

export these crops and earn the foreign exchange necessary to purchase needed imports and to strengthen the dollar." I should add that, as of late December, the Agriculture Department had not publicly factored the world energy crisis into its projections of world demand for American food.

Agriculture's sense of new strength is also apparent in the American approach to trade, particularly in the General Agreement on Tariffs and Trade (GATT) negotiations which began formally last September. Within the Agriculture Department there is a certain residual bitterness that in the Kennedy Round the interests of agriculture were given second billing to those of industry. Now, however, Paarlberg points to recent export figures to show "what our farmers and marketing system might be able to do consistently—several years down the road but with greater price stability—if many of the artificial barriers to import demand in other nations were reduced." American agriculture, he said last fall, now seeks "a major, perhaps decisive role" in the GATT talks. "Our resolve must be to put increasing international pressure on those foreign trade barriers which prevent one of the most efficient U.S. industries—one of the world's most efficient farm sectors—from bringing its weight to bear to improve our trade and payments position." Our policy is easy to summarize: food for cash.

FOOD: FOR PEACE OR POLITICS?

While commercial exports have climbed toward \$20 billion, shipments under Food for Peace have dropped below \$1 billion. "The future mechanism for aiding food-deficit countries is," an Agriculture Department publication notes dryly, "uncertain." Now it is true that, for recipients, Food for Peace has not always been an unmitigated benefit: it has sometimes depressed their agriculture and has involved political and psychic costs. It has also become true in recent years, as Butz told me in an interview, that P.L. 480 "is no longer primarily a surplus disposal program. It's for humanitarian purposes and for national security—to help infuse purchasing power into countries on our defense perimeter. South Vietnam is a case in point." Indeed, last year most 480 supplies went to Vietnam and to these other countries regarded, in varying degrees, as segments of the American "defense perimeter": South Korea, Israel, Pakistan, and Indonesia.

Nonetheless, through three decades, Food for Peace and its predecessor programs have fed hungry millions. They have nourished our better instincts as a people.

For three decades, moreover, American diplomats have used food as a political tool: to relieve the misery of our friends, to spare them the cost of buying food on the open market, and to help them keep popular discontent within politically manageable bounds; to show off American productivity and generosity; to bargain for other benefits; and so on. It is within this tradition of food diplomacy that administration officials now suggest that we may stop selling food to countries which won't sell us oil.

It is perhaps worth noting here that while countries in duress may appreciate—sometimes through clenched teeth—our food largesse, they tend to react strongly against the overt use of food as a political weapon. During a period of bad relations in 1964, for instance, President Nasser of Egypt denounced the United States for failing to provide emergency food supplies and told the United States to "go drink sea water." During another bad period in 1966 he declared: "The freedom we have bought with our blood we shall not sell for wheat, for rice, or for anything." Three days before President Allende of Chile was overthrown and killed last fall, his government said that the United States had refused to sell it, for cash, vitally needed supplies of wheat, because of

a "political decision of the White House"; less than a month after the coup, the United States approved a credit sale of wheat to the new Chilean government in an amount eight times the total commodity credit offered to Chile in the Allende years. Oil states, however, with their cash and small populations—and their oil—are not similarly vulnerable. Plainly, it depends.

Until quite recently, nonetheless, the idea of feeding hungry foreigners was fading for other than political reasons. The chairmen of the two agriculture committees, Senator Herman Talmadge and Representative W. R. Poage, are known for their conservative philosophy and their national, as opposed to international, outlook; they both have pronounced themselves content with America's past and present performance on food aid. Food for Peace is "a drain on American dollars," Poage said, "and it should be treated as just another kind of foreign aid like medicine or printing presses." The Agriculture Department, whose Secretary has been known to warn darkly of "alarmists," has consistently played down the possibility of famine, playing up the helpful influence of good weather, and pointing to the "international" nature of the world food problem without offering initiative or leadership. Even in the State Department, the attitude was growing more negative. "Food for Peace was based on the ethnocentric idea that we could pacify the world by food," a State Department official said to me last summer at a time when Bangladesh was beginning, largely in vain, for a trickle of wheat. "Now our thinking is that feeding the world is an international problem, maybe one for the United Nations. The worst thing we could do for a country would be to put it on a permanent dole. That would just give it the excuse to avoid solving its own problems, especially population. Then Secretary of State William P. Rogers uttered a faint call in his last annual report for "an over-all review of U.S. food production policy in relation to its effect on our assistance to the LDC's [less-developed countries]," but no one answered and his own department did not follow up.

A WORLD FOOD RESERVE

In fact, Food for Peace must be considered all but defunct. Only last summer did a "new" idea appear for a program or mechanism to fill its chief purpose of easing world hunger. The idea was a "world food reserve" and it came from A. H. Boerma, the Dutchman who is Director General of the U.N. Food and Agriculture Organization. To be sure, the idea of a planned reserve is not new. A report prepared in the Senate Agriculture Committee recalls that, as early as 1912, Henry A. Wallace cited the Biblical story of Joseph storing grain against famine, and the Confucians' creation of a "constantly normal granary" in China, in order to urge a similar food storage plan upon the United States. As Secretary of Agriculture, Wallace steered into law in Depression America a storage program intended to protect American farmers' income. A British-American Combined Food Board provided some experience in internationalizing food cooperation in World War II. In 1945, John Boyd-Orr, the Food and Agriculture Organization's (FAO) first chief, proposed a plan for purchase and storage of international food reserves.

His plan foundered on the same rocks that have endangered all like proposals since, whether the reserves be meant for the domestic or international market. That is, essentially, the fear of producers everywhere that at some point the reserves will be dumped on the market, thus depressing the prices. In the United States, the farm bloc for many years had the strength not only to induce the government to buy surpluses but to keep them off the market. Farmers, though politically weaker now, make the same appeal, the more so in a period of

strong market demand and high prices. "Food reserves held by government can never be perfectly insulated from the market." Butz warned in December. "Farmers should not be fooled by promises that a system can be designed to protect farmers from a premature release of stocks. Any set of rules would certainly be subject to change—especially in light of public pressures like those which prevailed in 1973, pressures which forced this Administration to impose counterproductive price controls." And even those officials who are indifferent to the welfare of farmers are slowed by the high costs of buying and storing food for a reserve and by the idea, encouraged by the Agriculture Department, that the United States has done plenty in the past and that other developed countries, to say nothing of the developing countries themselves, should do more now.

Now, Boerma, offering his proposal in July, helped publicize the great need to which his proposal was addressed. The "non-aligned" nations, meeting in Algiers in September, made a like appeal. At the same time, the Brookings Institution sponsored a report focusing on reserves and agricultural trade among North America, the European Economic Community, and Japan. A British economist, Timothy Josling, published a widely circulated paper on international grain reserves. Concern for reserves was in the air, like, if you will, a gas. But given the political and economic facts of life in Washington, a spark was needed to give the idea life within the American government. Such a spark could only be struck by people outside the American agricultural establishment.

THE NSC STUDY

This was done on September 11, at the former's confirmation hearing, by Secretary of State Kissinger and Senator Hubert Humphrey. Humphrey first started talking about reserves in the 1950's. Senator Edward Kennedy, among others, now brings publicity and support to the idea, but Humphrey has been the commanding figure among the handful of legislators with not only an internationalist outlook and a conscience but with farm expertise. As chairman of the Senate's Foreign Agricultural Policy Subcommittee, he has produced a prodigious public record on issues of world food security. As a member of the Foreign Relations Committee, he conducted this colloquy with Kissinger, a city boy through-and-through:

HUMPHREY. Would you initiate, after consultation with the Secretary of Agriculture, the Secretary of Commerce, and obviously with the President, a discussion amongst the main exporting nations and the main importing nations as to what we are going to do in the coming year to relieve conditions of human misery and, in some areas, famine, in the light of the world food supply situation?

