that they understand the equity of sharing these costs. Our country has been the world's leader in attempting to create vitally needed stability in this region. I see no reason why we cannot now lead other nations to the realization that their direct participation in this effort is also vital and proper. It is only fair that we initiate an effort to make this treaty a truly worldwide commitment to peace in the Middle East in sharing the cost as well as sharing the benefits.

Mr. Chairman, I support this legislation, because I believe it to be in the vital national interest of the American people. If we are unwilling to pay the price of peace, we will surely pay the cost of war. As the leader of the free world, our Nation has certain advantages, but we also, thereby, assume certain responsibilities. Today we discharge one of those responsibilities.

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

Mr. LEVITAS. I yield to the gentleman from Indiana.

Mr. HAMILTON. Is this similar to the language that was adopted in the Senate bill?

Mr. LEVITAS. The language that is contained in my amendment is substantially identical to that which has been adopted by the other body.

Mr. HAMILTON. On this side we find this amendment quite acceptable. It supports an idea that I think has considerable merit, the establishment of a peace development fund. So, we accept the amendment.

Mr. LEVITAS. I thank the gentleman from Indiana.

I would also point out that similar language has already been adopted by the House as a result of an amendment which was offered in legislation considered earlier.

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

Mr. LEVITAS. I yield to the gentleman from Pennsylvania.

Mr. COUGHLIN. Mr. Chairman, I want to commend the gentleman for his amendment. I went to Israel a few weeks ago, and was concerned about the fact that the settlement was placing an enormous economic burden on the American people, and I returned really concerned about the economic burden this places on the people of the State of Israel. They are undergoing a crushing burden in that country.

In fact, in connection with this legislation we investigated the possibility of them having some concessionary interest rates, because they have given up some $7 billion worth of infrastructures such as roads, waterways, telephone facilities, military bases in connection with the Egyptian-Sinai agreement.

They have a 60-percent rate of inflation; they have an extraordinary national debt that equals 1 year's gross national product, so anything that can be done to increase the assistance to that nation to ease the burden on those people, it seems to me, is well advised.

I commend the gentleman on his amendment.

Mr. LEVITAS. I thank the gentleman, and commend him for his comments.

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

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

Mr. ROTH. Mr. Chairman, I also want to compliment the gentleman for a most excellent amendment. I wonder if the gentleman would be amenable to a slight change in the amendment as far as the wording is concerned.

We have here the word "negotiate" in line 5. I wonder if we could change the word to "consult"? After all, the word "negotiate" conjures up the idea of difference between the two parties. We may not really have a difference here between the European countries and ourselves, because the European countries are already contributing to many of the Middle East countries.

I was wondering if line 5 could be changed to say, "* * * take all appropriate steps to consult with other countries and to promote agreement * * *"

Mr. LEVITAS. I thank the gentleman for his observations. I understand that Members of the other body who considered this amendment had also thought that that might be a more appropriate phraseology.

Therefore, I have no objection to the suggestions made by the gentleman from Wisconsin, and certainly would concur with them.

Mr. ROTH. Mr. Chairman, I ask unanimous consent that those two slight changes be made.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

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

Mr. LEVITAS. I yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Chairman, I want to state my support for the gentleman's amendment.

Mr. LEVITAS. I thank the gentleman from Illinois for his support, and commend him again on his leadership in bringing this bill to the floor.

Mr. RITTER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, as the author of the original legislation calling for establishment of a Middle East peace development fund to share the costs of the Egyptian-Israeli Peace Treaty, I am delighted that this concept is now before us once again as an amendment to H.R. 4035, having passed the Senate not long ago.

On March 22 of this year, I first introduced my proposal, House Concurrent Resolution 85. That resolution called for creation of a Middle East peace development fund, into which our industrialized allies, such as the Western European nations and Japan, would be encouraged to contribute, to help pay the cost of the Egyptian-Israeli Peace Treaty. My resolution urged the President to begin negotiations with our allies toward that end. Upon introducing my proposal, I pointed out that the United States had already done far more than any other nation to achieve the success of the Egyptian-Israeli treaty—yet that the United States is by no means the only nation that benefits from peace.

The response I received from my colleagues on both sides of the aisle was tremendous. It was clear that my legislation had touched upon a point that many Americans feel strongly about. In fact, my peace development fund bill soon had 105 cosponsors, covering all shades of the political spectrum.

On April 9, I offered my legislation as an amendment to H.R. 3324, the International Development Cooperation Act, and it passed the House on that date.

Subsequently, on May 14, the concept of a Middle East peace development fund was passed by the Senate in its version of the Middle East Peace Treaty authorization bill.

Today, my colleague from Georgia (Mr. LEVITAS) is offering the Middle East peace development fund concept as an amendment to H.R. 4035. I commend my colleague for doing so. He recognizes the global aspects of the Middle East Peace Treaty. He understands what I stated when I first offered my peace development fund measure—namely, that all nations, especially those which depend on oil from a stable Middle East, have a stake in the success of the peace treaty. Yet, of those nations, only one people—the American people—are being asked to bear the costly burden of peace.

I urge my colleagues to join with me today, by supporting this amendment, to urge the President to begin negotiations with other nations to do their part, and to stand with the United States in helping to assure the economic development and military security of the Middle East, and in sharing the weighty cost of peace.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. LEVITAS), as modified.

The amendment, as modified, was agreed to.

AMENDMENT OFFERED BY MR. WAXMAN

Mr. WAXMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WAXMAN: Page 8, after line 19, insert the following new section:

PLANNING FOR TRILATERAL SCIENTIFIC AND TECHNOLOGICAL COOPERATION BY EGYPT, ISRAEL, AND THE UNITED STATES

SEC. 8. (a) It is the sense of the Congress that, in order to continue to build the structure of peace in the Middle East, the United States should be prepared to participate, at an appropriate time, in trilateral cooperative projects of a scientific and technological nature involving Egypt, Israel, and the United States.

(b) Therefore, the President shall develop a plan to guide the participation of both United States Government agencies and private institutions in such projects. This plan shall identify—

(1) potential projects in a variety of areas appropriate for scientific and technological cooperation by the three countries, including agriculture, health, energy, the environment, education, and water resources;

(2) the resources which are available or which would be needed to implement such projects; and

(3) the means by which such projects would be implemented.

(c) The President shall transmit the plan developed pursuant to subsection (b) to the Congress within 12 months after the date of enactment of this Act.

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Mr. WAXMAN. Mr. Chairman, the amendment I am offering today represents the culmination of more than a year's work to bring greater attention by the administration to the prospect that in the near future, as part of the peace process, Egypt, Israel, and the United States might participate in cooperative projects designed to solve common problems.

This bill underwrites the commitments the United States has made pursuant to the Treaty of Peace between Egypt and Israel. We can be proud of the role we are playing in bringing to a close a 30-year cycle of war, tragedy, and destruction. The generosity and strength of the United States behind this agreement made possible the sacrifices and pledges both countries made to wage peace together.

The vision of peace is deep. The hopes it inspires can be enormous. And one of those hopes, part of that vision, is that some day both countries will want to work together to solve common problems.

The challenges facing the peoples of Egypt and Israel defy political boundaries. The human opportunities extend across the border which divides them—a border which just last Friday was opened by President Sadat and Prime Minister Begin.

In agriculture, water resources, health, energy, geology, the delivery of social services—in all these areas, among others, there exists the strongest possible basis for both countries to work together to meet human needs and promote regional prosperity.

The virtue of regional cooperation in the Middle East was recognized by the Congress last year when it authorized, as part of the International Security Assistance legislation, a $5 million fund to encourage cooperative projects in the interests of peace between the nations in the area.

In so doing, the Congress recognized that ties in the areas of science and technology enhance the political bonds which have been established, adding to the structure of peace in the Middle East.

The amendment I am offering today is designed to insure that the United States will be prepared to participate as effectively as possible with Egypt and Israel in trilateral projects in science and technology.

The amendment simply requires the President to develop a plan which will guide our participation in such projects. The plan is to identify: the potential areas of cooperation; the resources available to carry out such projects; and the possible means to implement them.

It is my hope and intent that the President will entrust primary responsibility for the preparation of this plan in his Office of Science and Technology Policy, which is well informed about and has informally monitored developments in this area, and the Department of State.

It is my intention that this plan be broad, that it explore potential projects in a variety of areas in both science and technology and the social sciences. Those conducting the study are encouraged to contact as many people as possible, inside and outside the Government, in developing this plan. Finally, the plan should review a variety of means by which the United States would participate in such projects, from encouragement to private entities to wholehearted Government involvement.

I would note further that nothing in this amendment requires the United States to participate in such projects. It only requires anticipatory planning on our part should these opportunities arise.

My interest in these questions grew out of an interagency meeting which I convened over a year ago. Officials representing nearly two dozen public and private agencies and groups met to discuss these possibilities. The overwhelming consensus which emerged was that a concerted effort to develop a plan to coordinate a comprehensive policy for trilateral cooperation in the Middle East should be undertaken. This amendment is a step toward implementing that consensus.

I am pleased to insert in the RECORD a report on that meeting which I sent to the President's science adviser:

HOUSE OF REPRESENTATIVES,
Washington, D.C., March 22, 1978.

Dr. FRANK PRESS,
Director, Office of Science and Technology Policy, Executive Office of the President, Washington, D.C.

DEAR DR. PRESS: I am pleased to inform you of the results of the interagency meeting held earlier today on the prospects for trilateral scientific cooperation between the United States, Egypt, and Israel. It was an extremely fruitful discussion, which explored several aspects—scientific, bureaucratic, and political—of this concept. I was especially impressed with the fact that almost all the participants had independently given serious consideration and reached certain common conclusions regarding the opportunities for such an endeavor presented by the prospects for peace in the Middle East. It reenforces my conviction that this concept deserves continuing attention at the highest levels of the government.

The consensus which developed at the meeting may be outlined as follows:

(1) There are numerous, if not unlimited, areas of potential cooperation between Egypt and Israel in research, applied science, and the social sciences. Every agency and institution represented suggested specific proposals which could be implemented. They range from agriculture and water use to solar energy to the delivery of health care and social services. Although some caution was expressed regarding ambitious, high capital projects, such as a Mediterranean-Dead Sea Canal or the siting of a powerplant serving both countries, there was no question that several projects of immediate value involving researchers, technicians, and the general population could be agreed upon with little difficulty.

(2) Although there are some areas in which the two countries enjoy relatively equal expertise such as in engineering, geology, water development, and some aspects of health care, there are many more in which there is an imbalance in human and technological resources. In many instances, such as in agriculture and pure scientific and biomedical research, Israel enjoys an advantage. In others, such as in the treatment of tropical diseases, Egypt is more advanced, even with respect to the United States. Care must therefore be taken, in devising cooperative projects, that they not be marked by a recipient-donor relationship, but rather be truly collaborative in which each side can participate on an equitable basis.

(3) There have been growing, but informal contacts with scientists in Egypt and Israel on these possibilities. Israelis are apparently eager to begin working immediately with their Egyptian colleagues. Egyptian scientists, on the other hand, have expressed two reservations: first, with respect to what was mentioned above, that they will be overwhelmed by Israeli expertise and resources to the detriment of their ability to establish themselves fully as partners; and second, that such an effort, in the absence of peace, is premature. Nevertheless, scientists from the two countries have enjoyed the opportunity to meet on an informal basis at conferences sponsored by third parties. This was seen as extremely helpful in encouraging the development of an ongoing interest in these matters, and should be facilitated, wherever possible, by both government agencies and private organizations.

(4) Caution was expressed over the dangers of intertwining too closely science and politics. It was felt that good science is good politics, but that efforts designed to achieve expressly political purposes may easily fail. The need to develop projects of the highest scientific value, with as few political conditions as possible placed on them, was essential to the success of this effort.

(5) All the agencies at the meeting are eager, because of the enormous rewards which are possible, to contribute to the further development of this concept. However, for this to occur, there needs to be an affirmative mandate from the Administration, and the provisions of adequate funds for projects and staff.

Most importantly, it was felt that the absence of a full peace between Egypt and Israel should not in any way preclude the Administration from beginning to plan, coordinate, and develop a comprehensive policy for such cooperation in anticipation of an appropriate opportunity to implement it.

Indeed, direction and guidance from the highest levels of the Administration is seen as indispensable in this regard. It is believed, further, that your office should assume a leadership role by virtue of its unique vantage, the prestige associated with it, its emphasis on science and technology, and its ability to provide the most objective source of guidance and planning.

New legislation, such as Senator Humphrey's comprehensive foreign assistance reorganization, and new authority under the Middle East Special Requirement Fund, may also be necessary.

It is my personal hope that you will be responsive to these suggestions and begin this process in the near future. I am prepared as well to sponsor any legislation which would assist this effort and believe that it would enjoy broad support in the Congress.

There were, obviously, many other concerns which were expressed which this letter does not address, but I hope this is helpful to you, and that it faithfully transmits the sense of genuine enthusiasm which has greeted these proposals. I would be pleased to meet with you at your convenience to discuss this further. Enclosed is a list of participants at today's meeting for your reference.

With good wishes, I am
Sincerely,

HENRY A. WAXMAN,
Member of Congress.

CONFERENCE PARTICIPANTS

Mr. Al Chapman, Office of Environmental and Scientific Affairs, Department of State, Room 4327A, Washington, D.C.

Mr. T. W. Aedminster, Administrator for Federal Research, Science and Education Administration, United States Department of Agriculture, Room 302A, Washington, D.C.

Dr. Bodo Bartocha, Director, International Programs, Division of International Programs, National Science Foundation, Washington, D.C. 20550

Mr. Gerald Kamens, Agency for International Development, Department of State, AID/NE/EI, Room 5318, Washington, D.C.

Mr. James Slater, Department of Interior, Office of the Secretary, Room 5156, Washington, D.C. 20250

Mr. Nels Johnson, National Oceanographic and Atmospheric Administration, 6010 Executive Boulevard, Rockville, Maryland 20805

Mr. Steffen Peiser, U.S. Department of Commerce, National Bureau of Standards, Washington, D.C. 20234

Dr. David Tilson, Institute of Medicine, National Academy of Sciences, 2101 Constitution Avenue, NW, D.C. 20418

Dr. Henry Kelly, Office of Technology Assessment, U.S. Congress, Washington, D.C. 20515

Bob Evans, Health Education and Welfare, Office of International Health, 5200 Fishers Lane, Rockville, Maryland 20852

Mr. Ken Schmertz, Smithsonian Institution, Washington, D.C.

Mr. Lawrence Wyatt, Director, Office of International Affairs, Department of Health, Education, and Welfare, Washington, D.C. 20201

Mr. R. E. Robertson III, Department of Energy, Room 7213, 20 Massachusetts Avenue, NW, Washington, D.C. 20545

Linda Vogel, HEW, Room 18–90, 5600 Fishers Lane, Rockville, Maryland 20852

Mr. Jay Davenport, National Academy of Sciences, 2101 Constitution Avenue Northwest, Washington, D.C. 20418

Dr. George Hammond, National Academy of Sciences, 2101 Constitution Avenue, Washington, D.C. 20418

Dr. Donald Oakley, Environmental Protection Agency, A–106, Washington, D.C. 20460

Samuel E. Bunker, Deputy Head, Middle East and Africa Office, Ford Foundation, 320 E. 43rd Street, New York 10017

Dr. Kenneth Warren, Director of Health Services, Rockefeller Foundation, New York City

Dr. Jeremy Stone, Director, Federation of American Scientists, 307 Massachusetts Avenue, NE, Washington, D.C.

Mr. James Ehrman, IO/DHP, Department of State, 5327 New State, Washington, D.C. 20520

Dr. Forrest R. Frank, Subcommittee on International Security and Scientific Affairs, House of Representatives, 2170 Rayburn Building, Washington, D.C. 20515

Mrs. Betsy Stephens, Institute of Medicine, National Academy of Sciences, 2101 Constitution Avenue, NW, Washington, D.C. 20418

Mr. Chairman, I very much hope this amendment will be adopted. I want to express my profound gratitude to the chairman of the subcommittee, Mr. HAMILTON, for his support, encouragement, and assistance, and to the distinguished chairman of the full committee, Mr. ZABLOCKI, for his guidance and support.

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

Mr. WAXMAN. I yield to the gentleman from Illinois.

Mr. FINDLEY. I thank the gentleman for yielding.

Mr. Chairman, I have had a chance to examine the gentleman's amendment, and I support it.

Mr. WAXMAN. I thank the gentleman for his support.

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

Mr. WAXMAN. I yield to the gentleman from Indiana.

Mr. HAMILTON. Mr. Chairman, I thank the gentleman for yielding. We, too, have had an opportunity on this side to examine the amendment. The opportunity for scientific and technical cooperation is one more practical step to be taken in the Middle East. I commend the gentleman on his amendment, and we are prepared to accept it.

Mr. WAXMAN. I thank the gentleman for his kind words about the amendment.

I very much want to express my profound gratitude to the chairman of the subcommittee, the gentleman from Indiana (Mr. HAMILTON) for his support, encouragement, and assistance, and to the distinguished chairman of the full

committee, the gentleman from Wisconsin (Mr. ZABLOCKI) for his guidance and support.

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. WAXMAN).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DANNEMEYER

Mr. DANNEMEYER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DANNEMEYER: Page 8, immediately after line 19, insert the following new section:

REPORT ON COSTS TO THE UNITED STATES OF IMPLEMENTING THE PEACE TREATY BETWEEN EGYPT AND ISRAEL

SEC. 9. Not later than 90 days after the date of enactment of this Act, the President shall submit to the Congress a detailed and comprehensive report on the costs to the United States Government associated with implementation of the peace treaty between Egypt and Israel. The report shall include estimates of all costs of any kind to any department or agency of the United States Government which may result from United States activities in support of the peace treaty.

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

Mr. DANNEMEYER. I yield to the gentleman from Idaho.

Mr. SYMMS. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from California (Mr. DANNEMEYER).