KISSINGER. You know, Senator Humphrey, that your suggestion runs counter to all our traditional attitudes with respect to agriculture.

HUMPHREY. Correct.

KISSINGER. We have always resisted the idea of commodity-type agreements because we wanted to have the maximum opportunity for the export of American products, and we thought we would have enough to take care of all needs. In this respect the experience of the last year (1972-73) has been a challenge to all our traditional assumptions. We recognize that now we are living in a new world.

We have recently started an interdepartmental study of this problem. The proposal you make is one that some of us were discussing informally earlier this year; at that time it did not receive too much favor because of the weight of previous assumptions.

All I can say, pending the completion of that interdepartmental study, is that the approach you have suggested is needed, and we will look at it with the greatest sympathy.

That "interdepartmental study," a project of the National Security Council, concluded, in essence, that although the world food outlook is uncertain, the United States should explore new ways of promoting an international approach to related issues of food aid and development. Those familiar with the NSC study report that it, and Kissinger's personal impetus behind it, provoked a thorough and continuing review in the downtown departments and made the bureaucracy focus on the new vistas of world food. In turn, the review helped educate Kissinger, who at his confirmation hearing, was speaking strictly off a staff briefing. He was initially outraged that in 1973, almost overnight, the United States had to stop selling certain farm commodities—with troublesome foreign policy consequences—in markets which it had spent five years trying to expand. He is described now as soberly heedful of the interrelationship of agriculture and diplomacy, and as determined not to leave policy in that area to "economists."

A WORLD FOOD CONFERENCE

Less than two weeks after his confirmation hearing, Kissinger went to the United Nations and proposed a World Food Conference along the precise lines suggested by Humphrey. This was, I am prepared to believe, more than a gesture to show the Third World gallery that the United States is interested in more than countries big and rich enough to be part of the balance of power. It was an acknowledgement, more meaningful for having been made in a political forum and in the expectation of indefinite food shortages, that the United States regards the world food situation as an urgent issue demanding an international solution and transcending the complex ongoing questions of agricultural trade. The Conference will be held in Rome next November under the auspices of the United Nations, with technical assistance by the FAO. It was put under the United Nations rather than the FAO because the U.N. has a universal membership (the Russians don't belong to the FAO) and because grain-exporting countries tend to look at the FAO as a club (in both senses) of the food-deficit countries. The Conference will consider a range of issues chosen, or so the United States hopes, for being particularly amenable to international cooperation—pest control, disaster relief, technical assistance for self-help programs, and so on. But an international food reserve remains the key issue.

As usual, an international timetable is forcing national decisions. Kissinger has appointed a coordinator to oversee the shaping of the American position at the World Food Conference. The fact that the Conference will be under the United Nations, not the FAO, facilitated his effort to put State rather than Agriculture in charge of the American position. The Agriculture Department named the deputy coordinator. The bureaucratic byplay is, by consensus, brisk but positive. The FAO's Boerma has been applying pressure of his own, on Butz, from what might be called the left flank. They seem to have pushed each other into a mutually acceptable position on reserves. Butz now agrees that the government as well as private traders will have to hold reserves. Boerma has eased off his earlier preference that reserves be controlled internationally, rather than by each participating nation. Over-all, the inevitable and healthy difference in viewpoint of Agriculture and State—Agriculture representing a powerful domestic interest group, State representing a more abstract foreign policy "interest"—ensures a lively process of policy formulation. Butz is a tough, able, and outspoken man, a gamecock, and those who know him well are confident that in joining this process with Kissinger, he is quite up to ensuring that agriculture's—and Agriculture's—interests will be properly served.

GAMES RUSSIANS PLAY

The Soviet Union needs a separate word. Détente has brought the Russians into the world grain market. Their resources allow them to make a huge impact on world supplies and prices. More than any other single factor, it was the Russian purchases of 1972 which left the United States able to respond only stingily to emergency appeals from West Africa and Bangladesh. Those countries could well have concluded that détente is a conspiracy of the rich against the poor. The 1972 purchases also contributed to boosting food prices here and elsewhere. Yet the Russians still play an irresponsible loner's game. Take carryover stocks: their size indicates whether a country facing a bad harvest or an unexpected surge in demand will go on the world market. The Russians keep stock information secret. Not even the bilateral Soviet-American agricultural agreement signed at the second summit obliges them to report in that critical area. (That agreement was signed, by the way, before Kissinger started getting wise to agriculture.) Nor do the Russians take an organized part in international efforts to feed the hungry. They shun the FAO. Presumably, the World Food Conference will help smoke them out.

Just what will come out next November, at the Conference, is hard to say. I would guess that we are only at the beginning of composing a national policy consistent at once with our best instincts, with our producer's interests, and with our gathering awareness that we live in a world which may force us into new patterns both of cooperation and competition in order to assure ourselves the resources necessary for our national life. Until now, our thinking and policy on resources have assumed either an adequate domestic supply or adequate foreign access. In this condition of plenty, we could indulge a casual and unplanned approach. But we seem now to be entering a period of shortages, world or national. George McGovern, a farm state politician and former Food for Peace administrator, told the Senate last August:

We have chosen commercial sales of wheat to the Soviet Union over guarantees of an adequate diet for those impoverished Americans who subsist on surplus commodities. We have chosen, at least indirectly, to feed American livestock—in support of our taste for meat over grain—instead of meeting desperate human needs in West Africa, South Asia and elsewhere. We are forced to such results because we simply have no policy for choosing which needs to fill and which to ignore when we cannot fill them all.

The country is now starting to choose.

CONCLUSION OF MORNING BUSINESS

Mr. MANSFIELD. Mr. President, is there further morning business?

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business, which the clerk will state.

The assistant legislative clerk read the bill by title, as follows:

A bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

The Senate resumed the consideration of the bill.

The PRESIDING OFFICER. The pending question is on the amendment of the Senator from Georgia (Mr. TALMADGE).

Mr. MANSFIELD. Mr. President, it is my understanding that that amendment will not be voted on until Monday. It is my hope that other amendments which may be available will be offered this afternoon, and if there are to be rollcall votes, they, too, can be put over until Monday under the previous agreement.

CLOTURE MOTION

Mr. MANSFIELD. Mr. President, at this time I send to the desk a cloture motion and ask that it be read.

The ACTING PRESIDENT pro tempore. The cloture motion having been presented under rule XXII, the Chair, without objection, directs the clerk to read the motion.

The assistant legislative clerk read the motion, as follows:

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the pending bill S. 3044, a bill to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

John O. Pastore.

Harrison A. Williams, Jr.

Clifford P. Case.

Abraham Ribicoff.

Thomas F. Eagleton.

Joseph R. Biden.

Alan Cranston.

Birch Bayh.

Dick Clark.

Frank Church.

Quentin N. Burdick.

James Abourezk.

Gale W. McGee.

Edmund S. Muskie.

Phillip A. Hart.

Edward M. Kennedy.

Floyd K. Haskell.

Howard M. Metzenbaum.

Jacob K. Javits.

Marlow W. Cook.

Edward W. Brooke.

Ted Stevens.

Joseph M. Montoya.

Hugh Scott.

Richard S. Schweiker.

Henry M. Jackson.

Hubert H. Humphrey.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Talmadge amendment be laid aside temporarily until the close of routine morning business on Monday.