I am particularly concerned about an aspect of this legislation which I do not believe was thoroughly examined on the Senate side. Although we are now considering a $4.8 billion aid package for Israel and Egypt, will there not be additional requests from Israel, and particularly Egypt, in the near future over and above this $4.8 billion. I know that the witnesses from the executive branch who testified before the House Foreign Affairs Committee said that there were no new U.S. commitments, understandings, or assurances that had not already been made public and provided to the committee. But as I recall, during the consideration of the Panama Canal Treaty, there were to be no costs to the American taxpayer; and now we are considering implementing legislation which amounts to a considerable cost to the taxpayer.

My point is that there should be a full accounting of the costs of this agreement so that the American taxpayer will know what this agreement is really going to cost.

It looks as though the United States alone will have to help Egypt re-equip its 500,000-man armed forces due to the loss of potential Arab sources of aid. Egypt was supposed to begin receiving 50 F–5 aircraft, to be paid for by Saudi Arabia, in 1978, but delivery was postponed because the Saudis withheld payment pending the outcome of the treaty negotiations. President Sadat has said that he expects Saudi Arabia to withdraw its commitment on the planes and that he will have to ask the Americans for help. The amount for these planes ranges from $400 million, according to a Library of Congress study, to $525 million as quoted in the New York Times of May 22, 1979. Now it is possible that these funds for the planes are included in the $1.5 billion for military sales credits in the supplemental aid request we are presently considering. But that is not clear.

There are also some additional costs which may crop up in the future to maintain the peace between Egypt and Israel that have not been mentioned in conjunction with this supplemental aid package. According to the terms of the Middle East Peace Treaty, the United States will continue surveillance flights over the Sinai for the 3-year term of the treaty, and the cost of this is unknown. The United States will presumably provide about 25 percent of the funds to support the United Nations force and observers called for in the treaty. (The U.N. Emergency Forces now in the Sinai will cost about $78.5 million for 1979.) And due to the Arab League's economic boycott against Egypt, and the fact that many of the Arab nations have broken diplomatic relations with Egypt, the United States may feel compelled to offer even further assistance to Egypt in order to keep its economy from crumbling and the peace agreement from falling apart.

I think in the administration's efforts to forge a peace agreement between Egypt and Israel, they did not consider all of the costs of such an agreement. I want to see peace in the Middle East, as do most Americans and most Europeans, but let us be more aware of the costs which will be entailed and let the public know.

I am totally in support of Mr. RITTER's and Mr. LEVITAS' efforts to ask the European nations to share the costs of this agreement since they will be beneficaries of a peace agreement. But I urge my colleagues to ask for a more full accounting of these costs, with realistic projections of additional aid which may be needed in the future.

The Dannemeyer amendment merely asks for a better examination of the costs of the treaty in an effort to stop open-ended expenditures. It does not work against the peace effort or this supplemental authorization. I hope that my colleagues will support this attempt to provide the American taxpayer with an honest estimation of the costs of the treaty.

Mr. DANNEMEYER. Mr. Chairman, while no one would argue that the cost of war far exceeds the cost of peace and while everyone hopes that the Israel-Egyptian accords will, indeed, produce a lasting peace, I am concerned about what these accords will finally cost the American taxpayer.

While it is gratifying to read, in the Foreign Affairs Committee report, that the administration has assured us there are no commitments, understandings, or assurances that have not been made public, I painfully recall that, at the time of the Panama Canal Treaty debate, there were similar assurances, since rescinded, that there would be no costs to the taxpayers associated with implementing those treaties. And, while I am even more pleased that today's bill, H.R. 4035, contains provision specifically stating that enactment does not signify approval of any such commitments, understandings, or assurances, should they exist, I am wondering, in light of the current debate over legislation implementing the Panama Canal treaties, whether this provision alone is adequate.

Whether it be $4.8 billion or twice that amount, the American taxpayer deserves to know, before H.R. 4035 is finally enacted into law, whether it represents payment in full or, as in the case of Panama, just the tip of the iceberg.

Lest it be thought paranoia has set in, consider for a moment the following. In addition to the continuation of the U.S. Sinai field mission, for which $12.1 million is being requested for fiscal 1980, it is anticipated that the United States will continue to fly surveillance flights over the Sinai for the next 3 years. That will cost money; how much, we are not sure yet.

Then there is the matter of the F–5E aircraft that Saudi Arabia was supposed to pay for, and Egypt was supposed to receive, last year. The Saudis held up the payment, variously estimated at anywhere from $400 to $525 million, because of the treaty negotiations and, according to a May 22 story in the New York Times—"Egypt, Cut Off From Saudi Funds, Is Likely To Seek Increase in U.S. Arms Aid"—they are not expected to change their tune. If they do not, does that mean the United States picks up the tab for these planes, extends more credit, or what? I do not know, and perhaps other Members do not know, but I, for one, would at least like to have a better idea of the possibilities.

Similarly, what affect is the Saudi disinclination to continue various types of assistance to Egypt going to have on the amount of economic assistance we will have to provide Egypt. As Members will recall, the Arab League, in which Saudi Arabia plays an influential role, began an economic boycott of Egypt 2 months ago and that boycott could signal an end to the $2 billion a year in economic assistance that has gone to Egypt. Already, President Sadat has been talking about increased economic aid and private investment from the United States but, so far, the latter has not developed. What if such investment does not develop and the Arab economic boycott continues? Are we going to turn our backs on President Sadat and encourage him to turn to the Soviets or are we going to pick up the slack? If we are, to what extent? We ought to have at least some idea, otherwise this whole business could turn into a drain on the U.S. Treasury that, if begun without some mutually agreed upon limits, could become open-ended. Far better that we start looking at what those limits might be now rather than later be faced with choosing between financial penury and short circuiting an ongoing peace process.

An even worse possibility is, What happens if the current peace initiatives in the Middle East collapse? We all hope,

of course, that such a collapse will not occur but, if it does, how dependent will Egypt and Israel be on us afterwards?

Which brings up a key point; Israel as well as Egypt may be making calls on the U.S. Treasury if things go badly. First of all, we have guaranteed Israel's oil supply and, while that only comes to about 2 percent of U.S. production—165,000 barrels a day—what with oil prices going up every day, how much does that amount to? And then there are the Memorandums of Agreement between the United States and Israel promising appropriate support in case Israeli security is endangered; there is no way of telling what that might cost if applicable circumstances arose, but we can not just assume there will be no cost at all. And then there is the matter of both military and economic assistance to Israel; will the deliveries of the F–15 and F–16 aircraft presently scheduled for 1981 have to be accelerated and, if so, will the cost be over and above the $2.2 billion provided for in H.R. 4035? Also, Israel is looking for both increased economic aid and private foreign investment; if the latter is not forthcoming, will the United States have to provide more of the former?

Finally, there is the matter of the U.N. Peacekeeping Forces in the Middle East. The treaty calls for such forces and the committee report says that a veto of these forces by a permanent member of the U.N. Security Council would be "viewed with alarm by Congress," but what if the Soviet Union, which would love to upset U.S. initiatives in the Middle East, decides to veto anyway? Previously, the United States has stated it will organize a multinational peacekeeping force in that event; if it does, one must also presume that, at the very least, the United States will have to pay for such a force. Another cost to the American taxpayer.

As I noted at the outset, all this bears a striking resemblance to the situation in which this House now finds itself vis-a-vis implementation of the Panama Canal treaties. Not only were there indications given, outside the treaties themselves, that the United States would provide a greater degree of economic assistance to Panama in that instance, but the hidden costs of implementing that treaty have only become apparent after closer and deeper investigation. Instead of no cost to the taxpayer, it looks like implementation of the Panama Canal treaties will cost the American taxpayers $2 billion and perhaps more. I hope my colleagues will agree that it is far better to get as complete a picture of potential costs as is possible now, rather than wait and discover that a Middle East Hansen amendment is necessary to protect the American taxpayers from unanticipated and/or unaffordable costs later.

In order that Congress may have that picture, I am offering an amendment to the legislation currently before us. Briefly stated, it provides that not later than 90 days after the implementation of the Israel-Egyptian accords the President is to provide the Congress with a detailed estimate of the costs to the taxpayer that might stem from our participation in these treaties. And, if Congress so wished, it would be able to express itself on the extent of expense it might be willing to undertake.

Mr. Chairman, two final points. First, Members, even if they wholeheartedly support the Israel-Egyptian agreements, can support this amendment. It is not an attempt to scuttle those agreements; anything but. Rather, it is simply intended to provide Congress and taxpayers information. And, second, it is thoroughly consistent with the spirit of H.R. 4035; not only does the bill provide in section 4(d)(2) for an annual report from the President on the ability of Egypt and Israel to meet their fiscal obligations but it underscores the committee's and hopefully, the Congress, concern that hidden understandings not be subscribed to.

Mr. Chairman, I urge its adoption.

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

Mr. DANNEMEYER. I yield to the gentleman from Indiana.

Mr. HAMILTON. I thank the gentleman for yielding.

We have had an opportunity to examine the amendment. It calls for a report on the cost to the U.S. Government connected with the implementation of the peace treaty. We find that a reasonable amendment, and we support it. We accept the amendment.

Mr. DANNEMEYER. I thank the gentleman.

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

Mr. DANNEMEYER. I yield to the gentleman from Illinois.

Mr. FINDLEY. I thank the gentleman for yielding.

Mr. Chairman, I, too, have had a chance to examine the amendment, and I support it.

Mr. DANNEMEYER. I thank the gentleman.

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

Mr. DANNEMEYER. I yield to the gentleman from California.

Mr. ROUSSELOT. I think the gentleman is to be complimented for adding this amendment. I think it is a prudent and wise action on the part of the House to encourage the President to give prompt response and accountability as to how this program is progressing. I think it is a wise addition, and I compliment my colleague, the gentleman from California, for adding it.

Mr. DANNEMEYER. I thank the gentleman from California for his remarks.

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. DANNEMEYER).

The amendment was agreed to.

Mr. STUDDS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, two major themes emerged during the Foreign Affairs Committee's consideration of the Special International Security Assistance Act.

The first is the need, emphasized over and over again by President Carter, for the United States to aggressively "wage peace" in the Middle East. We must be willing to take actions which reward those nations making contributions to peace, while we must also be willing to penalize those actions which create obstacles to peace.

This aid package, the latest in a long series of U.S. taxpayer-financed efforts on behalf of nations in the Middle East, is justified as a reward for the courageous acts of President Sadat and Prime Minister Begin in behalf of peace, and I fully intend to vote in favor of it.

I think it both consistent and wise, however, for us also to take into account those policies which have been adopted which create obstacles to peace. In recent weeks, I have questioned both Assistant Secretary of State Saunders and Secretary of State Vance about Israel's decision to continue building settlements in the occupied territories, and particularly the West Bank. They have stated their view that Israel's settlements policy is in violation of international law, and that it creates a serious obstacle to progress toward peace. Israel disputes the claim that their settlements violate the letter of international law, but there can be no question that the introduction of new settlements at this time will make it far more difficult for Egypt and the United States to convince the Palestinians, the Jordanians, and the Saudi Arabians of Israel's intent to negotiate in good faith on West Bank and Gaza issues.

Earlier this month, in the Foreign Affairs Committee, I suggested the possibility that Israel's share of this aid package—a total of $3 billion—should be reduced by the amount they will spend this year on new settlements established for other than security reasons in the West Bank. My colleagues will be relieved to hear that I do not intend to offer that amendment at this time. I continue to believe, however, that if the U.S. taxpayer is going to remain willing to finance economic and particularly military assistance to the Middle East, he is going to expect the recipient countries to act in a manner which enhances—rather than detracts from—the prospects for creating a lasting peace.

The second theme which I believe has emerged sharply and clearly in recent weeks is somewhat related. I believe we need to make a major reassessment of our relationship with the nation which has probably contributed the least to peace in recent months—Saudi Arabia—and we need to do so now.

In recent years, administration spokesmen have argued that Saudi Arabia could be counted upon to play a surrogate's role for the United States in Middle East and Persian Gulf politics. The Saudis, they claimed, would hold down oil prices, act with moderation on Arab-Israeli issues, discourage the growth of Arab radicalism, and—in cooperation, hauntingly enough, with Iran—they would act as a pillar of pro-

Western military strength and stability in the region.

This picture has changed drastically during the past 6 months and we need desperately to alter our own thinking and our own policies to reflect these changes. I am aware that vast differences exist between the situation now in Saudi Arabia and the events which we have seen unfold in Iran during the past year. But I also believe that there are enough similarities, particularly with respect to the influence of our military policies and cultural attitudes on the societies involved, to merit some degree of comparison.

Anger at Westernization, anger at militarism, and anger at corruption, coupled with a desire for religious purity and unity all played a role in Iran's tragedy; all have a potential role to play in the future internal policies of Saudi Arabia, and it does not take much imagination to see the United States being cast as the primary villain once again.

We had friends in high places in Iran; we have friends in high places in Saudi Arabia. We can protect our friends from Communists, we cannot protect them from their own people.

Saudi Arabia is a conservative and highly traditional kingdom with a very modest history of military involvement. The United States has successfully peddled to the Saudis billions of dollars of the most sophisticated weapons in the world. The Army Corps of Engineers is today in the midst of a $20 billion—that is $20 billion—program of military construction, including the building of military cities in the middle of the desert, one of which at least will come complete with air conditioning, a gymnasium, a bakery, a swimming pool, indoor and outdoor firing ranges, riding stables, a stadium, and a race track. All this in a currently uninhabited area with an average rainfall of less than 3 inches per year, to provide protection against a foe, Iraq, which has nothing to gain by attacking Saudi Arabia and which has gross national product smaller than the Saudi contracts with the Army Corps of Engineers.

Someday, someone in Saudi Arabia is going to ask why and the answer will come back: The United States.

President Carter has challenged us to "wage peace" in the Middle East. In response, we ought now to take three steps. We should enact the special international security assistance proposal now before us; we ought to make clear to every nation—close ally or not—that our continued willingness to bankroll peace depends on their willingness to enhance the prospects for a lasting peace, and we ought to stop right now and ask ourselves which genuine interests—whether United States or Saudi Arabian—are truly being served by our current massive arms sales to that nation.

□ 1540

I would remind my colleagues that during the shah's reign in Iran United States policy toward Iran was justified on the grounds of our own national security interests. Yes, we were told it was a shame that we have to involve ourselves with a regime as repressive as that of the shah; yes, it is a shame that the shah has no understanding of or respect for human rights but, after all, U.S. national security interests override considerations like that.

I do not think it takes much reflection to realize that, whatever else has occurred in the last few months in Iran, the national security interests of the United States have not been well served and what has happened in Iran is not unrelated to American policy in the years preceding.

I yield back the balance of my time.

Mr. FINDLEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I know there is anxiety to finish this work but this very likely will be the closest thing to a general House debate on the Middle East that we can expect to have in the next year. And we have an immense responsibility as Members of this body, as a part of the legislative branch, in the advancement of the peace process.

I hope it will not inconvenience Members too much to tary yet just a moment.

There is a mood of rejoicing today over the Egyptian-Israeli Peace Treaty and I fear that this general jubilation overlooks the tensions that are growing despite the treaty and, in fact, because of the treaty itself.

Today, for example, one newspaper columnist reported threats against the life of President Sadat. We frequently read of Palestinian attacks against Israelis and of Israeli attacks against Palestinians and Lebanese. The Middle East remains a place of death, destruction, hatred and injustice.

In this treaty we may now have a ray of hope but we should not let that one ray of hope blind us to the harsh reality of the Middle East. Blind we have often been. Particularly we Members of this body have too often viewed events in the Middle East selectively or we have ignored altogether relevant facts.

It has become commonplace, for example, to vote against aid to Syria even though continuing U.S. links to Syria will be vital to the next stage of the peace process. Railing against King Hussein, an old friend, for his refusal to applaud the Egyptian-Israeli Treaty is also fashionable these days. But if we were really to examine Hussein's position in the Arab world, among his own people, and vis-a-vis the Palestinians, we would be better able to understand.

Then, of course, there is the question of the Palestinians. I know of no quicker way to make one of my colleagues flinch than to refer to "Palestinian rights." Yet, Camp David's framework signed by Israel and by Egypt speaks of the "legitimate rights" of the Palestinians.

The Israeli Labour Party spokesmen of the Knesset have issued a paper calling for Palestinian self-determination in the West Bank—self-determination. And Israeli Defense Minister Weizman has told the PLO, to "stop shooting and start talking." I daresay few in this body would issue such statements even though Israel and her leading spokesmen have made them.

I say it is high time for the Congress to speak out for self-determination, a hallowed ideal that we have nurtured all through our history.

We have forgotten that the Palestinians are human beings with needs and rights, legitimate rights. We have assumed that there is no way to define Palestinian rights without denying Israeli rights. We have turned our backs on traditional American ideals and basic human rights such as self-determination when it comes time to apply them to the Palestinians.

Abraham Lincoln once made a statement which I think has application here today. He said:

> The occasion is piled high with difficulties. We must disenthrall ourselves.

That is the need today, for us in this body to disenthrall ourselves, to free ourselves from the hangups, the prejudices of yesterday.

The U.S. commitment to Israel is strong, and rightfully so. We do not have to weaken that commitment to take a new look at the Palestinians and to view these people with a measure of compassion, to talk to them about their needs and to support their rights of self-determination just as we have supported the rights of other people, including the Israelis, for self-determination.

Talking to the Palestinians will, in fact, mean talking to the PLO. We cannot continue to try to wish away the PLO's existence and still expect to move forward toward an overall peace agreement in the Middle East. We cannot pretend that things are different than they really are in the Middle East or we will build a peace on sand that will shift faster than those of any desert dunes.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent Mr. FINDLEY was allowed to proceed for 2 additional minutes.)

Mr. FINDLEY. The role of the Congress in this process is a vital one. In fact, we stand as the principal problem to the opening of discussions with the PLO.

We can help most by, as I said, disenthralling ourselves from old hangups, by encouraging our administration to talk to the PLO. Just to talk to the PLO. To invite Palestinian leaders to come into this country for discussion. In other words, to apply to the Palestinians the same standards of decency, compassion, and justice that historically we have set for ourselves and all other peoples.