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

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

RECESS

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess subject to the call of the Chair.

The motion was agreed to; and at 10:44 a.m., the Senate took a recess subject to the call for the Chair.

The Senate reconvened at 10:47, when called to order by the Acting President pro tempore.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

The ACTING PRESIDENT pro tempore. The Chair recognizes the senior Senator from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, I wish to commend the difficult and lonely fight being made by the distinguished Senator from Alabama (Mr. ALLEN) against an unjustified raid on the Treasury of the United States. The Senator from Alabama has led the fight against taking tax funds to finance political campaigns.

As one Senator, I shall not vote to take money from the pockets of the hard working wage earners of our country and turn that money over to the politicians. The polls show that politicians these days are not in very good standing. Yet many in Congress say, "Oh, the people want us to vote this money. They want us to take tax funds for our campaigns." I do not believe that. I do not believe that the wage earners of the country want to have the House and Senate dip into their pockets and take money from the hard-working people of the country and turn it over to the politicians to use as they wish.

So I commend the able Senator from Alabama. I hope he will prevail in his difficult struggle against this new program for an additional use of tax funds. The record shows that whenever Congress gets into something, the cost increases. This campaign financing bill will not decrease the cost of campaigns; it will increase the cost of campaigns. That is the whole history of congressional spending.

That is the whole history of Congress. Whenever Congress gets involved in a matter, the cost goes up.

I say that the cost of campaigns is too high now. What needs to be done is to put a tight ceiling on campaign expenditures and a tight ceiling on the amount of money that any individual can contribute to a campaign.

I hope Congress will do just that. But I hope that Congress will reject dipping into the pockets of the wage earners in order to get money from the Federal Treasury to turn over to the politicians of our Nation.

Mr. President, I ask unanimous consent that I be permitted to speak out of order on another subject.

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

Mr. HARRY F. BYRD, JR. First, Mr. President, I ask unanimous consent that I may yield to my distinguished colleague from Wisconsin (Mr. NELSON) without losing my right to the floor.

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

Mr. NELSON. Mr. President, I ask unanimous consent to speak very briefly out of order.

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

S. 3318—INTRODUCTION OF A BILL TO AMEND THE INTERSTATE COMMERCE ACT

Mr. NELSON. Mr. President, I send to the desk a bill to amend the Interstate Commerce Act and provide for regulation of certain anticompetitive developments in the petroleum industry, and I ask unanimous consent that the bill be referred to the Committee on Commerce.

Mr. GRIFFIN. Mr. President, I reserve the right to object.

The ACTING PRESIDENT pro tempore. The Senator from Michigan reserves the right to object.

Mr. NELSON. If the Senator will permit me to comment, there is dual jurisdiction over this bill. It has antitrust provisions in it, and it amends the Interstate Commerce Act. Either committee could handle it. Probably both will want to before any action is taken on the bill. I ask unanimous consent that initially it be referred to the Committee on Commerce.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. HARRY F. BYRD, JR. Mr. President, reserving the right to object, may I ask, is the Finance Committee involved in this legislation?

Mr. NELSON. I think it could be. The bill would amend the Interstate Commerce Act. It provides for divestiture of certain activities of the oil companies, divestiture of refining if they in fact refine, produce, and engage in other activities. So I would not be surprised if Finance, Judiciary, and Commerce all have legitimate jurisdiction over parts of the measure.

Mr. HARRY F. BYRD, JR. Irrespective of the merits of the proposal, I would hate to see the Finance Committee bypassed on a matter which is within its jurisdiction. Would the Senator be inclined to let—

Mr. NELSON. I would like to have it referred to the Committee on Commerce, although I am sure that any other committee that desires at any stage could have its own hearings, as is very frequently done, or have it referred for its own consideration. That would be perfectly appropriate, as frequently happens here.

Mr. HARRY F. BYRD, JR. I do not want to object to the request of my distinguished friend from Wisconsin, and I shall not object, but I would hope that if aspects of it are matters that should be considered by the Committee on Finance, the Senator from Wisconsin would urge that it be referred to the Finance Committee at the appropriate time.

Mr. NELSON. I am not sure whether there are. It had not really occurred to me until the Senator raised the question as to whether or not there are Finance Committee jurisdiction problems involved. There clearly is jurisdiction in both the Commerce Committee and the Committee on the Judiciary, because it would amend the Interstate Commerce Act, but it also has antitrust provisions as well.

It has to go somewhere initially, and as I say, I would have no objection—and would not be entitled to make any objection anyway—to any committee that has jurisdiction over some aspect of the subject matter requesting that, at the appropriate time, there be a referral of the bill to that committee.

Mr. HARRY F. BYRD, JR. I am not seeking additional work for the Finance Committee, but I would not like to see it bypassed on a subject in which it has jurisdiction.

I have no objection to the request of the Senator from Wisconsin.

Mr. GRIFFIN. Mr. President, reserving the right to object, I do not know that I shall object, except to observe that there is an Antitrust Subcommittee of the Committee on the Judiciary which is chaired by my senior colleague from Michigan (Mr. HART). It would seem that, since the bill clearly is directed to the matter of antitrust laws, it would be a little unusual, at least without consulting—and perhaps the distinguished Senator from Wisconsin has consulted and cleared with the other committees, particularly the Judiciary Committee, which I would think would have primary jurisdiction—to bypass that committee by unanimous consent on the Senate floor.

Perhaps there could be joint referral to both the Judiciary Committee and the Committee on Commerce.

Mr. NELSON. Mr. President, I have no objection to that. It is perfectly clear that there is important jurisdiction in the Judiciary Committee.

Many years ago—I do not know the date—on a similar problem, which involved prohibiting the railroads from hauling products that they owned, which is similar to this matter, the Commerce Committee handled that problem. But there clearly is dual jurisdiction.

I ask unanimous consent that the bill be referred to both the Committee on the Judiciary and the Committee on Commerce.

I have no objection to Finance, either. I am not sure there is a primary Finance Committee jurisdiction, but if there is, and the Senator from Virginia or the chairman of the Finance Committee asks for jurisdiction, I would have no objection to that.

Mr. GRIFFIN. Mr. President, as the request has now been phrased, I have no objection. As the Senator from Wis-

consin well knows, not only do we have an Antitrust Subcommittee of the Committee on the Judiciary, but it is very adequately staffed by experts in the field. It would not seem wise for the Senate to bypass that expertise and send it to the Committee on Commerce, on which I serve, but which is not particularly experienced with antitrust questions.

So I am delighted that the Senator has revised his request.

The ACTING PRESIDENT pro tempore (Mr. METCALF). Without objection, the bill will be received and referred jointly to the Committee on Commerce and the Committee on the Judiciary.

Mr. NELSON. Mr. President, Mr. ABOUREZK and I have joined in sponsoring this legislation entitled the Free Enterprise in Petroleum Act.

Massive amounts of evidence accumulated over the past quarter century indicate that those major oil companies, engaged in the whole process of oil management and control from drilling to retailing, are in fact monopolistic, anticompetitive, and destructive of free enterprise in the oil industry. This legislation is designed to eliminate this kind of monopolistic control by requiring divestiture of vertically integrated oil companies.

The legislation contains three prohibitions. First, it forbids pipeline companies engaged in interstate commerce from transporting petroleum products which it produced or manufactured. Second, it prohibits oil refiners from engaging in development or production of petroleum products; and, third, it forbids refiners from marketing finished petroleum products. These prohibitions do not apply to "independent" refiners defined as those who buy three-fourths of their crude oil and sell most of their products at the refinery.

The problem of monopolistic practices in the oil industry is not new nor are the proposals to cure it. In July of 1937, Congressman Biermann introduced similar legislation and in every decade since Members of both Houses have proposed legislation aimed at the same problem. These proposals have borne the names of distinguished Members of both Houses such as Borah, Gillette, Nye, Harrington, and Roosevelt. Currently, legislation concerning this problem is pending in both Houses. It is time for Congress to act.

Mr. President, there can no longer be any doubt that a law of this kind is needed. There can be no doubt of the abuses caused by a petroleum industry which is vertically integrated and monopolistic. According to figures in a Government Operations Committee print entitled "Investigation of the Petroleum Industry," that industry has in certain respect become even more concentrated and top-heavy in 1969 than it was in 1960. The top eight oil companies together accounted for 50 percent of the domestic net crude oil production while the top 20 companies had 70 percent. In 1960, those figures were 43 and 63 percent, respectively. All by themselves, four companies—Standard of New Jersey, Texaco, Gulf, and Shell—accounted for 31 percent in 1969 while in 1960 they

shared 26 percent. In 1970, the top 20 companies accounted for 94 percent of proved domestic crude reserves, the top eight had 64 percent and the top four had 37 percent. In 1970, the company shares of domestic crude oil and gasoline refining capacity were as follows: The top four had 33 percent, the top eight had 57 percent, and the top 20 shared 86 percent.

In hearings before Congressman Roosevelt's committee in the mid-1950's, before Senator HART's Antitrust Subcommittee, and in a lengthy study by my own staff, the same facts have been consistently brought out: The abuses include short leases for retailers, unwarranted cancellations, artificially induced price variances, forced trinket "give-aways" which are beneficial only to the oil companies, and on and on. As recently as last month, in a front page article in the Milwaukee Sentinel it was stated that 3,600 independent retail gasoline dealers had begun concerted efforts to effect State legislation of this sort. The retailers list additional abuses including being forced to purchase such things as batteries and accessories from the majors at prices dictated by the majors.

The oil industry monopoly has had a truly devastating effect on retail gasoline dealers. In testifying before the Senate Antitrust and Monopoly Subcommittee of the Judiciary Committee, Mr. H. C. Thompson, president of the National Congress of Petroleum Retailers, has described the retail dealers' position as "largely that of an economic serf rather than that of an independent businessman." In his July 14-15-16, 1970, testimony, Mr. Thompson estimated that the turnover in gasoline station operators is 25 to 35 percent each year, or about 50,000 to 70,000 dealers.

The legislature has not been the only branch to attempt to bring about competition in the oil industry. In his fine speech on this subject last July 12, the distinguished Senator from South Dakota (Mr. ABOUREZK) traced the history of Federal court cases in this area since the landmark case of *Standard Oil Company of New Jersey v. United States*, 221 U.S. 1 in 1911.

An exhaustive examination of this whole problem has recently been completed by the Federal Trade Commission. It is a 141-page document entitled "Complaint Counsel's Prediscovery Statement," dated February 22, 1974, and is in support of the Commission's complaint in *In the Matter of Exxon Corporation et al.* This document is discussed in two recent newspaper articles.

The first is an article by Morton Mintz in the *Washington Post*, February 24, 1974, and the second is from the *Wall Street Journal*, February 25. Among the remedies it proposes, the FTC suggests refinery and pipeline divestiture.

Unfortunately, proceedings of this sort take very much time. Mr. Mintz suggests a final resolution is 8 to 10 years away. Given the present state of our petroleum supply and the state of the oil industry, I suggest that we cannot wait that long.

We can no longer put off legislation of this sort as being premature or ill-considered. Nor can we hide from the fact

that there continues to be a petroleum crisis, even though its immediate effects may have been eased by the recent lifting of the oil embargo. This is a bill whose time has come.

Mr. President, I ask unanimous consent that the bill and its summary be printed in the RECORD along with an excerpt of my remarks on this subject in 1971 and the three newspaper articles that I have just referred to.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 3318

A bill to amend the Interstate Commerce Act and to provide for regulation of certain anticompetitive developments in the petroleum industry

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 Free Enterprise in Petroleum Act of 1974.

FINDINGS

SEC. 2. (a) The Congress finds: (1) that Paragraph (8) of section (1) of the Interstate Commerce Act (49 U.S.C. 1 (8)) which divorces the business of transporting by railroad commodities in interstate commerce from their manufacture, thereby avoiding the tendency to discrimination, should be amended to apply to "pipeline companies", as that term is defined herein; (2) that the industrial organization of the petroleum industry in its present form does not serve the public interest; (3) that industry is characterized by aggregations of capital of tremendous size; (4) that these large companies are engaged in petroleum refining, but are interlocked at various levels of industry operation to the degree that the national policy of competitive free enterprise is frustrated; and (5) that by virtue of intercompany arrangements and vertical integration of refiners into the production of crude oil, the transportation of crude oil and finished products and the marketing of finished products, these large refiners have acquired and hold substantial monopoly power over interstate and foreign commerce in petroleum, adversely affecting the ability of the United States to establish a rational energy policy or conduct its foreign relations properly in important areas.

(b) The Congress further finds that an ample supply of energy at reasonable cost is essential to the national interest, and that petroleum hydrocarbons are a very significant portion of our energy supply. Current and projected levels of hydrocarbon imports from foreign sources entail serious consequences to the national defense and foreign policy of the United States, to the stability and health of the domestic economy, to the competitive position of this Nation in world trade, to the purchasing power of United States currency, and to the welfare of its citizens.

(c) It is therefore essential that action be taken on an emergency basis to reorganize the structure of the petroleum industry, to restore the free enterprise system in energy development, to assure an adequate flow of capital into exploration and development of secure and environmentally safeguarded sources, and to accord investors, consumers and taxpayers adequate protection in relation to energy development and the divestitures required hereunder.

DEFINITIONS

SEC. 3. (a) "Refinery" means a plant constructed or operated for the purpose of separating or converting liquid hydrocarbons to finished products or unfinished oils for further refining;

(b) "Finished products" means liquid hydrocarbon products used or useful without further processing other than mechanical blending for the production of energy for heating or as a source of mechanical power.

(c) "Crude oil" means a mixture of liquid or gaseous hydrocarbons that are produced from natural underground reservoirs, and which are liquid at atmospheric pressures after production.

(d) "Liquid hydrocarbons" means any liquid composed of hydrogen and carbon molecules, and includes such hydrocarbons derived from tar sands, oil shale or liquefaction of coal.

(e) "Company" means any business enterprise of any nature whatsoever, and shall include but not be limited to corporations, trusts, unincorporated associations, partnerships, and sole proprietorships.

(f) "Affiliate" means any company owned or controlled by another company, or which owns or controls another company, or is under common ownership or control with another company; where the terms "own" or "ownership" refer to ownership of a substantial interest, and the term "control" refers to control by stock interest, representation on the board of directors or similar governing body of the controlled company, or control by contract, agreement, or trust relationship with other stockholders, or otherwise.

(g) "Independent refiner" means a company operating a refinery of which not more than 25 per centum of the total input is derived from crude oil produced by or on behalf of such company or any affiliate of such company; and which sells at least half of the total of finished products produced in its refinery or refineries to companies not affiliated with it for resale at wholesale or retail under brands not owned or controlled by such refinery company.

(h) "Pipeline Company" means a company engaged in any way in the transportation of oil by pipeline or partly by pipeline.