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

Mr. FINDLEY. I am glad to yield to my friend from New York.

Mr. ROSENTHAL. Mr. Chairman, how does the gentleman handle the issue of self-determination on Cyprus?

Mr. FINDLEY. I favor self-determination for peoples wherever they exist.

Mr. ROSENTHAL. Is it the gentleman's position that majority self-determination should prevail on Cyprus?

Mr. FINDLEY. I think we have to recognize there are two political entities on Cyprus—I would hope we could see the day come very soon when there will be self-determination——

Mr. ROSENTHAL. Is there a different form of self-determination when you have political entities that are negotiating?

Mr. FINDLEY. I am sorry, Mr. Chairman, I did not get the gentleman's question.

Mr. ROSENTHAL. Mr. Chairman, I am not so sure I understand the difference between majority self-determination in Cyprus and the situation to which the gentleman refers.

Mr. FINDLEY. Mr. Chairman, I am not sure I understand the gentleman's parallel between Cyprus and the West Bank, if that is what he is talking about.

Mr. ROSENTHAL. Mr. Chairman, the gentleman was talking about American principles of self-determination which are hallowed and honored and to which we all adhere. My perception of the gentleman's position for the last 5 years on Cyprus would be contrary to self-determination by a majority of the people.

Mr. FINDLEY. Mr. Chairman, I am glad to have a chance to correct the situation. I stand for self-determination for peoples everywhere.

Mr. ROSENTHAL. It is not a selective self-determination?

Mr. FINDLEY. No, indeed.

Mr. Chairman, I think some Members might be guilty of selective self-determination but I hope I am not one of those.

Mr. ROSENTHAL. Mr. Chairman, I am glad the record has been corrected.

The CHAIRMAN. The time of the gentleman has expired.

Mrs. FENWICK. Mr. Chairman, I move to strike the requisite number of words.

I would like to speak to this very important question that the gentleman has raised. Let us consider the analogy between Israel and the Palestinians and the troubles on Cyprus. I think we all know what we hope for on Cyprus, that a peaceful resolution on that beautiful and troubled island will come about. We can confidentially hope for this because each side recognizes the right of the other to exist. That is the essential for peace. You cannot make peace when one group says the other group shall be wiped off the face of the Earth and swept into the sea.

□ 1550

There would be no basis for negotiation if that were the position of either the Turkish minority or the Greek majority on Cyprus. We are seeing now the beginning of negotiation, conference and talk. We hope for a peaceful resolution. When the day comes that any organization of Palestinians is prepared to say, "We accept Resolution 242 of the United Nations, we are prepared to accept the fact that these people have a right to live here, in the land voted by the United Nations as their homeland," then certainly the United States should confer with that organization, concerning the rights of all people everywhere.

That is part of our tradition but I do not think there is any suggestion that we have always been in favor of terrorism. I do not think there is any suggestion that that is part of our tradition. I think, in fact, quite the opposite.

It seems to me, unfortunately, we are always clouding the issue with these extraneous and unrelated matters.

We have here the hope of peace. Certainly when the day comes that any organization of Palestinians is prepared to say we will sit down recognizing your right to exist as you do ours, we can hope for true peace in that troubled nation.

Mr. FINDLEY. Mr. Chairman, would the gentlewoman yield to me?

Mrs. FENWICK. Yes, indeed.

Mr. FINDLEY. Mr. Chairman, I know the gentlewoman is not pleased with the behavior of the PLO and certainly I am not, either; but I think the gentlewoman would want to take note of what I believe to be the enormous progress in the Palestinian position and the Arab position in recent months.

The Bagdad conference was consistent with a two-state settlement in the Middle East; that is, the existence of Israel, the existence of a Palestine. Even the most radical elements of the Rejectionist Front accepted a two-state solution and the existence of Israel.

Now, I think this glimmer of hope, this progress toward moderation ought to be encouraged and the best way to encourage it is through talking and discussion.

Mrs. FENWICK. Mr. Chairman, it is not only what they do. It is not only that we must strenuously say that they cannot continue to throw bombs at nurseries and schools and in the marketplaces; but it is also what the say and they have said quite clearly on the radio from Beirut and from other places that the Palestine Liberation Organization will not accept proposition 242. Mr. Arafat said, "Why should we, the victims, be required to have conditions before we talk? We will not talk about 242."

Mr. FINDLEY. Mr. Chairman, would the gentlewoman yield further?

Mrs. FENWICK. Yes, I yield.

Mr. FINDLEY. Mr. Chairman, still, if there is some sign of moderation, as indeed there is, then we ought to encourage it by direct discussion. What is to be lost by talking to them directly, even though they are hostile?

Mrs. FENWICK. Because the essential of a negotiation of two parties is that each agrees to the right of the existence of the other; when one party says, "No, we will not accept the 242 resolution that says you have a right to live there; no, we will not stop sending bombs into the schools and the nurseries and the marketplaces, because that is fighting, that is not terrorism."

How do you deal with people like that? There are plenty of Palestinians, I am sure, who do not share those sentiments. I spoke to one the other day who seemed to be most reasonable. I did not inquire whether or not he is a member of the PLO, but he seemed a reasonable man. I am sure there are thousands of Palestinians who would like to end this fighting and cruelty.

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

Mrs. FENWICK. Yes, indeed.

Mr. BINGHAM. Mr. Chairman, I would like to associate myself with the remarks of the gentlewoman about the PLO and to remark that it is very significant, I think, about the character of this organization. It has been revealed that the PLO played a major role in the tortures and the hideous atrocities committed by Idi Amin in Uganda. They were training his killers. This was PLO activity.

I do not know how to deal with that. I certainly would not expect that in any near term they are going to change their attitude about the position of allowing Israel to survive.

The CHAIRMAN. If there are no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BEILENSON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4035) to authorize supplemental international security assistance for the fiscal year 1979 in support of the peace treaty between Egypt and Israel, and for other purposes, pursuant to House Resolution 287, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

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

Mr. DOWNEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 347, nays 28, answered "present" 1, not voting 58, as follows:

[Roll No. 175]

YEAS—347

Addabbo	Bailey	Bouquard
Albosta	Baldus	Brademas
Alexander	Barnard	Breaux
Ambro	Barnes	Brinkley
Anderson, Calif.	Bauman	Brodhead
	Beard, R.I.	Brooks
Anderson, Ill.	Beard, Tenn.	Broomfield
Andrews, N.C.	Bedell	Buchanan
Andrews, N. Dak.	Beilenson	Burgener
	Benjamin	Burlison
Annunzio	Bennett	Burton, John
Anthony	Bereuter	Butler
Applegate	Bethune	Byron
Archer	Bevill	Campbell
Ashley	Biaggi	Carney
Aspin	Bingham	Carr
Atkinson	Blanchard	Carter
AuCoin	Boland	Cavanaugh
Badham	Boner	Chappell
Bafalis	Bonior	Cheney

Chisholm	Hawkins	Price
Clausen	Heckler	Pursell
Clay	Hefner	Quayle
Cleveland	Heftel	Quillen
Clinger	Hightower	Rahall
Coelho	Hillis	Rangel
Coleman	Holland	Ratchford
Collins, Ill.	Hollenbeck	Regula
Conable	Holt	Reuss
Conte	Holtzman	Rhodes
Conyers	Hopkins	Richmond
Corman	Horton	Rinaldo
Coughlin	Howard	Ritter
Courter	Huckaby	Robinson
D'Amours	Hughes	Rodino
Daniel, Dan	Hutto	Roe
Daniel, R. W.	Ireland	Rose
Danielson	Jeffords	Rosenthal
Dannemeyer	Jenkins	Roth
Daschle	Jenrette	Rousselot
Davis, Mich.	Johnson, Calif.	Roybal
Davis, S.C.	Jones, N.C.	Royer
de la Garza	Jones, Okla.	Rudd
Deckard	Jones, Tenn.	Sabo
Dellums	Kelly	Santini
Derwinski	Kemp	Satterfield
Devine	Kildee	Sawyer
Dickinson	Kogovsek	Scheuer
Dicks	Kostmayer	Schroeder
Diggs	Kramer	Schulze
Dingell	LaFalce	Seiberling
Dodd	Lagomarsino	Shannon
Donnelly	Leach, Iowa	Sharp
Dornan	Leach, La.	Shelby
Dougherty	Leath, Tex.	Shuster
Downey	Lederer	Simon
Drinan	Lee	Skelton
Duncan, Oreg.	Lehman	Slack
Duncan, Tenn.	Lent	Smith, Iowa
Early	Levitas	Smith, Nebr.
Edgar	Lloyd	Snowe
Edwards, Ala.	Loeffler	Snyder
Edwards, Calif.	Long, La.	Solarz
Edwards, Okla.	Long, Md.	Spellman
Emery	Lowry	Spence
English	Lujan	St Germain
Erlenborn	Luken	Stack
Ertel	Lundine	Stanton
Evans, Del.	Lungren	Steed
Evans, Ga.	McClory	Stenholm
Evans, Ind.	McCloskey	Stewart
Fary	McDade	Stockman
Fascell	McHugh	Stokes
Fazio	McKay	Stratton
Fenwick	McKinney	Studds
Ferraro	Madigan	Swift
Findley	Maguire	Synar
Fish	Markey	Tauke
Fisher	Marks	Taylor
Fithian	Marriott	Thomas
Flippo	Martin	Thompson
Foley	Mathis	Traxler
Ford, Mich.	Matsui	Trible
Ford, Tenn.	Mattox	Udall
Fountain	Mavroules	Ullman
Fowler	Mazzoli	Van Deerlin
Frenzel	Mica	Vander Jagt
Frost	Mikulski	Vanik
Fuqua	Miller, Calif.	Vento
Gaydos	Mineta	Volkmer
Gephardt	Minish	Walgren
Gibbons	Moakley	Walker
Gilman	Moffett	Wampler
Gingrich	Moorhead, Calif.	Watkins
Ginn		Waxman
Glickman	Moorhead, Pa.	Weiss
Goldwater	Murphy, N.Y.	White
Gonzalez	Murphy, Pa.	Whitehurst
Goodling	Murtha	Whitley
Gore	Myers, Pa.	Whittaker
Gradison	Natcher	Whitten
Gramm	Neal	Williams, Mont.
Grassley	Nedzi	Williams, Ohio
Gray	Nelson	Winn
Green	Nichols	Wirth
Grisham	Nowak	Wolff
Guarini	Oberstar	Wolpe
Gudger	Obey	Wright
Guyer	Ottinger	Wyatt
Hagedorn	Panetta	Wydler
Hall, Ohio	Patten	Yates
Hall, Tex.	Pease	Yatron
Hamilton	Pepper	Young, Fla.
Hance	Perkins	Young, Mo.
Hanley	Peyser	Zablocki
Harkin	Pickle	Zeferetti
Harris	Preyer	

NAYS—28

Abdnor	Erdahl	Jacobs
Ashbrook	Hammer-schmidt	Jeffries
Collins, Tex.		Johnson, Colo.
Corcoran	Hansen	Kastenmeier
Crane, Daniel	Ichord	Kindness
Latta	Oakar	Sensenbrenner
McDonald	Pashayan	Shumway
Miller, Ohio	Paul	Stangeland
Mottl	Petri	Symms
Myers, Ind.	Runnels	

ANSWERED "PRESENT"—1

Mitchell, Md.

NOT VOTING—58

Akaka	Hinson	Patterson
Boggs	Hubbard	Pritchard
Bolling	Hyde	Railsback
Bonker	Kazen	Roberts
Bowen	Leland	Rostenkowski
Brown, Calif.	Lewis	Russo
Brown, Ohio	Livingston	Sebelius
Broyhill	Lott	Solomon
Burton, Phillip	McCormack	Staggers
Cotter	McEwen	Stark
Crane, Philip	Marlenee	Stump
Derrick	Michel	Treen
Dixon	Mikva	Weaver
Eckhardt	Mitchell, N.Y.	Wilson, Bob
Flood	Mollohan	Wilson, C. H.
Florio	Montgomery	Wilson, Tex.
Forsythe	Moore	Wylie
Garcia	Murphy, Ill.	Young, Alaska
Giaimo	Nolan	
Harsha	O'Brien	

□ 1610

The Clerk announced the following pairs:

Mr. Akaka with Mr. Stump.
Mr. Giaimo with Mr. Brown of Ohio.
Mr. McCormack with Mr. O'Brien.
Mr. Eckhardt with Mr. Young of Alaska.
Mrs. Boggs with Mr. Hyde.
Mr. Phillip Burton with Mr. Harsha.
Mr. Dixon with Mr. Railsback.
Mr. Garcia with Mr. Wylie.
Mr. Murphy of Illinois with Mr. Bob Wilson.
Mr. Staggers with Mr. McEwen.
Mr. Florio with Mr. Marlenee.
Mr. Montgomery with Mr. Lott.
Mr. Leland with Mr. Mitchell of New York.
Mr. Rostenkowski with Mr. Sebelius.
Mr. Russo with Mr. Pritchard.
Mr. Kazen with Mr. Forsythe.
Mr. Brown of California with Mr. Hinson.
Mr. Cotter with Mr. Broyhill.
Mr. Flood with Mr. Treen.
Mr. Stark with Mr. Solomon.
Mr. Charles H. Wilson of California with Mr. Patterson.
Mr. Bowen with Mr. Philip M. Crane.
Mr. Derrick with Mr. Livingston.
Mr. Mikva with Mr. Michel.
Mr. Mollohan with Mr. Moore.
Mr. Roberts with Mr. Bonker.
Mr. Nolan with Mr. Charles Wilson of Texas.
Mr. Weaver with Mr. Hubbard.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. HAMILTON. Mr. Speaker, pursuant to House Resolution 287, I call up from the Speaker's table the Senate bill (S. 1007) to authorize supplemental international security assistance for the fiscal year 1979 in support of the peace treaty between Egypt and Israel and related agreements, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. HAMILTON

Mr. HAMILTON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. HAMILTON moves to strike out all after the enacting clause of the Senate bill, S. 1007, and to insert in lieu thereof the provisions of the bill, H.R. 4035, as passed, as follows:

SHORT TITLE

SECTION 1. This Act may be cited as the "Special International Security Assistance Act of 1979".

STATEMENT OF POLICY AND FINDINGS

SEC. 2. (a) It is the policy of the United States to support the peace treaty concluded between the Government of Egypt and the Government of Israel on March 26, 1979. It is a significant step toward a full and comprehensive peace in the Middle East. The Congress urges the President to continue to exert every effort to bring about a comprehensive peace and to seek an end by all parties to the violence which could jeopardize this peace. The peace treaty between Egypt and Israel having been ratified, the Congress finds that the national interests of the United States are served—

(1) by authorizing the President to construct air bases in Israel to replace the Israeli air bases on the Sinai peninsula that are to be evacuated;

(2) by authorizing additional funds to finance procurements by Egypt and Israel through the fiscal year 1982 of defense articles and defense services for their respective security requirements; and

(3) by authorizing additional funds for economic assistance for Egypt in order to promote the economic stability and development of that country and to support the peace process in the Middle East.

(b) The authorizations contained in section 4 do not constitute congressional approval of the sale of any particular weapons system to either Israel or Egypt. These sales will be reviewed under the normal procedures set forth under section 36(b) of the Arms Export Control Act.

(c) The authorities contained in this Act to implement certain arrangements in support of the peace treaty between Egypt and Israel do not signify approval by the Congress of any other agreement, understanding, or commitment made by the executive branch.

CONSTRUCTION OF AIR BASES IN ISRAEL

SEC. 3. Part II of the Foreign Assistance of 1961 is amended by adding at the end thereof the following new chapter:

"CHAPTER 7—AIR BASE CONSTRUCTION IN ISRAEL

"SEC. 561. GENERAL AUTHORITY.—The President is authorized—

"(1) to construct such air bases in Israel for the Government of Israel as may be agreed upon between the Government of Israel and the Government of the United States to replace the Israeli air bases located at Etzion and Etam on the Sinai peninsula that are to be evacuated by the Government of Israel; and

"(2) for purposes of such construction, to furnish as a grant to the Government of Israel, on such terms and conditions as the President may determine, defense articles and defense services, which he may acquire from any source, of a value not to exceed the amount appropriated pursuant to section 562(a).

"SEC. 562. AUTHORIZATION AND UTILIZATION OF FUNDS.—(a) There is authorized to be appropriated to the President to carry out this chapter not to exceed $800,000,000, which may be made available until expended.

"(b) Upon agreement by the Government of Israel to provide to the Government of the United States funds equal to the difference between the amount required to complete the agreed construction work and the amount appropriated pursuant ot subsection (a) of this section, and to make those funds available, in advance of the time when payments are due, in such amounts and at such times as may be required by the Government of the United States to meet these additional costs of construction, the President may in-

cur obligations and enter into contracts to the extent necessary to complete the agreed construction work, except that this authority shall be effective only to such extent or in such amounts as are provided in advance in appropriation Acts.

"(c) Funds made available by the Government of Israel pursuant to subsection (b) of this section may be credited to the appropriation account established to carry out the purposes of this section for the payment of obligations incurred and for refund to the Government of Israel if they are unnecessary for this purpose, as determined by the President. Credits and the proceeds of guaranteed loans made available to the Government of Israel pursuant to the Arms Export Control Act, as well as any other source of financing available to it, may be used by Israel to carry out its undertaking to provide such additional funds.

"SEC. 563. WAIVER AUTHORITIES.—(a) It is the sense of the Congress that the President should take all necessary measures consistent with law to insure the efficiency and timely completition of the construction authorized by this chapter, including the exercise of authority vested in him by section 633(a) of this Act.

"(b) The provisions of paragraph (3) of section 636(a) of this Act shall be applicable to the use of funds available to carry out this chapter, except that no more than sixty persons may be engaged at any one time under that paragraph for purposes of this chapter.".

SUPPLEMENTAL AUTHORIZATION OF FOREIGN MILITARY SALES LOAN GUARTEES FOR EGYPT AND ISRAEL

SEC. 4. (a) In addition to amounts authorized to be appropriated for the fiscal year 1979 by section 31(a) of the Arms Export Control Act, there is authorized to be appropriated to the President to carry out that Act $370,000,000 for the fiscal year 1979.