DIVESTITURE OF PIPELINE FACILITIES

Sec. 4. Paragraph (8) of section 1 of the Interstate Commerce Act (49 U.S.C. 1(8)) is amended—

(1) by adding "(a)" immediately after (8) in such paragraph; and

(2) by adding at the end of such paragraph the following subparagraph to read as follows:

"(b) (1) It shall be unlawful for any pipeline company subject to this chapter to transport to, from, or within any State, territory, or the District of Columbia any crude oil or other liquid hydrocarbon, or any finished product, which is produced or manufactured by such pipeline company or any company which is an affiliate of such pipeline company."

DIVESTITURE OF PRODUCING FACILITIES

Sec. 5. After the date of enactment of this Act, except as specifically provided herein, no company operating a refinery, other than an independent refiner, shall at the same time own or control any interest of any nature whatsoever, directly or through any affiliate, in any company engaged in the exploration for, development of, or production of crude oil or other liquid hydrocarbons.

DIVESTITURE OF MARKETING FACILITIES

Sec. 6. After the date of enactment of this Act, except as specifically provided herein, no company operating a refinery, other than an independent refiner, shall at the same time own or control any interest of any nature whatsoever, directly or through any affiliate, in any company engaged in the marketing of finished products: *Provided, however,* That any such company may maintain and operate facilities for the sale and delivery of such finished products directly from a refinery.

DIVESTMENT PLANS AND FINANCIAL ACCOUNTING

Sec. 7. (a) The Securities and Exchange Commission, in accordance with such rules, regulations, or orders as it may deem necessary to promulgate to carry out the purposes of this Act, shall require companies holding ownership interests in facilities which are prohibited by this Act, to submit, within one year from the date of enactment of this Act, plans for the divestment of such ownership interests, whether represented by securities, or otherwise. If, after notice and opportunity for hearing, the Commission shall find such plan, as submitted or as modified by Commission order, necessary to effectuate the provisions of this Act and fair and equitable to the persons affected by it, the Commission by order shall approve such plan and shall thereafter take such action, by application to a court for appointment of a trustee, or receiver, or for such other order as may be necessary, to enforce such plan: *Provided, however,* That the Commission shall not approve any plan which will not substantially accomplish the necessary divestment on or before January 1, 1977.

(b) The Commission shall immediately prescribe rules and regulations governing the financial accounting of companies subject to this Act, to insure careful segregation of operations of such companies in each level of industry operation, separately calculating and reporting capital and operating costs, and profits, for operations relating to crude oil production, operation of each refinery, operation of pipelines, and operation of marketing facilities.

OPERATIONS PENDING DIVESTMENT

Sec. 8. Any company required by the terms of this Act to divest property or interests may continue to operate such property or interests under this Act for a period not to exceed one year from the date of enactment of this Act without submission of a plan or plans for divestment, and thereafter during the period required for consideration and approval by the Commission of a plan submitted, as herein provided. Such company shall, however, in no event continue to operate or control such property and interests after January 1, 1977.

VIOLATIONS

Sec. 9. If any company shall violate any of the provisions of this Act or any rule, regulation, or order issued hereunder, upon application of any Federal court by the United States, or any customer or competitor of such company or any person affected by such violation, such court shall order the forfeiture to the United States of the sum of \$5,000 for each day such violation shall be found to have continued, and for payment of the costs and expenses of suit, including, if a private enforcement action, an informer's fee to be calculated in like manner to those provided by law relating to the collection of import duties or other taxes.

EXCERPTS FROM SENATOR NELSON'S REMARKS ON EDUCATIONAL TELEVISION, OCTOBER 14, 1971, WHA TELEVISION, WISCONSIN

Prior to government placing new restrictions on the activities of any segment of our society, there must be overwhelming evidence supporting the need for such action. In my opinion, years of congressional study have constructed a case for drastic steps to be taken in the area of retail distribution of gasoline and related products.

When this industry was in its infancy, the Congress discerned the obvious detrimental public consequences of the one man control which then existed. In 1911, the Supreme court decided the Standard Oil case, which broke up the Standard Oil Trust. Since that time little has been done to insure that the benefits this action offered both to business and the public would remain effective.

Today the industry is one of the economic giants operating in this country. Some 225,000 retail outlets with annual sales in excess of \$25 billion supply consumers with over 90 billion gallons of gasoline and other products. These figures represent staggering multiples of growth since 1911.

Through the years, as the demand for product increased, there has been a constant movement to a re-concentration of power within the industry. Today a mere handful of men, representing 11 oil companies, control the industry from the wellheads to the consumer. The court decision of 1911 has been effectively nullified. I think it is time the interests of the public and the retailer were again considered and new legislation enacted to restore competitive balance within the industry.

The Roosevelt Committee of the mid-50's; the Hart Committee, plus, a study by my staff spanning 4 years have produced a sorry picture of this industry, which enjoys a captive market for its product. It exhibits little regard for the well-being of its retailers. . . .

Time will not permit a full statement of the abuses uncovered within this industry, such as, short leases for retailers, unwarranted cancellations, artificially induced price variances, forced trinket "give aways", which are only beneficial to the oil companies; and on and on.

I think there is an answer to this problem. I have prepared a Bill for introduction in the Senate which will prohibit producers of gasolines from owning and operating retail outlets. The public will benefit from a system which will then provide for the free operation of the retail gasoline market, and 225,000 retailers will become true independent businessmen, with the opportunity to decide their own destinies.

The oil companies will doubtlessly issue a unanimous cry that such legislation is a blow to the free enterprise system. To them I say—it is designed to make that system work, not for the privileged few, but for the many independent businessmen who are now victims of a powerful oligarchy.

[From the Milwaukee Sentinel, Feb. 19, 1974]

SEEK LAW ON GAS STATION OWNERSHIP

MADISON, Wis.—A newly formed coalition of Wisconsin's 3,600 independent retail gasoline dealers has hired lobbyists to push legislation that would outlaw station ownership by major oil companies.

The coalition hired three Milwaukee attorneys who registered Monday as lobbyists for the Wisconsin Gasoline Dealers Co-ordinating Committee.

They immediately sought bipartisan support for their draft bill that would make it illegal for a major oil firm to own a retail outlet.

The attorneys, and several independent dealers, spent Monday in Madison meeting with aides to Gov. Lucey, and with state energy advisor Stanley York. They were hoping to meet soon with Atty. Gen. Robert W. Warren.

York and Lucey's legal counsel, David Hase, agreed in principle with the coalition that preservation of the independent retailer is the goal of state government.

The coalition is seeking amendments to the state's antitrust laws to prohibit station ownership, and it wants new contract laws to protect independent dealers from what the coalition members call harassment by the major firms.

Atty. Raymond Krueger told Hase that independents are being squeezed out of business by major oil firms that "arbitrarily terminate contracts" with the dealer.

"If this continues much longer, the oil companies will have achieved their goal—running the independents out of business,"

said Atty. William E. Glassner, Jr., another representative of the coalition.

The coalition is comprised of the Wisco Retail Gasoline Dealers Association, the Clark Oil Dealers Association and unorganized independent dealers.

The dealers want more contractual protection through state laws. They maintain that present law permits major firms force them to purchase batteries, tires and accessories from the major firms at the prices the majors demand.

If they don't abide by the major company's demands they don't get gasoline, or they are harassed by other company threats, the dealers told Hase.

Hase said Lacey supports the preservation of the independent oil retailers, but he said he is not certain whether forcing the major firms out of the retail market is the answer.

The independent dealers said that major firms have closed 20% to 52% of the retail outlets selling their brands was a company owned station and that none of those closed was a company owned station.

Arthur Johnson, vice president of the retail dealers group, said one major firm closed 9 of 13 outlets in Madison recently, all independent owner operated.

[From the Washington Post, Feb. 24, 1974]
REFINERY DIVESTITURE URGED
(By Morton Mintz)

Putting some of the blame for high fuel prices and inadequate refinery capacity on a lack of competition among the nation's eight largest oil companies, the Federal Trade Commission staff is seeking to force them to sell 40 to 60 percent of their refinery capacity.

Ten to 13 new firms would be formed to buy the divested refineries, under a tentative proposal by the FTC's Bureau of Competition.

If the industry had been organized "to depend upon free markets, it is doubtful that the present shortage of refinery capacity would have arisen," the staff said.

In addition to the refinery divestiture, the bureau said, the newly formed firms also should acquire pipelines owned by the oil companies, as well as the joint-venture pipelines.

The proposal is the first specific disclosure of the relief sought by the bureau to satisfy the antitrust complaint it filed July 17 against the companies—Exxon, Texaco, Gulf, Mobil, Standard of California, Standard of Indiana, Shell and Atlantic Richfield.

All of the companies have said they are innocent of the FTC staff's charge that they have joined at least since 1950 to monopolize refining and to maintain a noncompetitive structure of refining in "the relevant market"—the East and Gulf coasts, and parts of the mid-continent.

The proposed remedies would bring consumers "significant benefits" by imposing competition "where it has been present only rarely," the staff contended.

Its recommendations are in a 141-page "pre-discovery statement" filed Friday with Administrative Law Judge Donald R. Moore, who will hold a hearing and make a recommendation to the commission.

The proceeding is certain to go into the courts. A final decision by the Supreme Court is believed to be eight to 10 years off.

The proposed divestitures would make the new refinery firms "viable and independent," because they would have the assured access to major pipelines needed in a competitive market, the staff statement said.

Moreover, the statement said, divestiture would encourage efficient independent marketers to expand because their sources of supply would be safe.

"If consumers choose to have more low-priced gasoline without amenities, their de-

mand will encourage independents to buy more from a genuine market," the bureau said.

It also asked for a ban on future refinery acquisitions by the eight companies, in addition to a limit on their joint ventures and on their exchanges of crude oil and petroleum products.

Through "common courses of action," the defendants opposed the refinery that Occidental Petroleum wanted to build for New England in Machiasport, Maine, in 1960, the statement said.

The statement, signed by staff counsel Robert E. Liedquist, said the eight companies—each integrated from the wellhead to the gas pump—are so interdependent that "in virtually every facet of their operation, they have common rather than competitive interests."

For example, the staff said, all but ARCO and Standard of Indiana are partners in the Iranian Oil Consortium and, in addition, are members of other joint international ventures in the Middle East. Thus, each is the others' "confidant" and has "a solid community of interest . . . which fosters cooperation rather than competition," the statement said.

Moreover, the staff said, the eight firms are, "to some extent . . . commonly rather than independently owned." The statement cited a "suggestive" example: "Chase Manhattan Bank, through various nominees, is both the largest shareholder in Atlantic Richfield and the second largest shareholder of Mobil. Clearly it is not in Chase Manhattan's interest to promote vigorous competition between them."

Ties between the banks and the eight companies are so strong that they "enjoy an identity of interest," the staff said. Competitors find it difficult to get financing for refineries because the major New York City banks do not want to "jeopardize" their own investments, the staff said. A refinery with a daily capacity of 250,000 barrels costs up to 600 million.

"Investment decisions are made together by firms in joint ventures," the staff continued. "Loans are sought from financial institutions on whose boards . . . there are representatives of other petroleum companies. Even in their political and public relations activities the major firms act in unison.

"In short," the staff concluded, "at no point in their operation do respondents engage in genuinely independent behavior. Rather, an intense awareness of a community of interest characterizes all of their activities and multiplies the impact of their concentration into monopoly power."

[From the Wall Street Journal, Feb. 25, 1974]
FTC STAFF URGES BIG OIL FIRMS' DIVESTITURE
OF 40 TO 60 PERCENT OF REFINERIES, ALL
PIPELINES

(By Mitchell C. Lynch)

WASHINGTON.—A special staff report by the Federal Trade Commission recommends that eight of the nation's largest oil companies be forced to divest themselves of 40% to 60% of their refining operations.

The report was filed by the FTC staff to buttress its complaint against the companies that they have monopoly control of the nation's oil industry. This stranglehold, the report says, is directly linked to the current fuel shortage and is causing higher prices for nearly all types of fuel, including gasoline.

Named in the original complaint issued last summer were Exxon Corp., New York; Texaco Inc., New York; Gulf Oil Corp., Pittsburgh; Mobil Oil Corp., New York; Standard Oil Co. of California, San Francisco; Standard Oil Co. (Indiana), Chicago; Shell Oil Co., Houston, and Atlantic Richfield Co., New York. All companies previously have denied the charges.

The 14-page report further recommends that these companies be forced to give up control of all their pipelines. The refining operations and pipeline facilities would be divested to 10 to 13 "new" companies that would be spun off from the oil companies, the report recommends. It adds that provision should be established to make sure the oil companies wouldn't have any control of the new pipeline companies.

INEFFICIENT, COSTLY OPERATIONS CITED

The report, for the first time, lists specifically what the FTC staff wants done to end what it says is a monopoly setup that for years has maintained strong barriers against any competition. Shielding themselves from outside interference, these companies have been able to operate both inefficiently and at unwarranted expense to consumers, the report charges.

The report was turned over to an FTC administrative law judge as part of legal proceedings that are expected to take years to complete. If the FTC judge agrees with the complaint, he would make a recommendation for action with the Federal Trade Commissioners. If the commissioners follow the administrative judge's ruling, the oil companies could take their appeals to the courts.

Not only do the companies work at close ranks with each other, the staff report continued, but they bring major financial institutions into their balliwick to help their cause.

For example, the report says Chase Manhattan Bank "is both the largest shareholder in Atlantic Richfield and the second largest shareholder in Mobil." The upshot: "Clearly it isn't in Chase Manhattan's interest to promote vigorously competition between them," the report says. (Large banks have steadfastly denied they influence company policies through their trust-fund holdings.)

The chief way the companies block competition is to keep crude-oil prices "artificially high," the report says. To these companies, which control exploration, pumping, piping, refining and sales, high crude prices are "merely bookkeeping transfers" that are passed on to the consumer in the form of higher fuel prices.

However, to any independent company, higher crude prices mean "out of pocket costs," the report claims. "Consequently, refining has been rendered less attractive" to smaller companies thinking of getting into the oil-processing business.

ENERGY CRISIS AS AN EXAMPLE

The current fuel squeeze "dramatically illustrates" the "ills" of the oil-company setup, the report asserts. Forcing the companies to make the divestitures "will work to prevent the recurrence of the present shortage of refinery capacity," the report says.

What's more, the report says, "The consumer pays twice" because of the companies' market power, "both directly in the form of higher prices and indirectly in that society's resources aren't allocated in the most efficient manner."

The companies have full say on prices because they control production, pipelines and "international crude oil." This power is bolstered by "their exploitation of state and federal legislation, particularly state rationing laws and the oil import quota." This enables companies to prevent any increase in supply from upsetting their posted prices.

An example of the companies' muscle, the report says, was their successful move to block construction of a refinery to be built by Occidental Petroleum Corp. in Machiasport, Maine, in 1960. That refinery was designed to provide petroleum products for the New England area, which currently is being hit by the fuel shortage.

SUMMARY OF FREE ENTERPRISE IN PETROLEUM ACT OF 1974

Section 1 contains the short title of the measure.