(b) Funds made available pursuant to subsection (a) of this section may be used only for guaranties for Egypt and Israel pursuant to section 24(a) of the Arms Export Control Act. The principal amount of loans guaranteed with such funds shall not exceed $3,700,000,000 of which amount $2,200,000,000 shall be available only for Israel and $1,500,000,000 shall be available only for Egypt. The principal amount of such guaranteed loans shall be in addition to the aggregate ceiling authorized for the fiscal year 1979 by section 31(b) of the Arms Export Control Act.

(c) Loans guaranteed with funds made available pursuant to subsection (a) of this section shall be on terms calling for repayment within a period of not less than thirty years, including an initial grace period of ten years on repayment of principal.

(d)(1) The Congress finds that the Governments of Israel and Egypt each have an enormous external debt burden which may be made more difficult by virtue of the financing authorized by this section. The Congress further finds that, as a consequence of the impact of the debt burdens incurred by Israel and Egypt under such financing, it may become necessary in future years to modify the terms of the loans guaranteed with funds made available pursuant to this section.

(2) In order to assist the Congress in determining whether any such modification is warranted, the President shall transmit to the Speaker of the House of Representatives and to the chairman of the Committee on Foreign Relations of the Senate, by January 15 of each year, an annual report regarding economic conditions prevailing in Israel and Egypt which may affect their respective ability to meet their obligations to make payments under the financing authorized by this section. In addition to such annual report, the President shall transmit a report containing such information within thirty days after receiving a request therefor from the chairman of the Committee on Foreign Relations of the Senate or from the chairman of the Committee on Foreign Affairs of the House of Representatives.

SUPPLEMENTAL AUTHORIZATION OF ECONOMIC SUPPORT FOR EGYPT

SEC. 5. There is authorized to be appropriated to the President to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, $300,000,000 for the fiscal year 1979 for Egypt, in addition to amounts otherwise authorized to be appropriated for such chapter for the fiscal year 1979. The amounts appropriated pursuant to this section may be made available until expended.

TRANSFER OF FACILITIES OF THE SINAI FIELD MISSION TO EGYPT

SEC. 6. The President is authorized to transfer to Egypt, under such terms and conditions as he may determine, such of the facilities and related property of the United States Sinai Field Mission as he may determine, upon the termination of the activities of the Sinai Field Mission in accordance with the terms of the peace treaty between Egypt and Israel.

CONTRIBUTIONS BY OTHER COUNTRIES TO SUPPORT PEACE IN THE MIDDLE EAST

SEC. 7. (a) It is the sense of the Congress that other countries should give favorable consideration to providing financial assistance to support peace in the Middle East. Therefore, it is the sense of the Congress that the President should consult with other countries to develop a common program of assistance to, and investments in, Israel and Egypt and other countries in the region should they join Middle East peace agreements.

(b) It is the sense of the Congress that other countries should give favorable consideration to providing for support for the implementation of the peace treaty between Egypt and Israel. Therefore, the Congress requests that the President take all appropriate steps to consult with other countries and to promote an agreement for the establishment of a peace development fund whose purpose would be to underwrite the costs of implementing a Middle East peace.

(c) The President shall report to the Congress within one year after the enactment of this Act with regard to (1) the efforts made by the United States to consult with other countries in order to increase the economic assistance provided to Egypt and Israel and others in the region participating in the peace process by other donors, and (2) the impact on Egypt's economy of Arab sanctions against Egypt.

PLANNING FOR TRILATERAL SCIENTIFIC AND TECHNOLOGICAL COOPERATION BY EGYPT, ISRAEL, AND THE UNITED STATES

SEC. 8. (a) It is the sense of the Congress that, in order to continue to build the structure of peace in the Middle East, the United States should be prepared to participate, at an appropriate time, in trilateral cooperative projects of a scientific and technological nature involving Egypt, Israel, and the United States.

(b) Therefore, the President shall develop a plan to guide the participation of both United States Government agencies and private institutions in such projects. This plan shall identify—

(1) potential projects in a variety of areas appropriate for scientific and technological cooperation by the three countries, including agriculture, health, energy, the environment, education, and water resources;

(2) the resources which are available or which would be needed to implement such projects; and

(3) the means by which such projects would be implemented.

(c) The President shall transmit the plan developed pursuant to subsection (b) to the Congress within 12 months after the date of enactment of this Act.

REPORT ON COSTS TO THE UNITED STATES OF IMPLEMENTING THE PEACE TREATY BETWEEN EGYPT AND ISRAEL

SEC. 9. Not later than 90 days after the date of enactment of this Act, the President shall submit to the Congress a detailed and comprehensive report on the costs to the United States Government associated with implementation of the peace treaty between Egypt and Israel. The report shall include estimates of all costs of any kind to any department or agency of the United States Government which may result from United States activities in support of the peace treaty.

Amend the title so as to read: "An Act to authorize supplemental international security assistance for the fiscal year 1979 in support of the peace treaty between Egypt and Israel, and for other purposes.".

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "To authorize supplemental international security assistance for the fiscal year 1979 in support of the peace treaty between Egypt and Israel, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 4035) was laid on the table.

AUTHORIZING CLERK TO CORRECT SECTION NUMBERS, PUNCTUATION, AND CROSS REFERENCES IN ENGROSSMENT OF HOUSE AMENDMENTS TO S. 1007

Mr. HAMILTON. Mr. Speaker, I ask unanimous consent that, in the engrossment of the House amendments to the Senate bill, S. 1007, the Clerk be authorized to correct section numbers, punctuation, and cross references and to make such other technical and conforming changes as may be necessary to reflect the actions of the House in amending the bill, H.R. 4035.

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

There was no objection.

APPOINTMENT OF CONFEREES ON S. 1007

Mr. HAMILTON. Mr. Speaker, I ask unanimous consent that the House insist on its amendments to the Senate bill, S. 1007, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Indiana? The Chair hears none, and appoints the following conferees: Mr. ZABLOCKI and Mr. HAMILTON, Mrs. COLLINS of Illinois, Messrs. STUDDS, BARNES, GRAY, BROOMFIELD, FINDLEY, and Mrs. FENWICK.

GENERAL LEAVE

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

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

There was no objection.

PERMISSION FOR SUBCOMMITTEE ON PUBLIC BUILDINGS AND GROUNDS OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT TOMORROW DURING 5-MINUTE RULE

Mr. LEVITAS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Public Buildings and Grounds of the Committee on Public Works and Transportation may be permitted to sit tomorrow during the 5-minute rule.

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

Mr. CLAUSEN. Mr. Speaker, reserving the right to object, has the request been cleared with the minority?

Mr. LEVITAS. If the gentleman will yield, I have discussed the matter with the ranking minority member on the subcommittee, and he agrees for this meeting to go forward.

Mr. CLAUSEN. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

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

There was no objection.

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MAYNARD JACKSON, JOSHUA NKOMO AND THE DISGRACE IN ATLANTA

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

Mr. ASHBROOK. Mr. Speaker, since Jimmy Carter came to Washington a little over 2 years ago, the city of Atlanta has become the forum for the formulation of much policy. It is, after all, the capital of the State of Georgia and the site of the Governor's mansion, once occupied by the President of the United States. It is also the home of Mr. Carter's handpicked spokesman for righteousness, Andrew Young.

One would think that the antics of these two men would be quite enough for one fair city to stomach. Not so. The people of Atlanta have been embarrassed once again. Last week, that beleaguered city was the scene of a moral outrage which undoubtedly left Mr. Carter and Mr. Young stirring with glee. I am speaking of the hero's welcome given to visiting Marxist terrorist Joshua Nkomo.

It seems that the mayor of Atlanta, Maynard Jackson thought it time to jump on the bandwagon or maybe even ahead of the bandwagon. The follies of Mr. Young and Mr. Carter in the field of international diplomacy were an incentive to the mayor to reward the terrorists. What transpired was a grand tribute to a man who by his own admission has ordered the cold-blooded murder of innocent civilians in order to promote his own cause.

Mr. Jackson and Mr. Nkomo were indeed a sight to behold. After declaring May 20, Zimbabwe Day in Atlanta, the mayor proudly presented Nkomo with the tidy sum of $4,000, presumably to help finance more of the senseless terrorism that has become synonomous with the Nkomo name.

It is ironic that the money came in part from the proceeds of a raffle, with the lucky winner being sent on an expense-paid trip to Africa. Ironic, because Nkomo has a habit of blasting civilian airplanes out of the sky. I hope that the good mayor had the foresight to obtain a commitment from his friend Mr. Nkomo—a commitment so that the individual could fly safely, free of the terrorism that Nkomo has brought to that continent, because in his own words, he has stated that his band of Marxist guerrilas will shoot down all civilian aircraft in Zimbabwe.

The purpose of my remarks today is not to criticize Mayor Jackson's political views. Our Constitution guarantees the right of free speech and free association to all Americans, regardless of their political sentiments. I do not rise to call attention to the internal policies of Atlanta's Morehouse College, whose officials allowed the forum of their commencement exercises to be used for the promotion of terrorism in Africa, or as the Atlanta Journal has called it, the "endorsement of a bloodbath." That is certainly their right.

I do rise today to call to the attention of my colleagues what appears to be a direct violation of Federal law. I say it appears to be because I do not know how the Carter-Young double standard will be applied in this instance. If I may, I will cite the Code of Federal Register, 530.201, subsection 4, which prohibits "other transfers of property to or on behalf of or for the benefit of any person in Southern Rhodesia." Under the law such a transaction would be prohibited, except as authorized by the Secretary of the Treasury. I understand that no such authorization was asked for and no such authorization was given.

I have today called upon Secretary Blumenthal for a clarification on the Treasury Department's position on this matter and have asked Attorney General Bell to investigate the incident and to report to me his findings. I have always opposed economic sanctions on Rhodesia but like it or not, the laws are on the books. The double standard cannot go on. It is again ironic that those who steadfastly oppose the lifting of the sanctions are the ones who ignore it when it applies to them.

Mr. Speaker, I include in the RECORD, the Atlanta Journal editorial, "Endorsing a Bloodbath" and an article written by Bill Shipp which appeared in the Atlanta Constitution on May 22. I urge my colleagues to read the articles. If we, in the Congress, are to help in the elimination of international terrorism, we must be made aware of the facts.

The articles follow:

[From the Atlanta Journal, May 22, 1979]

ENDORSING A BLOODBATH

Rhodesian rebel leader Joshua Nkomo declared at Morehouse College that violence is the only answer to that nation's racial problems. When he finished, the crowd gave him a standing ovation.

We are quite taken aback to see educated American blacks gathered in the Martin Luther King Jr. Memorial Chapel endorsing a bloodbath in Southern Africa. And that is, inexorably, where the current conflict is leading.

What has in the past been a clear black vs. white issue in Rhodesia is changing. Nobody outside that country defends a government where 230,000 whites effectively dominate 6.7 million blacks, controlling the police, civil service, armed forces and judiciary.

Such arrangement is indefensible. Rhodesia has to be—and clearly is being—returned to its black majority. The question now is how? And how soon?

Under Ian Smith, prime minister since 1965, numerous opportunities for peaceful transition have been missed. And there is no guarantee that the latest plan, which included the election of Bishop Abel Muzorewa, a one-time associate of Nkomo, is not yet another effort by Smith to preserve white superiority. But despite Nkomo's pronouncements at Morehouse, Bishop Muzorewa was not regarded as an "Uncle Tom" and a Smith tool until he opted for a non-violent solution to Rhodesia's problems.

Those who summarily reject the negotiated transition in favor of a violent overthrow of the Smith regime fail to consider the tribal politics of Rhodesia.

Nkomo, leader of the Zimbabwe African People's Union (ZAPU), is a member of the minority Ndebele tribe, while his revolutionary counterpart, Robert Mugabe, is of the Shona tribe. While they are allied in the effort to oust Smith, they are traditional rivals. Both armies are trained by Cubans and armed by the Russians.

If they succeed in a violent overthrow of Smith, the next step is certain to be tribal warfare to determine which army is to rule Rhodesia. That will be a bloodbath for whites and blacks.

The negotiated settlement is the only hope to avoid wholesale slaughter in Rhodesia. Violence and guerrilla warfare should not be embraced as a solution by the United States or by those who gather at Morehouse College. Neither they, nor Atlanta Mayor Maynard Jackson, ought to be establishing a foreign policy for Atlanta blacks.

This nation should do all it can to promote the success of the compromise settlement now being tried in Rhodesia. And that includes an immediate lifting of economic sanctions imposed on that country.

[From the Atlanta Constitution, May 22, 1979]

MAYNARD JACKSON AND JOSHUA NKOMO

(By Bill Shipp)

Presumably, Mayor Maynard Jackson has made a conscious decision that he is not interested in furthering his own elective political career beyond the Atlanta city limits.

If hizzoner really had ambitions to go upward and onward at the ballot box, he might have avoided embracing and endorsing a blood soaked terrorist who came to town over the weekend.

Joshua Nkomo, president of the Zimbabwe African Peoples Union, was invited to address the commencement exercises at Morehouse College.

Nkomo is leader of a band of guerrillas that is trying to take over Rhodesia by force. He, along with Robert Mugabe's Zimbabwe African National Union, have the tacit support of the Carter administration. Both leaders have refused to participate in elections in Rhodesia. But we will not presume to settle the Rhodesia question here.

We wonder, however, just what Maynard Jackson had in mind when he supported Nkomo with a reception in a nightclub here in which Jackson, ironically, auctioned off a plane ticket to Africa to help raise several thousand dollars for Nkomo.

Ironic because Nkomo is a self-proclaimed killer of civilian air passengers in Africa.

In September 1978 a Soviet-made ground-to-air missile brought down an unarmed Air Rhodesia airliner. Thirty-eight persons were killed in the crash. Ten survivors of the crash were slaughtered by terrorist guerrillas on the ground. Joshua Nkomo proudly took credit for having the plane shot down.

A few months later another Air Rhodesia civilian airliner was shot down, killing 50 persons. Joshua Nkomo proudly took credit for having the plane shot down.

Maynard's decision to make a hero of and raise money for a boasting killer of unarmed civilians doesn't exactly make one feel comfortable about the judgment of a would-be candidate for the United States Senate.

No matter that Jackson counters that Rhodesia's former white prime minister Ian Smith, is a brutal killer of blacks.

That still does not justify his celebration of a terrorist who preys on civilian airliners. In the past two decades, terrorists who attack civilian airliners have become major problems. They have been branded international outlaws by governments of all ideologies and ethnic groups.

Even the Soviet Union's commercial pilots have joined with the other civilian pilots of the world in condemning Nkomo's murdering of civilian airline passengers and crew.

Some Atlanta-based commercial pilots protested Nkomo's presence here over the weekend. But there wasn't much else said about it.

You can bet hell would have been raised had, say, Emory sought to have Ian Smith address its student body.

We're a little sorry Maynard has decided to drop out of any statewide or regional elective race. He must realize that the majority of voters, even in this laid-back who-cares age, is a bit skeptical of representatives of a lawful government who raise money to aid a man who has promised to destroy more civilian airliners, murder more innocent civilians and spread sorrow and tragedy.

Mayor Jackson also must be aware that Joshua Nkomo's body count shows he does not discriminate, he kills whites and blacks with equal aplomb.

DEREGULATION—OIL

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

Mr. COLLINS of Texas. Mr. Speaker, throughout America today a primary concern is energy. And as the country's shortage grows worse, Congress must face the fact that oil and gas deregulation is essential. Regulations caused the shortage—deregulation is the only solution. The oil and gas industry is the only commodity in the United States that is under price control which creates oil/gas as the only commodity in the United States with a shortage.

President Carter's plan for oil deregulation could see the United States moving toward full energy supply.

When Congress passed the oil price control bill 5 years ago, the United States was importing $3 billion in foreign oil. Last year the United States imported $42 billion in foreign oil.

It is essential that America reduce its foreign dependency. The American oil industry needs more capital to develop its tertiary reserves. Tertiary oil is the third time around after primary and secondary recovery of oil. Let me give you an idea of the tertiary potential. We had Hugh Liedtke who is the chief executive officer of Pennzoil come before our congressional hearings. Let us take Pennzoil's own oil production history. They have produced to date 0.6 billion barrels of oil. Pennzoil still has 0.1 billion barrels of proved reserves. Of the oil that they have discovered, they estimate a complete total of 2.3 billion barrels of oil. Of this they have produced 0.7 out of 2.3. This indicates that 70 percent of the original oil in place is not considered recoverable today. With the increase in world prices by Arab OPEC oil, Pennzoil, over the past 10 years, has made more and more extensive studies. Up in the Bradford Field in Pennsylvania they were able to recover 70 percent of the original oil in place. Hugh Liedtke, who is one of the world's greatest oil producers, tells me that this situation is very much at the upper end of the scale. But he believes it is entirely realistic that in addition to the 30 percent of oil originally recovered that they will be able to recover more than 30 percent in addition, which would give them a total of 60 percent recovered out of the field. Tertiary can yield as much oil as total American oil fields have produced to date.

Under price control American oil companies were limited to $5.50 a barrel. The OPEC price of oil today that we are importing is now $16 a barrel and rising fast.

Pennzoil's experience was $18 a barrel up in Pennsylvania. Most good Americans would agree that it is better to pay $18 a barrel for American oil than it is to pay $42 billion in exports for Arab OPEC oil. American oil means American jobs, American labor, American pipe, American transportation, and American machinery. By letting American oilmen have open production at current market prices, we can double American oil through tertiary.

REPEAL OF THE DAVIS-BACON ACT

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

Mr. HAGEDORN. Mr. Speaker, the first major piece of legislation before the 96th Congress which requires that a prevailing wage be paid on federally financed construction projects will be coming before the House for consideration next Monday and Tuesday. At that time, I will offer an amendment designed to strike this requirement from the various programs authorized under H.R. 3875, the Housing and Community Development Amendments of 1979.