Section 2 recites detailed findings by the Congress concerning: the applicability of a section of the Interstate Commerce Act—which divorces the business of transporting by railroad, commodities in interstate commerce from their manufacture—to the petroleum industry; the present highly concentrated organization of the industry, its effect frustrating the national policy in several areas; the policy of competitive free enterprise capitalism generally; energy policy provisions for an ample supply of petroleum products at reasonable costs in interstate and foreign commerce; in carrying out foreign policy in important areas; and in maintaining the stability and purchasing power of the United States currency. This Section also finds that it is therefore essential to reorganize the petroleum industry in such a manner as to make possible effective policy decisions in these areas while at the same time protecting the interests of investors.

Section 2 defines the critical terms used in the legislation. Particularly, it defines the term "affiliate" of a company as including parents, subsidiaries or companies under common control with such companies, whether such relationship is established by ownership, direct or indirect interlocking directorates, by contract or by any other means. It also specifically defines an "independent refiner," a company excepted from the divestment provisions of other sections of the Act, as a company operating a refinery of which not more than 25% of the total input is derived from crude oil produced by or for such refiner or any affiliate, and which sells at least half of its total finished products through other than owned or controlled marketing facilities.

Section 4 prohibits integration into pipeline transportation. This is accomplished by an amendment to the Interstate Commerce Act to prohibit any common carrier pipeline from transporting crude oil, other liquid hydrocarbons, or finished products, if the commodity transported is owned by the pipeline or any affiliate. This provision is similar to the "commodities clause" provision of the Interstate Commerce Acts imposing limitations on railroads, and is in form an amendment to that provision.

Section 5 prohibits any company operating a refinery, other than an independent refiner, from owning or controlling any interest in exploration for, development of or production of crude oil or other liquid hydrocarbons, including synthetics.

Section 6 is a similar prohibition relating to marketing facilities, forbidding any company operating a refinery, other than an independent refiner, from owning, controlling or operating facilities for the sale of finished products, other than those facilities necessary for sale of produce directly from the refinery.

Section 7 makes provision for procedures to accomplish the divestment of properties which would otherwise be held in violation of the provisions of the Act. As with public utility holding companies, the Securities and Exchange Commission is given authority to receive and consider divestment plans filed by integrated companies. If the Commission finds such plan as submitted, or as modified by the Commission, to be fair and equitable in its protection of investor interests, and to be in accord with the purposes of the Act, it is authorized to approve the plan and direct its implementation. Pending approval of any plan, however, the Commission is directed to prescribe rules and regulations for petroleum company accounting which will effectively segregate the costs, both capital and operating, and the profits, which are appropriately allocable to each level of company operation.

Section 8 makes necessary allowance for operations during the period before divestiture can be accomplished. It permits companies otherwise subject to the prohibitions of Section 5 and 6 of the Act to continue operations for one year prior to the filing of an appropriate divestment plan with the Securities and Exchange Commission, and thereafter during the period required for the consideration, approval and effectuation of such a plan by the Commission.

Section 9 imposes penalties for the violation of the Act, to consist of a forfeiture of \$5,000 for each day a company is in violation. It also provides that this forfeiture can be declared by application to a United States District Court at the request of the United States or any customer or competitor of the company, or of any other person affected by the violation. In the event suit is brought by private interests, an appropriate informer's fee is to be paid, calculated as are those fees allowable in customs or tax matters. Costs and expenses of suit are also to be allowed a successful private party.

TRADE WITH THE SOVIET UNION AND RHODESIA

Mr. HARRY F. BYRD, JR. Mr. President, like many Americans, the Richmond Times-Dispatch, a newspaper published in the city of Richmond, Va., is deeply concerned over the dual standard employed by the State Department. The Times-Dispatch editorial of Wednesday, April 3, 1974, entitled "No and Yes," discusses the matter of trade with two nations and the attitude of the State Department. The two nations are the Soviet Union and Rhodesia.

The State Department advocates trade concessions to Soviet Russia and this very same State Department advocates an embargo on trade with Rhodesia.

This embargo on trade with Rhodesia is advocated even though such an embargo would mean that the United States would become dependent on Communist Russia for a vital war material; namely, chrome. All of U.S. needs must be imported.

There are only three nations in the world with large deposits of chromium and those nations are Rhodesia, South Africa, and Russia. The largest of all the deposits are in Rhodesia.

When Rhodesian chrome is embargoed, that means that the United States must rely for the largest part of its chrome needs upon Russia; yet, it is because of Russia, it is because of the potential threat to world peace posed by Russia, that the American taxpayers are spending some \$80 billion a year for defense.

Thus, to many Americans, the attitude of the State Department makes little sense. It says on the one hand that we want to embargo trade with Rhodesia, which by no conceivable stretch of the imagination can be considered a threat to world peace but, on the other hand, we want to give special trade concessions to Soviet Russia which we all recognize is a potential threat to world peace.

Incidentally, I put this question to Secretary of State Kissinger when he appeared to testify before the Committee on Finance.

I said this to him:

In your judgment, is Rhodesia a threat to world peace?

Secretary Kissinger's reply was one word, "No."

Mr. President, I ask unanimous consent to have the editorial from the Richmond Times-Dispatch printed in the RECORD. The editor of the editorial page is Edward Grimsley. The chairman and publisher is David Tennant Bryan.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NO AND YES

In determining its official views toward other countries, should the United States be decisively influenced by their domestic characteristics and internal governmental policies? Well, no and yes. "No" in the case of the Soviet Union but "yes" in the case of tiny Rhodesia. This, in effect, is what Secretary of State Henry A. Kissinger admitted to the Senate Finance Committee recently in response to a series of piercing questions from Virginia Sen. Harry F. Byrd, Jr.

Mr. Kissinger had appeared before the committee to support a trade bill that would give most favored nation treatment to Russia, a concession opposed by some congressmen who object to the Soviet Union's refusal to permit its Jewish citizens to emigrate more freely. Calling the concession a "practical necessity," the secretary argued that Russia's internal policies should not be a decisive factor in the formulation of Soviet-American trade arrangements.

At that point, Mr. Kissinger found himself in a trap skillfully set by Senator Byrd. As all Americans should be, the senator is offended by the duplicitous attitudes of those—including the Nixon administration—who simultaneously favor trade concessions for Russia, one of the world's most oppressive dictatorships and a continuing menace to international peace, and a trade embargo against Rhodesia, which is a threat to no other country. Sponsored by the United Nations, the embargo was conceived as punishment against Rhodesia primarily because of its internal racial policies. Having heard the secretary of state insist that Russia's internal affairs should not influence American policy toward the Soviet Union, Senator Byrd was eager to hear his justification for support of the embargo against Rhodesia.

"You recognize our action in embargoing trade with Rhodesia as being just?" Senator Byrd asked Mr. Kissinger.

"Yes."

"Do you regard the Soviet Union as being governed by a tight dictatorship, by a very few persons over a great number of individuals?" Senator Byrd continued.

"I consider the Soviet Union, yes, as a dictatorship of an oligarchic nature, that is, of a small number of people in the Politburo," replied Mr. Kissinger.

"In your judgment, is Rhodesia a threat to world peace?"

"No," answered Mr. Kissinger.

"In your judgment, is Russia a potential threat to world peace?"

"I think," said the secretary, "the Soviet Union has the military capacity to disturb the peace, yes."

"In your judgment, does Russia have a more democratic government than Rhodesia?"

"No," Mr. Kissinger conceded.