The prevailing wage requirement comes from the Davis-Bacon Act and has caused the construction cost of Federal housing projects to be much higher than if they had been built by the free enterprise concept of lowest bid competion. Since the General Accounting Office came out with a report last December, scores of newspapers throughout the Nation have editorialized on the negative aspects of Davis-Bacon and the need to followthrough on the GAO recommendation for repeal of the act.

Because my colleagues in the House will be hearing more and more about this inflationary act in the 96th Congress, I would like to submit several editorials by major newspapers to be printed in the RECORD.

[From the Chicago Tribune, Dec. 23, 1978]

DAVIS-BACON'S TIME HAS COME

'Tis the season to be jolly, especially toward the General Accounting Office, which is Congress' fiscal watchdog and has just issued a report denouncing organized labor's cherished Davis-Bacon Act. This act is a legislative relic from the early depression days of 1931 and provides that workers on federal contracts must be paid at the same rate as private sector workers in the same locality.

We never did like Davis-Bacon because, like umpteen other federal regulatory laws, it hasn't done what it was supposed to do and has forced Uncle Sam to pay through the nose in the process. Well, the GAO has at last discovered this for itself. The report says that Davis-Bacon has cost the government about $715 million a year in unnecessary construction and administrative costs, and recommends that the act be discarded.

The purpose of Davis-Bacon was to prevent itinerant contractors from getting government contracts by importing cheap labor from other parts of the country and thus forcing down local wages. Instead, it has proved to be the greatest boon for construction unions since Santa Claus. The reason, as the GAO found, is that the Labor Department has tended to set the wage rate at union scale rather than at the typical or prevailing scale in the locality.

Wherever that happens, a contractor has little incentive to hire nonunion workers. Instead of preventing local wages from being dragged down, the law has in fact dragged them up. Local contractors often can't afford to pay the specified wages without pushing up wages on other local projects. And when that happens, outside contractors get work that would otherwise have gone to local contractors and local workers.

The net result is that local contractors often lose jobs and the government ends up spending more than it would have spent if local contractors and workers had been permitted to do the work. Because the government dishes out federal construction contracts to the tune of about $40 billion a year, the inflationary impact is hardly—if Mr. Carter will excuse the expression—peanuts.

The intriguing perversity of Davis-Bacon doesn't end there. The GAO also found that where the Labor Department's wage determinations actually dropped below the prevailing local wage levels, the work usually went to local contractors who paid their workers the prevailing rates anyhow. Thus, in the GAO's own words, "the act's intent—to maintain the local prevailing wage structure—is carried out only when the administration of the act has no effect."

And it's costing us $715 million a year to demonstrate this. Need more be said?

[From the New York Times, Dec. 27, 1978]

MAKING FEDERAL CONSTRUCTION EXPENSIVE

Even as Alfred Kahn, the White House inflation fighter, pleads for wage moderation from unions, Labor Department officials are policing the earnings of workers on Federal construction projects, lest unskilled laborers willing to accept $4.50 an hour get less than $9.50, or pipelayers happy to take home $8 are paid less than $10.

The source of this bizarre contradition is the Davis-Bacon Act, which requires Federal construction wages to match local "prevailing" rates. According to a new report by the General Accounting Office, the law costs the taxpayers about $715 million annually and serves no useful purpose.

The Davis-Bacon Act was passed at the nadir of the Depression to protect local construction workers from outside competitors willing to slave for peanuts. Whatever the merits of the act at the time, there is no justification for such interference with private markets today. In 1977, the Labor Department made "prevailing wage" determinations for more than 15,000 federally funded projects. According to the G.A.O.'s reckoning, the department guessed high on about 40 percent of the projects, increasing wages by $500 million and adding another $215 million in administration costs to the Federal Government's expenditures for construction.

The inflationary impact of the regulations may in fact have been much greater. By forcing contractors to pay premium wages on Federal jobs, the Government made it difficult for those same contractors to pay their crews less on private construction. Industry leaders guess that the law may raise costs in the $170-billion construction industry by more than 10 percent.

Since the only effect of the Davis-Bacon Act is to provide a bonus for some construction workers at the public's expense, the best possible reform would be to erase it from the books. That, unfortunately, would be extraordinarily difficult; not surprisingly, organized labor bitterly opposes repeal since the law reduces the incentive of contractors to hire nonunion workers.

An alternative is to amend the act and require the Labor Department to justify its estimates and provide a speedy appeals process. As the courts now interpret the statute, department decisions, however arbitrary, cannot be challenged. If all legislative initiatives fail, one remedy remains: the President can demand that Federal administrators bend over backward to reduce the inflationary impact of this harmful measure.

[From the Washington Star, Mar. 17, 1979]

AN OUTMODED WAGE LAW

If the Davis-Bacon Act ever served a useful purpose, the time has long since passed.

The 48-year-old law was enacted during the Great Depression when the government was trying to spur the economy with federal construction contracts. It requires the payment of "prevailing wages" on projects financed wholly or in part from federal funds and was aimed at preventing gypsy contractors from coming into an area with cheap labor and grossly underbidding local builders.

As administered by the Department of Labor, the "prevailing wage" has tended to coincide with the "union" wage. The result is that costs on projects covered by the act are frequently inflated because the wages required to be paid are above true prevailing wages.

The General Accounting Office said in a preliminary report distributed to administration officials last December that repeal of the act could save the government a half-billion dollars a year on construction costs, could save private contractors the estimated $200 million cost of complying with the act's red tape, and could save the federal government another $15 million in administrative costs.

Not only are taxpayers being gouged by excessive construction costs; the main purpose of the act—to protect local building industries—is being subverted. Said the GAO report: "The inflated wage costs may have had the most adverse impact on the local contractors and their workers—those the act intended to protect—by promoting the use of non-local contracts on federal projects. Local contractors frequently could not pay the determined wages without disrupting their normal and prevailing wage structure."

One of the Labor Department's more absurd rulings involves the construction of a nearby highway project—I–66 through Arlington. While the state of Virginia is the contracting agent, the project is largely federally funded and therefore Labor Department wage regulations apply to it. The department ruled that since the median strip of the highway will carry a Metrorail line, workers on that portion must be paid the same "prevailing wages" as for other subway projects, while workers on the highway portion could be paid lower prevailing rates.

The rates required by the Labor Department for laborers, heavy equipment operators and other technicians on the Metrorail section are nearly double the wages ordinarily paid by Virginia for similar work on highways in the state. Not only has the ruling inflated the cost of the project, Virginia officials claim it has caused an administrative nightmare and they have taken the matter to court.

There appears to be some sentiment among administration inflation fighters to offset the inflationary effects of the Davis-Bacon Act by "fine tuning" it through administrative action. Efforts also are being made in the Congress to repeal the law. Organized labor is, of course, strongly opposed to tampering with the law either administratively or legislatively.

The GAO report said the act "is no longer needed and should be repealed." That seems to us good advice. At a time when inflation is out of hand, a saving of nearly $1 billion a year is no small thing.

[From the New York Times, May 2, 1979]

MR. CARTER IN CONCRETE

The current inflation rate of one percent a month can hardly be blamed on the President, for it was caused by uncontrollable explosions of oil and food prices and an unexpected orgy of consumer buying. But some of Mr. Carter's policies do make us gloomy about prices over the long run, and one symbolic spot of gloom is the Administration's refusal to help Congress reduce Federal construction costs.

Speaking recently at a convention of construction union officials, Secretary of Labor Ray Marshall denounced efforts to repeal or ease the inflationary burden of the Davis-Bacon Act. This law, a relic of the Depression, requires private contractors to pay the regional "prevailing wage" to workers on any Federally funded construction project. Enforcement is left to the Labor Department, which often interprets the "prevailing wage" to be the union wage paid in large cities—even if local workers would settle for less.

The General Accounting Office estimates that such regulatory largesse costs the Government more than $700 million a year. Worse, Davis-Bacon forces private builders to raise pay faster to meet the Federal competition. One opponent of the law, Representative Thomas Hagedorn of Minnesota, figures these indirect costs add up to about 3 percent of the nation's $200-billion annual construction bill. He may be exaggerating, but there is no doubt that Davis-Bacon costs us dearly. Most of the 40 states that wrote "little Davis-Bacon acts" are having second thoughts; Florida has repealed its version and repeal is pending in 31 others.

Why, then, does the Secretary of Labor defend the Federal act and allow it to be interpreted so damagingly? Presumably because representing the interests of organized labor is part of his traditional role. But there is no good reason for the White House to do the same. Eliminating Davis-Bacon would not work miracles. But in opposing the repeal of such inflationary legislation, and refusing to alter its interpretation merely to appease the construction unions, the President is working against his own urgent appeals to fight inflation.

VEHICLE THEFT PROBLEM

The SPEAKER. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

● Mr. GONZALEZ. Mr. Speaker, I am very concerned about the problem of auto theft in our country. In the last few months I have heard from a number of law enforcement officials in my district who have become alarmed at the increase in this crime and have urged that Congress take some action to try and help stem this growth and turn this trend around.

Today I am proposing a bill that hopefully will be a step in the right direction. It is called the Motor Vehicle Theft Prevention Act of 1979. It basically calls for three things, to improve the physical security features of the motor vehicle and its parts, to increase the criminal penalties of persons dealing in stolen motor vehicles and parts and to curtail exportation of these stolen parts.

An untold number of our citizens have had the unfortunate and frustrating experience of going to the spot where they parked their car last, only to find that it is not there. In fact, the shocking statistics are that a theft of a motor vehicle takes place once every 33 seconds. The even sadder fact is that most of these vehicles are never recovered.

The State of California leads the country in States with 25,000 or more cars stolen a year and Texas is not far behind in fifth place. The statistics show that in 1977, 51,018 motor vehicles were stolen in Texas which is an increase of over 16 percent from the previous year.

Law enforcement officials in my area have indicated that the increase is due to two new avenues of disposal, the illegal parts racket and the easy access to Mexico.

With regard to the parts disposal problem, my bill calls for an identification numbering systems for certain key components of the motor vehicle. This type of identification system would, I believe, deal a real blow to what are known as "chop shops." This is a shop where experts bring stolen vehicles and then cut them up for certain parts. These parts are then sold, many back to the auto repair business. If a number was stamped on various parts of the car such as the frame, doors, trunk lid, hood, quarter panels or fenders, this would increase the difficulty of successfully retitling a stolen vehicle, as well as aid law enforcement officials in their attempts to locate stolen vehicles.

The standards for this identification system would be issued by the Secretary of Transportation who would be required to take into consideration the cost of implementing such a program as well as the effect.

With regard to criminal penalties, the bill strengthens the Federal criminal laws where they pertain to professional motor vehicle theft. There are several amendments to title 18, one of which would make it a Federal crime to alter or remove any motor vehicle part identification number required by the Secretary of Transportation. Another provi-

sion would make it a crime to buy or sell parts with the number removed, and a third amends the Racketeer Influenced and Corrupt Organizations Act to include as a racketeering activity trafficking in stolen motor vehicles and their parts. Hopefully this provision would act as a deterrent to businesses that engage in receiving and disposing stolen vehicles and their parts.

In order to attempt to control exportation of stolen vehicles, section 401 of my bill makes it a Federal crime for anyone to import, export or attempt to import any motor vehicle known to be stolen or any parts that have had their identification number removed or altered in any way. These provisions would be enforced by the U.S. Customs Service.

Mr. Speaker, based on the statistics that we have on motor vehicle theft as well as the comments from law enforcement officials around the country, it is imperative that Congress take immediate action to pass legislation that will bring a uniform system into being that can attack this serious problem.

I would hope that the committees that have jurisdiction in the areas contained in the bill I am proposing would hold hearings soon on the vehicle theft problem and I urge my colleagues to support such legislation. We must offer our citizens some protection from this crime and this protection is needed now.●

RON K. UNZ

The SPEAKER. Under a previous order of the House, the gentleman from California (Mr. CORMAN) is recognized for 5 minutes.

● Mr. CORMAN. Mr. Speaker, it is my pleasure to bring to the attention of my colleagues the extraordinary educational achievement of Ron K. Unz, a senior from North Hollywood High School.

I would like to take this time to congratulate this outstanding student for winning the $12,000 first place scholarship in this year's Westinghouse Science Talent Search.

Ron has devised a mathematical formula that may contribute to a better understanding of why stars die and why matter in space vanishes into superdense objects called black holes.

Ron Unz's contribution and accomplishment in the effects of gravitational fields on electro-magnetic interactions may well be a model for future research and a stepping stone for this country's forthcoming scientists.

I extend to Ron my heartiest congratulations and wish him every success in the future.●

INTRODUCTION OF A RESOLUTION TO ESTABLISH A JOINT SELECT COMMITTEE TO INVESTIGATE OIL PRODUCTION AND PRICING

The SPEAKER. Under a previous order of the House, the gentleman from Indiana (Mr. BENJAMIN) is recognized for 5 minutes.

Mr. BENJAMIN. Mr. Speaker, the Congress of the United States has been criticized by the President for failing to properly meet the existing energy situation. The President has also accused the Congress of having its head buried in the sand for failing to adopt certain standby and contingency energy plans.

The citizens of the United States are even more critical of the Congress. Of course, these citizens are also critical of the entire Federal structure as well as the multinational oil companies because they firmly believe that the energy crisis, as we know it today, is contrived to drive prices up and allocate energy resources to a privileged few. The criticism is not limited to Government and oil producers. It blankets most private and public institutions as Americans, goaded by periodic media analyses, sometimes objective, sometimes not, search for a scapegoat. This search includes their fellow citizens.

Mr. Speaker, the on-again, off-again energy crisis has developed a syndrome of frustration and futility which can only be matched by America's distaste for its overwhelming inflation.

Frankly, Americans do not believe their Government. This lack of credibility is further provoked by the methodology employed by this institution in handling any subject matter with overlapping jurisdiction.

I am convinced that the Congress must act now to restore trust in our Government by investigating and determining the true facts behind the availability, production, marketing, and pricing of oil products. I do not believe that this can be done in our "business as usual manner." Nor do I believe that this can be deferred by thinking that the problem will go away. I am firmly convinced that we must act now in a manner that will assure the Nation that we have determined the truth and are willing to share it with everyone who wants to know the truth.

The Congress cannot continue to decide energy questions unless it is confident that it has the truth, whole truth and nothing but the truth.

The dissent existing today paralyzes this Congress—if not the country. The dissent exists because of the many and varied assertions of fact—all with equal and parallel contradiction—meaning that without a foundation of facts on which we can agree or nearly agree, we will never be able to achieve a needed solution by consensus.

Various remedies have been urged by national leaders. To date, none have promised an unlimited probe for the truth. None appear to assure a foundation of truth without equivocation. None invoke the conscience of our Nation nor dampen the ominous aura of futility and frustration. I believe that their shortcomings are obvious.

Today, I am introducing a resolution to establish a Joint Select Committee to Investigate Oil Production and Pricing.

The purpose of the Joint Select Committee is to alloy the doubt and confusion which exists in the minds of many Americans regarding the present energy shortage by determining the true extent of same. In addition, the committee is to investigate all aspects of the availability, production, and marketing of oil and oil products, internationally and domestically, to determine the accurate and true facts of the worldwide energy situation. Based on the results of its findings, the Joint Select Committee is to develop a viable and comprehensive national energy policy to alleviate the present crisis and to assure a future energy supply for the Nation.

This resolution provides the Joint Select Committee with subpena powers to allow it to closely scrutinize the actions of the oil companies and the Department of Energy.

This energy problem requires an aggressive congressional investigation if our country is to have the most accurate and current information on which to base its decisions on a national energy policy.

Apprehension and doubt among our citizens, as well as the Members of Congress, demand that factual data be provided without the total and usual reliance on those with vested economic interests in the resolution of this energy problem.

It is time we ascertain the facts and, more importantly, provide Americans with positive action.

I invite my colleagues to join with me in support of the establishment of a Joint Select Committee to Investigate Oil Production and Pricing.

It may not be a panacea. It may not be a total answer. It may not even work if the web of committee jurisdiction and legislative personalities and staff work to terminate it during gestation. And I must admit that it certainly has not struck a beat with our leadership to date.

On the other hand, if other Members of this body feel as I do—that we should not have the luxury of operating on facts that Americans feel are tainted—and that we, as the Congress of the United States, do have the ability and intellectual honesty to ascertain and present the facts of the energy situation—and that once uncovered, we have the fortitude to formulate an acceptable national solution—then I hope that they will join me in urging the formation of a joint select committee and then directing it to proceed with due deliberation to resolve the energy situation and crisis, if any.

The resolution reads as follows:

CONCURRENT RESOLUTION

To establish a Joint Select Committee to Investigate Oil and Gasoline Production and Pricing

Whereas many Americans doubt that an energy crisis currently exists; and

Whereas many Americans question the veracity of petroleum production or supply statistics provided them by multinational oil companies or the United States Government; and

Whereas there is considerable confusion regarding marketing, pricing, and applicable government regulations; and

Whereas many Americans do not believe that the United States government has a credible energy policy; and

Whereas this confusion and perception of inaccurate information is presently causing grave social, commercial, and economic problems; and

Whereas these grave problems are interrelated with American dependence upon foreign petroleum supplies; and

Whereas the foreign suppliers have formed a cartel for the world distribution of petroleum; and

Whereas the petroleum cartel has had a significant impact on the independence of the domestic and foreign policies of the United States government; and

Whereas the distrust of Americans in their own government or a miscalculation by the petroleum cartel could provide sufficient provocation for a conflict over energy resources; and

Whereas a clear, concise, comprehensive, and credible energy policy is desired by Americans and needed by the United States government for the economic well being and safety of the nation:

Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That there is hereby established a joint select committee to be known as the Joint Select Committee to Investigate Oil and Gasoline Production and Pricing (hereinafter in this concurrent resolution referred to as the "joint select committee"). The joint select committee shall review the availability, production, marketing and pricing of oil and oil products to determine the extent of the oil and gasoline shortage and propose a national petroleum energy policy and its implementing legislation.

DUTIES

SEC. 2. (a) The joint select committee shall conduct a full and complete investigation of the national and international aspects of—

(1) the current oil supply, specifically with regard to availability, reserves, production, and refining capacity;

(2) procedures for obtaining (other than through reports of oil companies and associations) information on energy supplies;

(3) incentives for private oil companies and associations to invest in research and development in the United States with regard to future energy sources;

(4) the ability of the Department of Energy to conduct adequate oversight and enforcement of the laws regarding oil importation, refinement, production, and sale;

(5) the relationship between multinational oil companies and the nations which are members of the Organization of Petroleum Exporting Countries (OPEC);

(6) the impact of changes in economic and political relationships among nations on oil pricing policies in the United States;

(7) the relationship between oil producers and distributors with regard to the establishment of oil prices;

(8) procedures for determining allocation of oil and gasoline supplies throughout the United States; and

(9) the policy to be advocated by the United States and the International Energy Association to counteract the political and economic effects of the international oil cartel.

(b) The joint select committee shall coordinate its investigation with the energy review activities of the Congressional committees specified in paragraphs (2) and (3) of section 2(a).

APPOINTMENT AND MEMBERSHIP

SEC. 3 (a) The joint select committee shall be composed of twelve members of the House of Representatives and twelve Members of the Senate, to be appointed as follows:

(1) The Chairman of the Subcommittee on Energy and Power of the Committee on Interstate and Foreign Commerce of the House of Representatives shall serve as the chairman of the joint select commitee during the first session of the 96th Congress and as the vice chairman during the second session. The Chairman of the Committee on Energy and Natural Resources of the Senate shall serve as vice chairman of the joint select committee during the first session of the 96th Congress and chairman during the second session. The vice chairman shall act in the place and stead of the chairman in the absence of the chairman.

(2) The remaining eleven Members from the House of Representatives will be appointed by the Speaker of the House, seven from the majority and four from the minority party, to include at least one member from each of the following standing committees of the House:

(A) Committee on Government Operations.

(B) Committee on Science and Technology.

(C) Commitee on Appropriations.

(D) Committee on Interstate and Foreign Commerce.

(E) Committee on Small Business.

(F) Committee on Ways and Means.

(G) Committee on Interior and Insular Affairs.

(H) Committee on Foreign Affairs.

(3) The remaining eleven Members from the Senate will be appointed by the President pro tempore of the Senate, seven from the majority party and four from the minority party, to include at least one Member from each of the following standing commitees of the Senate:

(A) Committee on Appropriations.

(B) Committee on Finance.

(C) Committee on Governmental Affairs.

(D) Committee on Foreign Relations.

(E) Committee on Energy and Natural Resources.

(F) Committee on Commerce, Science, and Transportation.

(b) Vacancies in the membership of the joint select committee shall not affect the power of the remaining members to execute the functions of the joint select committee and shall be filled in the same manner in which the original appointment was made.

(c) For purposes of this section, the term "Members from the House of Representatives" includes Delegates, or the Resident Commissioner, to the House of Representatives.

AUTHORITY AND PROCEDURES

SEC. 4. (a) For purposes of carrying out this resolution the joint select committee, or any subcommittee thereof authorized to hold hearings, is authorized—

(1) to sit and act during the present Congress at such times and places within the United States, including any Commonwealth or possession thereof (or elsewhere) whether the Congress is in session, has recessed, or has adjourned, and to hold such hearings,

(2) to require by subpoena or otherwise the attendance of such witnesses and the production of such books, records, correspondence, papers, and documents,

(3) administer such oaths and affirmations,

(4) take such testimony,

(5) procure such printing and binding, and

(6) make such expenditures, as it deems necessary.

(b) The joint select committee may make such rules respecting its organization and procedures as it deems necessary, except that no recommendation shall be reported from the joint select committee unless a majority of its members assents. Subpoenas may be issued over the signature of the chairman of the joint select committee or of any member designated by him or by the joint select committee, and may be served by such person or persons as may be designated by such chairman or member. The chairman of the joint select committee or any member thereof may administer oaths or affirmations to witnesses.

ADMINISTRATIVE PROVISIONS

SEC. 5. (a) In carrying out its functions under this resolution, the joint select committee is authorized—

(1) to appoint such staff as the joint select committee considers necessary;

(2) to prescribe the duties and responsibilities of such staff;

(3) to fix the compensation of such staff at a single per annum gross rate which does not exceed the highest rate of basic pay, as in effect from time to time, of level V of the Executive Schedule in section 5316 of Title 5, United States Code;

(4) to terminate the employment of any such staff as the joint select committee considers appropriate;

(5) to utilize the services, information, facilities, and personnel of the departments and establishments of the Federal Government; and

(6) to reimburse members of the joint select committee and of its staff for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties and responsibilities for the joint select committee, other than expenses in connection with any meeting of the joint select committee, or a subcommittee thereof, held in the District of Columbia.

(c) The joint select committee, upon approval of the chairman or vice chairman, may secure directly from any department or establishment of the Federal Government, such information as is necessary to enable it to carry out this concurrent resolution, and the head of such department or establishment shall furnish such information to the joint select committee upon request made pursuant to this subsection.

(d) The joint select committee and all authority granted in this concurrent resolution shall expire at noon on January 3, 1981.

REPORT AND RECORDS

SEC. 6. (a) The joint select committee shall report to the House and Senate as soon as practicable during the present Congress the results of its investigation, together with such recommendations (including implementing legislation) as it deems advisable.

(b) Any such report which is made when the House of Representatives or the Senate is not in session shall be filed with the Clerk of the House or with the Secretary of the Senate, respectively.

(c) Any such report shall also be filed with the committee or committees which have jurisdiction over the subject matter thereof.

FUNDING

SEC. 7. The expenses of the joint select committee under this concurrent resolution shall be paid one-half from the contingent fund of the Senate and one-half from the from the contingent fund of the House of Representatives, upon vouchers approved by the chairman or vice chairman, from funds appropriated for the joint select committee.

BIA AND DEPARTMENT OF EDUCATION

The SPEAKER. Under a previous order of the House, the gentleman from Oregon (Mr. ULLMAN) is recognized for 5 minutes.

● Mr. ULLMAN. Mr. Speaker, in recent weeks I have received correspondence from a number of individuals and Indian tribes throughout Oregon and the West expressing concern about the proposed transfer of educational responsibilities of the Bureau of Indian Affairs to the new Department of Education.

While I am proud to be one of the 84 Members sponsoring legislation that would create this new Government Department, I share the concern of those opposing transfer of BIA responsibilities.

The Confederated Tribes of the Warm Springs Reservation in my congressional district, one of the most successful Indian groups in the Nation, recently ap-

proved a resolution stating its reasons for opposing the transfer. I would like to insert this resolution into the CONGRESSIONAL RECORD for review by my colleagues prior to further consideration of the Department of Education legislation in the weeks ahead:

RESOLUTION No. 5490

Whereas, The Confederated Tribes of the Warm Springs Reservation of Oregon has knowledge of the legislative effort to establish a new Department of Education (S-210 and HR 2444) and,

Whereas, The Confederated Tribes of the Warm Springs Reservation of Oregon is aware of the House Governmental Operations Committee has voted to include the controversial Transfer of Indian Education Programs from the Department of the Interior, in contradiction to the wishes of a vast majority of Indian Tribes and to recent action taken by the Senate, and,

Whereas, The Confederated Tribes of the Warm Springs Reservation of Oregon, in concert with a vast majority of Indian Tribes, can support the establishment of a new Department of Education, however, strongly oppose any transfer of Indian Education Programs as demonstrated by action directed to S-991 and HR 13343; now, therefore,

Be it resolved that: The Confederated Tribes of Warm Springs Reservation of Oregon opposes the inclusion of the transfer of BIA Indian Education into the Department of Education as stated in H.R. 2444.

Be it further resolved that the Tribal Council of the Confederate Tribes of the Warm Springs Reservation of Oregon directs that all necessary action be taken to communicate this message to the appropriate congressional representatives and Indian organizations.

CERTIFICATION

The undersigned, as Secretary-Treasurer of the Confederated Tribes of the Warm Springs Reservation of Oregon, hereby certifies that the Tribal Council is composed of 11 members, of whom 7 constituting a quorum were present at a meeting thereof, duly and regularly called, noticed, convened and held this 21st day of May, 1979; that the foregoing resolution was passed by the affirmative vote of 6 members, the Chairman not voting; and that the said resolution has not been rescinded or amended in any way.

KENNETH SMITH,
Secretary-Treasurer.●

CARTER G. WOODSON CENTER HAS LED THE WAY FOR 53 YEARS

□ 1620

The SPEAKER. Under a previous order of the House, the gentleman from Nebraska (Mr. CAVANAUGH) is recognized for 5 minutes.

● Mr. CAVANAUGH. Mr. Speaker, the Carter G. Woodson Center, a United Way Agency, in Omaha, Nebr., has served our community well for the past 53 years by assisting young people to develop important leadership skills and qualities. As a direct result of the work of the Woodson Center, many young people have achieved the social growth and development necessary to make them successful adults.

One of the many young people who have benefited from the work of the Woodson Center is Dr. J. Clay Smith, a native Omahan who presently serves as a Commissioner of the U.S. Equal Employment Opportunity Commission. Dr. Smith has often credited the Woodson Center with providing him with the leadership skills necessary to become the first black American ever elected "Governor" of Boys State while attending South High School in Omaha.

Over the years Dr. Smith has received many awards including the Omaha Black Heritage Excellence Award, the Carter G. Woodson Memorial Award, and just recently the Urban League of Nebraska's National Prominence Award.

Mr. Speaker, I am inserting into the RECORD for review by my colleagues, Dr. Smith's speech at the 53d annual meeting of the Carter G. Woodson Center on February 11, 1979. His speech is a great tribute to the fine work and valuable contribution that the Woodson Center has made to young people and to our city.

Dr. J. Clay Smith's speech follows:

MY BELOVED CARTER G. WOODSON CENTER

(By Dr. J. Clay Smith, Jr.)

The Woodson Center is named after the father of Afro-American history in the United States: Carter G. Woodson. It is fitting to acknowledge Carter G. Woodson in February as the nation celebrates Negro History Month. And, I am sure that the persons who named this United Way agency knew that they were sowing a seed in honor of one of the great scholars of America.

Carter G. Woodson was born on December 19, 1875, in Canton, Virginia, and died in Washington, D.C. on April 3 1950. He received his education at Berea College, the University of Chicago, Harvard and the Sorbonne in Paris. In 1921, Mr. Woodson organized Associated Publishers, Inc., in order to produce textbooks and other supplementary material on the Negro which, at the time, was not readily accepted by most commercial publishers. A year later, he retired from academic life in order to devote full time to research as Director of the Association for the Study of Negro Life and History, and as editor of the Journal of Negro History.

During Mr. Woodson's academic life he served as Dean of the School of Liberal Arts of Howard University, and travelled extensively in Europe, Asia and Egypt. He is the author of several books which became the key source for the integration of factual data about black Americans into segregated published books on American history. A few of his books include, *The Education of the Negro Prior to 1861* (1915); *A Century of Negro Migration* (1918); *The Negro in Our History* (1922); and *The Rural Negro* (1930).

I have taken this time to briefly review the life and significant contribution to America of Carter G. Woodson because it bears upon the South Omaha community and more particularly, the Woodson Center community.

I

My association with the Woodson Center goes back several years when there were two community centers referred to at that time as Red Feather Agencies. One was restricted to white students and the other was restricted to black students. I remember how Mexican Americans were treated—for they were neither white nor black; they were brown and spoke a different language. For a time they were "referred" to the Woodson Center where they were accepted without distinction of race or national origin. The Woodson Center never restricted any students on the account of race.

The Woodson Center became the home of many young people. It was a forum for social growth and development. It assisted families to remain cohesive; this Center saved many homes from social disaster—some brought on by race discrimination practices in this community.

The housing pattern segregated blacks east of West 24th Street, South of the Cudahy and Swift Packing Houses, East of 30th Street. I lived at 2601 Z Street, which we called "The Hill", a shorthand phrase for hillbilly. Black families populated homes to Harrison Street which is the street that separates Douglas County from Sarpy County. Several Mexican American families lived within the same geographical areas.

The Woodson Center became a vital community center because it brought many races, colors, creeds, and religious groups under its roof in group activity calculated to teach people how to live together, play together and to work together.

Under the dynamic leadership of Alyce Wilson, Director of the Woodson Center and Beatrice Mosely and Claudell Thomas, and later Ann Alston Gayles, long and faithful employees of the Center, and numerous other part-time group leaders, the Woodson Center created, as Carter G. Woodson created, a laboratory for the study of Afro-American life to aid black Americans in the struggle to survive in a hostile world.

No person can be credited with preserving more human lives in South Omaha than Alyce Wilson. She read books to me and other college students so that we could learn techniques of dealing with students at the Woodson Center. Half the time we didn't know what she was talking about; and, most of the time we were happy when she said, "You're excused"—but, it was through the Woodson Center that most of us in this community learned the tools of social adjustment which aided us when we left the protective umbrella of the Woodson Center.

When I played in the Woodson Center gym, I had dreams of becoming a lawyer. Dr. Northcross, whose office was directly across from the door of the Armour Packing House, above the corner saloon, was the only black doctor I knew in my tender childhood days. Because Mrs. Northcross ordered a book containing stories and pictures of Afro-American scholars—I knew that there was a tomorrow for me.

Hence, you can imagine the personal pride I felt when President Jimmy Carter nominated, and the Senate confirmed me to become a member of the Equal Employment Opportunity Commission. And, who do you think I called to ask for advice prior to President Carter's nomination—Alyce Wilson.

II

The native American remains in need of assistance and equal employment job opportunities, training, and love. And, I hope that funds are, or can be made available for the Woodson Center to share or attempt to share its knowledge and resources with native Americans who live in Omaha and who reside on the Macy and Winnebego Indian Reservations. As a child I saw the native American, especially native American women, suffer within our community. Their progeny suffered, too. Again, it was the Woodson Center which offered a home to the native American.

III

I must tell you young people that the barriers of discrimination still exist in our society. The housing pockets have expanded, but segregated housing and job categories remain evident. The challenges facing young minority citizens today are no different than those challenges that Bea Mosely and Alyce Wilson defined for me when I played and later was employed at the Center as a group leader while a student at Creighton University:

The challenge of worth

The Woodson Center's philosophy was the people are worth something; that people are more than people—they are your brothers.

The challenge to succeed

Success was a goal that you were guided towards, but never imposed as a condition for being accepted.

The challenge to learn

The Center offered you an opportunity to explore new ideas—in the crafts, photography and the most fun thing of all, cooking. Academic pursuit was urged, but learning to live in and with groups was stressed, also.

The challenge of the Woodson Center today is guided by the challenges of the Center twenty years ago. As a graduate of the Woodson Center, and as a Commissioner of the Equal Employment Opportunity Commission, I feel more comfortable in my present position knowing that organizations like the Woodson Center are still on the case. I say this because I believe that the concepts enbodied in Woodson Centerism merit implementation in many cities in America.

The Woodson Center and the collective community must tell the young to push on in the face of discrimination until victory is won; to lift every voice and sing that I am somebody and, that I can do. The poets, the oil painters, and the musicians of this community must be encouraged to write their poems, paint their pictures, and perform their music to break down social and ethnic barriers in the classical arts. You must continue to encourage young people to become your lawyers, your doctors and dentists, and your ministers. Send your lawyers to the Congress, to the State House of Nebraska, to write new songs and to cure social evils which continue to touch this community.

IV

To my knowledge, the City of Omaha has produced several black poets. However, there is one black woman poet of Omaha, Ms. J. W. Hammond, whose poems appear in Robert T. Kerten's book, *Negro Poets and Their Poems*, published in 1923 by Carter G. Woodson's publishing company. My wife, Olivia Smith, has requested that Ms. Hammond's poems, some of which were published in an Omaha newspaper called, *The Monitor*, be researched by scholars in the community so that they may be shared by all citizens of Nebraska, and especially black students seeking a model to emulate. (Two of Ms. Hammond's Poems, "The Optimist" and "To My Neighbor Boy", are attached.) See Kerten, Negro Poets and Their Poems 142–143 (Associated Publishers, Inc., Washington, D.C. 1923).

In addition to Ms. Hammond, I believe that you should be aware of another important historical fact about blacks in Omaha. In a book entitled, *The Afro-American Encyclopedia*, authorized by Haley and Florida, and published in Nashville, Tennessee in 1895; at page 225, the authors report that Jno. Albert Williams was the first black citizen of Omaha nominated to be a member of the Omaha School Board. Whether Mr. Williams was elected, and a list of his other contributions to Omaha, remain excellent research subjects for the colleges and universities of Omaha, and the State.

The Omaha Star newspaper has made a significant contribution to Omaha—for its several volumes are the main source for any history that may be written about blacks in Omaha, and perhaps, the State of Nebraska. But for Ms. Mildred Brown, the editor of the Omaha Star, and Lawrence McVoy, a former president of the Omaha Chapter of the National Association for the Advancement of Colored People, I would have had insufficient funds to respond to Governor Ralph G. Brook's request that I head the delegation to President Dwight D. Eisenhower's 1960 White House Conference on Children and Youth. They collected the money for me to attend that meeting by going to bars and churches, collecting money in wool socks. I have never publicly thanked Ms. Brown and Mr. McVoy for their efforts, and do so now.

My last historical reference relates to black owned newspapers in Omaha prior to 1895. The Omaha Star newspaper was preceded by at least three black owned newspapers prior to 1895. The Afro-American Encyclopedia identifies three such newspapers in Omaha; namely, Progress Weekly, Enterprise Weekly, and the Afro-American Sentinel. Haley and Florida, Afro-American Encyclopedia, 133 (Nashville, Tenn., 1895). This means that Afro-American citizens in Omaha should be able to trace a substantial portion of their history and their contribution to the great State of Nebraska by tracking down these newspapers in the state or national archives.

VI

In closing, I implore you to be vigilant and preserve your Woodson Center—for within these walls are the voices of all the forebearers who fought so that this community would have a center for its citizens—aged and young alike.

The Equal Employment Opportunity Commission depends on the Woodson Center to assist in channeling young minds in the direction where job opportunities are opening. The United States government needs your help, for the Woodson Center is on the front lines of the battlefield called humanity. This community and the Woodson Center are important and, you are to be commended for doing so much for this city, the State of Nebraska and the nation, with so few resources.

I am honored that you asked me to speak at your Annual Board Meeting. I shall always wear the badge of the packinghouse worker through all corridors of life and into all places of honor; and that includes the badge of my beloved Carter G. Woodson Center, also.●

LEAVE OF ABSENCE

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

Mr. AKAKA (at the request of Mr. WRIGHT), for May 30 and 31, and June 1, on account of official business.

Mr. PHILLIP BURTON (at the request of Mr. WRIGHT), for May 30 and 31, and June 1, on account of serving as chairman of the congressional delegation to the North Atlantic Assembly Spring Conference.

Mr. COTTER (at the request of Mr. WRIGHT), for today, on account of official business.

Mr. DIXON (at the request of Mr. WRIGHT), for today, on account of a necessary absence.

Mr. FORSYTHE (at the request of Mr. RHODES), from May 16, on account of convalescence.

Mr. MURPHY of Illinois (at the request of Mr. WRIGHT), for May 30 and 31, and June 1, on account of official business of the Select Committee on Narcotics Abuse and Control.

Mr. YOUNG of Alaska (at the request of Mr. RHODES), for May 30, 31, and June 1, on account of official business.

Mr. LIVINGSTON (at the request of Mr. RHODES), for today and the balance of the week, 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:

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

Mr. LUNDINE, for 5 minutes, today.
Mr. WEAVER, for 10 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. CORMAN, for 5 minutes, today.
Mr. BENJAMIN, for 5 minutes, today.
Mr. CAVANAUGH, for 5 minutes, today.
Mr. ULLMAN, for 5 minutes, today.
Mr. WYATT, for 5 minutes, on May 31.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

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

Mr. MCCLOSKEY in two instances.
Mr. ROYER.
Mr. BURGENER.
Mr. GILMAN in two instances.
Mr. MCKINNEY.
Mr. MCCLORY in two instances.
Mr. FRENZEL in three instances.
Mr. VANDER JAGT.
Mr. COLLINS of Texas in two instances.
Mr. DORNAN.
Mr. HORTON in two instances.
Mr. ASHBROOK in three instances.
Mr. GREEN in two instances.
Mr. CLINGER.
Mr. YOUNG of Florida in five instances.
Mr. LAGOMARSINO.
Mr. STANGELAND.
Mr. LOEFFLER.
Mr. SHUMWAY.
Mr. BUCHANAN.

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

Mr. FROST.
Mr. HAMILTON.
Mr. MATHIS.
Mr. COELHO.
Mr. DUNCAN of Oregon.
Mr. BEDELL.
Mr. ASPIN.
Mr. BOLAND.
Mr. GUARINI.
Mr. BOWEN.
Mr. REUSS.
Mr. VENTO.
Mr. ROSTENKOWSKI in five instances.
Ms. MIKULSKI in two instances.
Mr. ANDERSON of California in 10 instances.
Mr. GONZALEZ in 10 instances.
Mr. BROWN of California in 10 instances.
Mr. ANNUNZIO in six instances.
Ms. HOLTZMAN in 10 instances.
Mr. JONES of Tennessee in 10 instances.
Mr. BONER of Tennessee in five instances.
Mr. SHELBY.
Mr. BRINKLEY.
Mr. DRINAN.
Mr. EDWARDS of California.
Mr. MINETA.
Mr. WAXMAN.
Mr. FOUNTAIN.
Mr. SKELTON.
Mr. ROE.

Mr. HARRIS.
Mr. SOLARZ.
Mr. BAILEY.
Mr. YOUNG of Missouri.
Mr. RODINO.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 199. An act to amend the Shipping Act, 1916, to strengthen the provisions prohibiting rebating practices in the U.S. foreign trades, to the Committee on Merchant Marine and Fisheries.

S. 261. An act to amend the Consolidated Farm and Rural Development Act to authorize loans for the construction and improvement of subterminal storage and transportation facilities for certain types of agricultural commodities, to provide for the development of State plans to improve such facilities within the States or within a group of States acting together on a regional basis, and for other purposes, to the Committee on Agriculture.

S. 387. An act to amend title 5 of the United States Code to provide paid leave for a Federal employee participating in certain athletic activities as an official representative of the United States, to the Committee on Post Office and Civil Service.

ADJOURNMENT

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

The motion was agreed to, accordingly (at 4 o'clock and 25 minutes p.m.), the House adjourned until tomorrow, Thursday, May 31, 1979, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

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

1683. A letter from the Comptroller General of the United States, transmitting a report on the release of certain budget authority, the recission of which was proposed by the President and not approved by the Congress, together with his review of the deferrals and revised deferral of budget authority contained in the message from the President dated April 30, 1979 (H. Doc. No. 96–106), pursuant to section 1014 (b) and (c) of Public Law 93–344 (H. Doc. No. 96–135); to the Committee on Appropriations and ordered to be printed.

1684. A letter from the Assistant Secretary of the Navy (Manpower, Reserve Affairs and Logistics), transmitting notice of the Navy's intention to transfer the obsolete submarine ex-*Clamagore* (ex SS–343) to the State of South Carolina, Patriots Point Development Authority, Charleston, S.C., pursuant to 10 U.S.C. 7308; to the Committee on Armed Services.

1685. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on loan, guarantee and insurance transactions supported by Eximbank during April 1979 to Communist countries; to the Committee on Banking, Finance and Urban Affairs.

1686. A letter from the Executive Director, Inter-American Development Bank, transmitting the 1978 annual report of the Bank; to the Committee on Banking, Finance and Urban Affairs.

1687. A letter from the Secretary of Labor, transmitting a draft of proposed legislation to amend the Comprehensive Employment and Training Act to provide work and training opportunities to assist families to become economically self-sufficient, and for other purposes; to the Committee on Education and Labor.

1688. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting a proposed final rule governing the award of fiscal year 1979 grants to State educational agencies to help local educational agencies desegregate their schools voluntarily, pursuant to section 431 (d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

1689. A letter from the Assistant Secretary of State for Congressional Relations, transmitting notice of the proposed issuance of an export license for major defense equipment sold commercially to the Government of Indonesia (Transmittal No. MC–23–79), pursuant to section 36(c) of the Arms Export Control Act; to the Committee on Foreign Affairs.

1690. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

1691. A letter from the Assistant Secretary of the Treasury (Legislative Affairs), transmitting various project performance audit reports prepared by the International Bank for Reconstruction and Development, pursuant to section 301(e)(3) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

1692. A letter from the Secretary of Commerce, transmitting the first semiannual report of the Department's Inspector General, covering the period ended March 31, 1979, pursuant to section 5 of Public Law 95–452; to the Committee on Government Operations.

1693. A letter from the Secretary of Transportation, transmitting the first semiannual report of the Department's Inspector General, covering the period ended March 31, 1979, pursuant to section 5 of Public Law 95–452; to the Committee on Government Operations.

1694. A letter from the General Counsel, Council on Wage and Price Stability, Executive Office of the President, transmitting a report on the Council's activities under the Freedom of Information Act during calendar year 1978, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

1695. A letter from the Chairman, Federal Mine Safety and Health Review Commission, transmitting a report on the Commission's activities under the Freedom of Information Act during calendar year 1978, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

1696. A letter from the Acting Assistant Secretary of the Treasury (Administration); transmitting notice of proposed changes in an existing records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1697. A letter from the Deputy Assistant Secretary of Defense (Administration), transmitting notice of proposed changes to two existing records systems, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1698. A letter from the Assistant Secretary of Health, Education, and Welfare for Management and Budget, transmitting notice of a proposed new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1699. A letter from the Chairman, Securities Exchange Commission, transmitting a report on the Commission's activities under the Government in the Sunshine Act during calendar year 1978, pursuant to 5 U.S.C. 552b(j); to the Committee on Governmental Operations.

1700. A letter from the Acting Administrator of General Services, transmitting a report on a proposed Gerald R. Ford Library, pursuant to 44 U.S.C. 2108(a); to the Committee on Government Operations.

1701. A letter from the Secretary of the Interior, transmitting notice of the bidding systems to be used and the tracts to be offered in OCS Lease Sale No. 48, pursuant to section 8(a)(8) of the Outer Continental Shelf Lands Act, as amended (92 Stat. 640); to the Committee on Interior and Insular Affairs.

1702. A letter from the Secretary of the Interior, transmitting notice of the proposed refund of $45,775.09 in royalty payments to Exxon Co., U.S.A., pursuant to section 10(b) of the Outer Continental Shelf Lands Act of 1953; to the Committee on Interior and Insular Affairs.

1703. A letter from the Deputy Assistant Secretary of the Interior, transmitting a proposed supplemental contract with the Midvale Irrigation District for work on the Riverton Unit, Pick-Sloan Missouri Basin program, Wyoming, pursuant to the act of June 13, 1956 (70 Stat. 274); to the Committee on Interior and Insular Affairs.

1704. A letter from the Chairman, Advisory Council on Historic Preservation; transmitting a draft of proposed legislation to amend the act of October 15, 1966 (80 Stat. 915), as amended, establishing a program for the preservation of additional historic properties throughout the Nation, and for other purposes; to the Committee on Interior and Insular Affairs.

1705. A letter from the Chairman, Pennsylvania Avenue Development Corporation, transmitting the 1978 annual report of the corporation, pursuant to section 11, Public Law 92–578; to the Committee on Interior and Insular Affairs.

1706. A letter from the Secretary of Health, Education, and Welfare, transmitting the fifth annual report on the emergency medical services program, pursuant to section 1210 of the Public Health Service Act; to the Committee on Interstate and Foreign Commerce.

1707. A letter from the Secretary of Health, Education, and Welfare, transmitting a report on drug abuse in rural communities, pursuant to section 3 of Public Law 94–461; to the Committee on Intrestate and Foreign Commerce.

1708. A letter from the Vice President for Government Affairs, National Railroad Passenger Corporation, transmitting the financial report of the Corporation for the month of February 1979, pursuant to section 308(a)(1) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

1709. A letter from the Director, National Legislative Commission, The American Legion, transmitting audited financial statements of the organization as of December 31, 1978, pursuant to section 3 of Public Law 88–504; to the Committee on the Judiciary.

1710. A letter from the Executive Director, Military Chaplains Association of the U.S.A., transmitting the audited financial statements of the Association for calendar year 1978, pursuant to section 3 of Public Law 88–504; to the Committee on the Judiciary.

1711. A letter from the Chairman of the Board, United States Naval Sea Cadet Corps, transmitting the annual audit report for the fiscal year ended March 31, 1979, pursuant to section 3 of Public Law 88–504; to the Committee on the Judiciary.

1712. A letter from the Secretary of Commerce, transmitting the annual report of the Pacific Tuna Development Foundation for fiscal year 1978, pursuant to section 5 of Public Law 92–444, as amended; to the Committee on Merchant Marine and Fisheries.

1713. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a final environmental impact statement on the Corps of Engineers project at Freeport Harbor, Tex., pursuant to section 4C4(r) of the Federal Water Pollution Control Act, as amended (91 Stat. 1605); to the Committee on Public Works and Transportation.

1714. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a final environmental impact statement on the Corps of Engineers Gulf Intracoastal Waterway, Chocolate Bayou, Tex., project, pursuant to section 404(r) of the Federal Water Pollution Control Act, as amended (91 Stat. 1605); to the Committee on Public Works and Transportation.

1715. A letter from the Acting Administrator of General Services, transmitting a prospectus proposing a succeeding lease for space presently occupied in the Webb Building, 4040 Fairfax Drive, Arlington, Va., pursuant to section 7 of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

1716. A letter from the Comptroller General of the United States, transmitting a report on military child advocacy programs (HRD-79-75, May 23, 1979); jointly, to the Committees on Government Operations, Armed Services, and Education and Labor.

1717. A letter from the Comptroller of the United States, transmitting a report on safety and security in the transportation of nuclear materials (EMD-79-18, May 7, 1979); jointly, to the Committees on Government Operations, Interior and Insular Affairs, Interstate and Foreign Commerce, and Public Works and Transportation.

1718. A letter from the Comptroller General of the United States, transmitting a report on improvements needed in the enforcement of crude oil reseller price controls (EMD-79-57, May 29, 1979); jointly, to the Committees on Government Operations, and Interstate and Foreign Commerce.

1719. A letter from the Comptroller General of the United States, transmitting a report on the effectiveness of the Coast Guard in carrying out its commercial vessel safety responsibilities; jointly, to the Committees on Government Operations, and Merchant Marine and Fisheries.

1720. A letter from the Comptroller General of the United States, transmitting a report on the development and use of the Standard Statistical Establishment List (GGD-79-17, May 25, 1979); jointly, to the Committees on Government Operations, Post Office and Civil Service, and Ways and Means.

1721. A letter from the Acting Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend section 7 of the Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7704) to extend authorizations for appropriations, and for other purposes; jointly, to the Committees on Interior and Insular Affairs, and Science and Technology.

1722. A letter from the Secretary of Energy transmitting a draft of proposed legislation to provide for the transfer of certain additional energy functions to the Department of Energy, and for other purposes; jointly, to the Committees on Interstate and Foreign Commerce, and Banking, Finance and Urban Affairs.

1723. A letter from the Director, Central Intelligence Agency, transmitting a draft of proposed legislation to amend paragraph 5924(4)(B) of title 5, United States Code; jointly, to the Permanent Select Committee on Intelligence and the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

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

Mr. YATES: Committee on Appropriations. House Resolution 239. Resolution disapproving a proposed deferral of budget authority numbered D79-54 (Rept. No. 96-224). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. House Joint Resolution 341. Resolution to require continuation of rail service by the Chicago, Milwaukee, Saint Paul, and Pacific Railroad for a period of 45 days; with amendment (Rept. No. 96-225). Referred to the Committee of the Whole House on the State of the Union.

SUBSEQUENT ACTION ON BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X:

Referral of H.R. 2610. A bill to amend the Water Resources Planning Act; which was referred to the Committees on Agriculture, and Public Works and Transportation, extended for an additional period ending not later than June 29, 1979.

Referral of H.R. 3942. A bill to provide assistance to airport operators to prepare and carry out noise compatibility programs, to provide assistance to assure continued safety in aviation, and for other purposes; which was referred to the Committee on Interstate and Foreign Commerce, extended for an additional period ending not later than June 22, 1979.

Referral of H.R. 3995. A bill to authorize appropriations for the Noise Control Act of 1972 for the fiscal years 1980 and 1981; which was referred to the Committee on Public Works and Transportation, extended for an additional period ending not later than June 22, 1979.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BINGHAM:

H.R. 4243. A bill to amend section 6(e)(2) of the Land and Water Conservation Fund Act of 1965, as amended; to the Committee on Interior and Insular Affairs.

By Mr. JOHN L. BURTON:

H.R. 4244. A bill to extend the right to vote in primary and runoff elections for Federal office to citizens who will be 18 years of age or older on the date of the related general and special election; to the Committee on House Administration.

By Mr. CORMAN:

H.R. 4245. A bill to authorize the Secretary of Agriculture to guarantee loans for the construction and operation of alcohol fuel plants, to provide for the sale of agricultural commodities for the operation of such plants, to amend the Agricultural Act of 1949 with respect to the set-aside program for feed grains, and for other purposes; to the Committee on Agriculture.

By Mr. DERWINSKI:

H.R. 4246. A bill to amend title 44 of the United States Code to permit Members of Congress, the Resident Commissioner from Puerto Rico, the Delegate from the District of Columbia, the Delegate from Guam, and the Delegate from the Virgin Islands to transfer their copies of the CONGRESSIONAL RECORD to private, tax-exempt schools; to the Committee on House Administration.

By Mr. GONZALEZ:

H.R. 4247. A bill to improve the physical security features of the motor vehicle and its parts, increase the criminal penalties of persons trafficking in stolen motor vehicles and parts, and to curtail the exportation of stolen motor vehicles and for other purposes; jointly, to the Committees on Interstate and Foreign Commerce, the Judiciary, and Ways and Means.

By Mr. HEFTEL:

H.R. 4248. A bill to amend section 8e of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, to provide that when papayas produced in the United States are made subject to any regulation with respect to grade, size, quality, or maturity, imported papayas shall be made subject to the same regulation; to the Committee on Ways and Means.

By Mr. HOWARD (for himself and Mr. JOHNSON of California):

H.R. 4249. A bill to amend title 23 of the United States Code, the Surface Transportation Assistance Act of 1978, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. JOHNSON of Colorado:

H.R. 4250. A bill to amend the National Trails System Act of 1968, as amended, to include the Goodnight and Goodnight-Loving Trails for study as National Historic Trails; to the Committee on Interior and Insular Affairs.

H.R. 4251. A bill to amend the National Trails System Act of 1968, as amended, to designate the Santa Fe National Historic Trail as a unit of the National Trails System; to the Committee on Interior and Insular Affairs.

H.R. 4252. A bill to amend the National Trails System Act of 1968, as amended, to designate the Chisholm, Shawnee, and Western Trails, as a unit of the National Trails System to be known as the Old Cattle National Historic Trails; to the Committee on Interior and Insular Affairs.

By Mr. KILDEE:

H.R. 4253. A bill to amend title 13, United States Code, relating to the collection and publication of statistics by the Secretary of Commerce with respect to deaf individuals; to the Committee on Post Office and Civil Service.

By Mr. MOTTL:

H.R. 4254. A bill to amend the Internal Revenue Code of 1954 to allow small businesses to treat for purposes of the deduction for depreciation $100,000 of property placed in service during each taxable year as having a useful life of 3 years; to the Committee on Ways and Means.

By Mr. PRICE (for himself and Mr. BOB WILSON) (by request):

H.R. 4255. A bill to amend title 10, United States Code, to provide for more efficient and expeditious disposal of lost, abandoned, and unclaimed property in the custody of the military departments; to the Committee on Armed Services.

H.R. 4256. A bill to amend title 10, United States Code, to repeal the provisions of law prohibiting female members of the Navy and Air Force from being assigned to duty on vessels or in aircraft that are engaged in combat missions; to the Committee on Armed Services.

By Mr. RODINO (for himself and Mr. DRINAN):

H.R. 4257. A bill to help States assist the innocent victims of crime; to the Committee on the Judiciary.

By Mr. WAXMAN:

H.R. 4258. A bill to revise and reform the Federal law applicable to drugs for human use and to establish a National Center for Clinical Pharmacology within the Department of Health, Education, and Welfare; to the Committee on Interstate and Foreign Commerce.

By Mr. VANIK (for himself, Mr. TAYLOR, Mr. LAGOMARSINO, Mr. ALEXANDER, Mr. FRENZEL, Mr. JACOBS, Mr. STANTON, Mr. ATKINSON, Mr. WHITEHURST, Mr. DEVINE, Mr. ROSENTHAL, Mr. PEPPER, Mr. CORCORAN, Mr. REGULA, Mr. NOWAK, Mr. HUGHES, Mr. PEASE, Mr. GRADISON, Mr. BAUMAN, Mr. SIMON, Mr. D'AMOURS, Mr. STANGELAND, Mr. SENSENBRENNER, Mr. FAZIO, Mr. MINETA, Mr. BALDUS, Mr. WILLIAMS of Ohio, Mr. FLOOD, Mr. OTTINGER, Mr. CLEVELAND, Mrs. HECKLER, Mr. YATRON, Mr. HALL of Texas, Mr. LIVINGSTON, Mr. DOWNEY, Mr. LUNGREN, Mr. VENTO, Mr. SHARP, and Mr. HARRIS):

H.J. Res. 347. Joint resolution to encourage international cooperation in meeting the expenses of the Israeli-Egyptian Peace Treaty; to the Committee on Foreign Affairs.

By Mr. BENJAMIN:

H. Con. Res. 131. Concurrent resolution establishing a Joint Select Committee to Investigate Oil and Gasoline Production and Pricing; to the Committee on Rules.

By Mrs. SCHROEDER (for herself, Mr. UDALL, and Mr. DRINAN):

H. Res. 292. Resolution to implement clause 9 of rule XLIII and clause 6(a)(3)(A) of rule XI of the Rules of the House of Representatives, relating to employment practices; jointly, to the Committees on House Administration and Rules.

MEMORIALS

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

202. By the SPEAKER: A memorial of the Legislature of the State of Nebraska, relative to freedom of emigration for Soviet Jews; to the Committee on Foreign Affairs.

203. Also, memorial of the Legislature of the State of Oregon, relative to the statute of limitations on Nazi war crimes; to the Committee on Foreign Affairs.

204. Also, a memorial of the Legislature of the State of Montana, relative to the use of the waters in the Yellowstone River Basin; to the Committee on Interior and Insular Affairs.

205. Also, memorial of the Legislature of the State of Colorado, relative to allocating sufficient fuel for the agricultural sector of the economy; to the Committee on Interstate and Foreign Commerce.

206. Also, memorial of the Legislature of the State of Maine, relative to International Hunger Project Week; to the Committee on Post Office and Civil Service.

207. Also, memorial of the Assembly of the State of New York, relative to Federal funding for wastewater treatment projects; to the Committee on Public Works and Transportation.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 365: Mr. ASHBROOK, Mr. CARTER, Mr. HANCE, Mr. LATTA, Mr. MCCLOSKEY, Mr. PURSELL, Mr. RUNNELS, Mr. WAMPLER, Mr. CHARLES WILSON of Texas, and Mr. WYDLER.

H.R. 745: Mr. DRINAN, Mr. KILDEE, Mr. MITCHELL of Maryland, and Mr. VENTO.

H.R. 1068: Mr. BEVILL.

H.R. 1297: Mr. BENNETT, Mr. ADDABBO, and Mr. PATTERSON.

H.R. 1542: Mr. BARNES, Mr. BINGHAM, Mr. BLANCHARD, Mr. CORRADA, Mr. DASCHLE, Mr. DONNELLY, Mr. DOWNEY, Mr. EDWARDS of California, Ms. FERRARO, Mr. GRASSLEY, Mr. HANCE, Mr. HUGHES, Mr. KEMP, Mr. LONG of Louisiana, Mr. LUNGREN, Mr. MADIGAN, Mr. MONTGOMERY, Mr. PASHAYAN, Mr. SCHEUER, Mr. SIMON, Mr. STOKES, Mr. TAUKE, Mr. BOB WILSON, Mr. WOLFF, and Mr. WOLPE.

H.R. 1612: Mr. PURSELL and Mr. FISH.

H.R. 1613: Mr. PURSELL and Mr. FISH.

H.R. 1970: Mr. MCCLOSKEY, Mr. EVANS of the Virgin Islands, Mr. CORCORAN, and Mr. SHUMWAY.

H.R. 2129: Mr. BENNETT, Mr. WEISS, Mr. WEAVER, Mr. WAXMAN, Mr. HAWKINS, Mr. CORMAN, Mr. MITCHELL of Maryland, Mr. CLAY, and Mr. EVANS of the Virgin Islands.

H.R. 2313: Mr. HYDE, Mr. LAGOMARSINO, Mr. LOTT, Mr. DORNAN, and Mr. WHITEHURST.

H.R. 2214: Mr. COLLINS of Texas, Mr. WHITEHURST, Mr. DORNAN, Mr. HYDE, and Mr. LAGOMARSINO.

H.R. 2582: Mr. BAUMAN, Mr. MINETA, Mr. DORNAN, Mr. ERTEL, Mr. ROE, Mrs. BYRON, Mr. PETRI, and Mr. HAGEDORN.

H.R. 3010: Mr. DORNAN, Mr. LAGOMARSINO, Mr. MITCHELL of Maryland, Mr. MURPHY of Pennsylvania, and Mr. SIMON.

H.R. 3169: Mr. OBERSTAR.

H.R. 3216: Mr. COUGHLIN, Mr. COURTER, Mr. EVANS of Georgia, Mr. HYDE, Mr. LLOYD, Mr. BOB WILSON, Mr. YOUNG of Florida, and Mr. MCCLORY.

H.R. 3227: Mr. MIKVA.

H.R. 3415: Mr. STARK.

H.R. 3424: Mr. BEDELL, Mr. BONIOR of Michigan, Mrs. CHISHOLM, Mr. CORRADA, Mr. DRINAN, Mr. EDGAR, Mr. GARCIA, Mr. GINN, Mr. LUKEN, Mr. LUNDINE, Mr. MITCHELL of Maryland, Ms. OAKAR, Mr. PRICE, Mr. SCHEUER, Mr. STARK, Mr. STOKES, Mr. STUDDS, Mr. WEAVER, Mr. WHITEHURST, Mr. WON PAT, and Mr. YOUNG of Alaska.

H.R. 3425: Mr. BEDELL, Mr. BONIOR of Michigan, Mrs. CHISHOLM, Mr. CORRADA, Mr. DRINAN, Mr. EDGAR, Mr. ERDAHL, Mr. GARCIA, Mr. GINN, Mr. LUKEN, Mr. LUNDINE, Mr. MITCHELL of Maryland, Mr. NEAL, Ms. OAKAR, Mr. PRICE, Mr. RANGEL, Mr. SCHEUER, Mr. STARK, Mr. STOKES, Mr. STUDDS, Mr. WEAVER, Mr. WHITEHURST, Mr. WON PAT, and Mr. YOUNG of Alaska.

H.R. 3687: Mr. CHAPPELL.

H.R. 3890: Mr. KEMP.

H.R. 4215: Mr. DASCHLE, and Mr. BEDELL.

H.J. Res. 254: Mr. BEDELL.

H.J. Res. 341: Mr. STANGELAND.

H. Con. Res. 58: Mr. DANIEL B. CRANE, and Mr. COUGHLIN.

H. Res. 267: Mr. ROUSSELOT.

H. Res. 291: Mr. DECKARD, Mr. DERWINSKI, Mr. SYMMS, Mr. EVANS of Delaware, Mr. CLINGER, Mr. WHITEHURST, Mr. SNYDER, Mr. EMERY, Mrs. HECKLER, Mr. BOB WILSON, Mr. COURTER, Mr. ERDAHL, Mr. GOLDWATER, Mr. BAFALIS, Mr. PHILIP M. CRANE, Mr. CONTE, Mr. PETRI, Mr. CONABLE, Mr. CLAUSEN, Mr. O'BRIEN, and Mr. PASHAYAN.

PETITIONS, ETC.

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

127. By the SPEAKER: Petition of the New York State Society of the Cincinnati, Hancock, New Hampshire, relative to nuclear defense; to the Committee on Armed Services.

128. Also, petition of the city council, New York, N.Y., relative to human rights in Northern Ireland; to the Committee on Foreign Affairs.

Petition of the Palau Legislature, Koror, Palau, Western Caroline Islands, Trust Territory of the Pacific Islands, relative to procurement of a global communication system for Palau; to the Committee on Interior and Insular Affairs.

130. Also, petition of the Executive Committee, International Association of Chiefs of Police, Gaithersburg, Md., relative to marihuana; to the Committee on Interstate and Foreign Commerce.

131. Also petition of the Centro República de Colombia, Miami, Fla., relative to amnesty for all undocumented aliens; to the Committee on the Judiciary.

132. Also, petition of the Executive Committee, California- Nevada Section, American Water Works Association, Los Angeles, Calif., relative to Federal construction grant funding for wastewater reclamation projects; to the Committee on Public Works and Transportation.

133. Also, petition of the Board of Directors, Menlo Park Sanitary District, Calif., relative to construction grant funding for water reclamation projects; to the Committee on Public Works and Transportation.

134. Also, petition of the Board of Directors, South Coast Country Water District, Calif., relative to Federal construction grant funding for wastewater reclamation projects; to the Committee on Public Works and Transportation.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2444

By Mr. KILDEE:

—Page 75, beginning on line 14, strike out all of section 307 through line 14 on page 76, and on page 76, line 16, redesignate section 308 as section 307.

Page 52, in the table of contents of the bill as amended, strike out—

SEC. 307. Transfers from the Department of the Interior.

SEC. 308. Effect of transfers.

And insert in lieu thereof—

SEC. 307. Effect of transfers.

H.R. 2575

By Mr. BEDELL:

—Page 7, strike out lines 5 through 16 and insert in lieu thereof the following:

(b) The Secretary of Defense may not proceed with full scale engineering development of the missile basing mode known as the Multiple Protective Structures (MPS) system as the basing mode for the MX missile until the Secretary certifies to the Congress that deployment of such basing mode would be consistent with the national security interests of the United States. The Secretary shall include with such certification a report containing—

(1) a determination of the likely response by the Soviet Union to deployment of such basing mode;

(2) an assessment of the compatibility of deployment of such basing mode with present and future arms control agreements with the Soviet Union;

(3) an evaluation of the effectiveness of such basing mode in assuring the survivability of United States land-based strategic weapons; and

(4) an identification of and comparison with alternatives to such basing mode.

By Mrs. SCHROEDER:

—Page 4, line 14 strike out "$725,700,000" and insert in lieu thereof "$97,700,000".

By Mrs. SMITH of Nebraska:

—Page 7, after line 4, insert the following new subsection (and redesignate the following subsections accordingly):

(b) In addition, it is the sense of the Congress that the MX missile should be confined to the most unproductive land available that is operationally suitable.

H.R. 3875

By Mr. DUNCAN of Tennessee:

—Page 68, after line 18, insert the following:

TITLE VI—TREATMENT OF SOCIAL SECURITY BENEFIT INCREASES UNDER CERTAIN FEDERAL HOUSING LAWS

TREATMENT OF SOCIAL SECURITY BENEFIT INCREASES

SEC. 601. (a) Notwithstanding any other provision of law, social security benefit increases occurring after May 1979 shall not be considered as income or resources or otherwise taken into account for purposes of determining the eligibility for or amount of assistance which any individual or family is provided under the United States Housing Act of 1937, the National Housing Act, the Housing and Urban Development Act of 1965, or the Housing Act of 1949. For purposes of this subsection, the term "social security benefit increases occurring after May 1979" means any part of a monthly benefit payable to an individual under the insurance program established under title II of the Social Security Act which results from (and would not be payable but for) a cost-of-living increase in benefits under such program becoming effective after May 1979 pursuant to section 215(i) of such Act, or any other increase in benefits under such program, enacted after May 1979, which constitutes a general benefit increase within the meaning of section 215(i)(3) of such Act.

(b) Subsection (a) of this section shall be effective only with respect to assistance which is provided under the Acts referred to in the first sentence of such subsection for periods after September 30, 1979.

H.R. 4040

Mr. McCLOSKEY:

—Page 28, line 6, strike out "male".

Page 28, strike out line 8 through 14 and insert in lieu thereof the following:

(b) Section 3 of the Military Selective Service Act (50 U.S.C. App. 453), relating to registration, is amended by striking out "every male citizen" and all that follows through "twenty six" and inserting in lieu thereof "every citizen of the United States, and every other person residing in the United States, who becomes eighteen years of age after December 31, 1980".

Page 29, beginning on line 9, strike out "registration under such Act and to".

—Page 28, line 4, strike out "January 1, 1981" and insert in lieu thereof "January 1, 1980".

Page 28, line 7, strike out "December 31, 1980", and insert in lieu thereof "December 31, 1979".

Page 28, beginning on line 13, strike out "December 31, 1980" and insert in lieu thereof "December 31, 1979".

—Page 28, line 20, strike out the period and insert in lieu thereof "and for acceptance of volunteers for national service in civilian capacities."

Page 29, line 24, strike out the semicolon and insert in lieu thereof "and to be compatible with any system of voluntary national youth service that the Congress may hereafter enact;".

EXTENSIONS OF REMARKS

THE CASE OF PROF. EDWARD LOZANSKY

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. HORTON. Mr. Speaker, I would like to bring to the attention of my colleagues, a legislative resolution passed by the New York State Assembly and Senate with regard to my constituent, Prof. Edward Lozansky.

This resolution memorializes President Jimmy Carter and Secretary of State Cyrus Vance to urge President Lenoid Brezhnev of the Union of Soviet Socialist Republics to allow Tatyana Lozansky and Tanya Lozansky to be reunited in the United States with their husband and father, Prof. Edward Lozansky.

In 1976, in order for Professor Lozansky to be able to emigrate, he and his wife, Tatyana, agreed to a divorce. After arriving in the United States, Professor Lozansky sent an official invitation for his wife and child to join him as Soviet emigration procedure requires. The authorities rejected it because of the divorce. Since that time, Mrs. Lozansky has made several applications to emigrate, however, in each instance permission to emigrate has been denied.

Because of my deep concern for those citizens of the world who are denied their basic human rights, I would like to share the resolution passed by the Assembly and Senate of the State of New York with my colleagues.

The resolution follows:

Whereas, This Legislative Body is profoundly concerned with the plight of Soviet citizens whose basic human rights are constantly being violated in a calculated policy which systematically weakens the fabric of their lives; and

Whereas, The Soviet authorities have continued to violate basic human rights by their adamant and unconscionable refusal to allow Tatyana Lozansky to join her husband Professor Edward Lozansky in the United States; and

Whereas, The Soviet authorities have also refused to allow Professor Lozansky's seven year old daughter Tanya, to join her father in the United States; and

Whereas, This outrageous treatment of human beings is an abomination that refuses all thoughtful and freedom-loving people of the world; and

Whereas, For humanitarian reasons Tatyana Lozansky and Tanya Lozansky should be allowed to emigrate to the United States where they can be reunited with Professor Edward Lozansky; now, therefore, be it

Resolved, That this Legislative Body memorializes Jimmy Carter, the President of the United States and Cyrus Vance, the Secretary of State of the United States to urge President Leonid Brezhnev of the Union of the Soviet Socialist Republics to allow Tatyana Lozansky and Tanya Lozansky to be reunited in the United States with their husband and father, Professor Edward Lozansky; and be it further

Resolved, That copies of this resolution, suitably engrossed, be forwarded to the Honorable Jimmy Carter, President of the United States and to the Honorable Cyrus Vance, Secretary of State of the United States.●

HONOR OUR VIETNAM VETERAN

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 30, 1979

● Mr. McCLORY. Mr. Speaker, this week we take time out to honor the Vietnam veteran. This recognition is long overdue.

Unlike veterans of World Wars I and II, the Vietnam veteran has just recently begun to receive the respect and honor that is due him. Films such as the "Deer Hunter" and "Coming Home" have focused attention on those who fought and survived this unpopular war and gave many a better understanding of what actually transpired.

Unlike veterans of previous wars, the Vietnam veteran came home to a society that had been pretty much opposed to the war, a society which was fighting its own war against inflation. Jobs were scarce and fewer jobs were available to veterans when they returned than when they had departed to serve our country.

A great many of these men have critical problems which far exceed those of the average citizen who did not take part in the Vietnam conflict. Tens of thousands of veterans cannot find jobs, 1 in 4 are battling with alcohol and drug abuse, 30,000 are today in prison, nearly 40 percent are divorced or separated and about as many feel the need for psychological counseling. And, most frightening of all is the fact that their suicide rate is about 23 percent above that of the general public.

There are nearly 9 million Vietnam veterans now in civilian life. We cannot solve all of their problems—especially those which relate to the larger problems of our society. But, one thing we can certainly do is resolve to treat the Vietnam veteran with the same respect and honor we have shown the veterans of previous wars. His sacrifice and courage were no less than theirs. Neither should his or her status in society be less. Such veterans should be made to feel proud of his or her service to our Nation—in the same manner as the veterans of our other wars.

Mr. Speaker, 46,616 soldiers died in combat in Vietnam; 612 persons are still listed as "missing in action." We owe it to those who died and who are missing as well as to those who returned to provide appropriate recognition to those who have survived—and to help them in their continuing efforts to adjust to civilian life. The designation of May 28 to June 3

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.