One can almost see the secretary squirming in the witness chair. As the questioning continued, Mr. Kissinger finally offered a flimsy excuse for the embargo. It was not motivated by Rhodesia's internal policies, he said, so much as by "the fact that a minority has established a separate state . . ."

"Well, then," Senator Byrd concluded, "you say it is because Rhodesia seeks to establish her own government. Is that not what the United States did in 1776?"

Despite Mr. Kissinger's efforts to find other reasons to justify the boycotting

against Rhodesia, the truth is that it was inspired by foreign disapproval of Rhodesia's internal racial policies. Though blacks constitute an overwhelming majority of Rhodesia's population, its government is controlled by whites and is accused of pursuing discriminatory policies against blacks. But many of the very same people who castigate the Rhodesian government for its racial policies endorse diplomatic and economic intimacy with Russia, which keeps all of its people under the brutal heel of totalitarianism.

Whether Rhodesia's internal policies are good or bad, they are Rhodesia's own business. Besides, if "practical necessity" is, as Mr. Kissinger suggested, a paramount factor in shaping American foreign policy, there is one compelling practical reason the United States should not support an embargo against Rhodesia. It is a major source of chrome, a metal vital to the American defense industry in particular and to our domestic economy in general. Denied Rhodesian chrome as a result of the embargo, we become dependent upon—of all nations—Russia, the major potential threat to America's survival.

THE PANAMA CANAL

Mr. HARRY F. BYRD, JR. Mr. President, the Virginia Legislature has adopted a resolution urging the Congress of the United States to—

Reject any encroachment upon the sovereignty of the United States of America over the Panama Canal and insist that the terms of the Hay-Bunau-Varilla Treaty of 1903 as subsequently amended be adhered to and retained.

The patrons of this resolution are Senators Barnes of Tazewell County; Campbell of Hanover County; Means of Caroline County; and Willey of Richmond city. Senator Willey, incidentally, is the President pro tempore of the Virginia Senate—and the senior member of that body.

Senators Hopkins of Roanoke city; Aldhizer of Rockingham County; Buchanan of Wise County; Canada of Virginia Beach; Burruss of Lynchburg; Truban of Shenandoah County; Anderson of Halifax County; Thornton of Salem; Goode of Franklin County; Townsend of Chesapeake; Warren of Bristol; Parkerson of Henrico County; and Michael of Charlottesville.

The resolution was agreed to by the Senate on February 22, 1974, and by the House of Delegates on March 8, 1974.

I applaud the action of the Virginia Legislature. In my judgment, this represents the thinking of the people of Virginia.

It is unfortunate that the State Department seems determined to give away U.S. sovereignty over the Panama Canal, which sovereignty was obtained in perpetuity by treaty 71 years ago.

The Secretary of State in a ceremony in Panama recently encouraged the Panamanians to believe that the United States is committed to a change in the treaty which would eliminate U.S. sovereign perpetuity.

If the State Department had its way, such would happen.

But any change in the current treaty with Panama must be submitted to the Senate for approval.

The Senate, in my judgment, will not approve such a change as has been agreed to by Secretary Kissinger.

It is important to note that a resolution has been signed by 34 Senators, pledging that they will not support such a proposal.

That means that any such proposal is dead, because any change in the treaty with Panama requires a two-thirds vote. I submit that this body will not vote by a two-thirds majority to give away the Panama Canal.

I believe that the State Department is out of touch with reality when it believes the Senate will give two-thirds approval to changing a treaty to eliminate U.S. sovereignty over the Panama Canal.

It seems to me, Mr. President, that the sooner the Panamanians understand this, the better off both countries will be.

QUORUM CALL

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum. The PRESIDING OFFICER (Mr. CRANSTON). The clerk will call the roll. The legislative clerk called the roll.

Mr. CLARK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

AMENDMENT NO. 1067

Mr. CLARK. Mr. President, I call up my amendment No. 1067.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. CLARK. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 3, beginning with line 6, strike out through line 4 on page 25 and insert in lieu thereof the following:

"TITLE V—PUBLIC FINANCING OF FEDERAL ELECTION CAMPAIGNS

"DEFINITIONS

"SEC. 501. When used in this title—

"(1) 'candidate' means an individual who seeks nomination for election, or election, to Federal office, whether or not he is elected, and, for purposes of this paragraph, an individual seeks nomination for election, or election, if he (A) takes the action necessary under the law of a State to qualify himself for nomination for election, or election, to Federal office, (B) receives contributions or makes expenditures, or (C) gives his consent for any other person to receive contributions or make expenditures for the purpose of bringing about his nomination for election, or election, to such office;

"(2) 'Commission' means the Federal Elec-

tion Commission established under section 502;

"(3) 'contribution'—

"(A) means a gift, subscription, loan, advance, or deposit of money or anything of value, made for the purpose of—

"(i) influencing the nomination for election, or election, of any person to Federal office or as a Presidential or Vice-Presidential elector; or

"(ii) influencing the result of a primary election held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President;

"(B) means a contract, promise, or agreement, whether or not legally enforceable, to make a contribution for any such purpose;

"(C) means a transfer of funds between political committees; and

"(D) means the payment, by any person other than a candidate or political committee, of compensation for the personal services of another person which are rendered to such candidate or committee without charge for any such purpose; but

"(E) does not include—

"(i) (except as provided in subparagraph (D)) the value of personal services rendered to or for the benefit of the candidate by an individual who receives no compensation from any person for rendering such service;

"(ii) payments under section 509;

"(iii) newstories, commentaries, and editorials on broadcast stations or in newspapers, magazines, and other periodical publications (other than a publication of a political party, a political committee as defined in section 591(d) of title 18, United States Code, a candidate or an agent of any of the foregoing); non-partisan registration and get-out-the-vote activity; communications by an established membership organization (other than a political party) to its members, or by a corporation (not organized for purely political purposes) to its stockholders;

"(4) 'expenditure' means—

"(A) a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made for the purpose of—

"(i) influencing the nomination for election, or election, of any person to Federal office, or as a Presidential and Vice-Presidential elector; or

"(ii) influencing the result of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President;

"(B) a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure; and

"(C) a transfer of funds between political committees;

"(5) 'Federal office' means the office of President of the United States or of Senator or Representative in the Congress of the United States;

"(6) 'general election' means any election, including special elections, held for the election of a candidate to Federal office;

"(7) 'major party' means a political party which, in the preceding general election nominated a candidate who—

"(A) received, as the candidate of that party, 25 percent or more of the total number of popular votes cast for all candidates for election to that office; or

"(B) received, as the candidate of that party, the largest number or second largest number of popular votes cast for any candidate for election to that office;

"(8) 'minor party' means a political party which is not a major political party;

"(9) 'political party' means a committee, association, or organization the primary purpose of which is to select and to support individuals who seek election to Federal, State, and local office as the candidate of

that committee, association, or organization;

"(10) 'primary election' means (A) an election, including a runoff election, held for the nomination of a candidate for election to Federal office, (B) a convention or caucus of a political party held for the nomination of such a candidate, (C) an election held for the selection of delegates to a national nominating convention of a political party, and (D) an election held for the expression of a preference for the nomination of persons for election to the office of President;

"(11) 'Representative' includes Delegates or Resident Commissioners to the Congress of the United States; and

"(12) 'State' means each State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

"FEDERAL ELECTION COMMISSION

"Sec. 502. (a) (1) There is established, as an independent establishment of the executive branch of the Government of the United States, a commission to be known as the Federal Election Commission.

"(2) The Commission shall be composed of seven members who shall be appointed by the President by and with the advice and consent of the Senate. Of the seven members—

"(A) two shall be chosen from among individuals recommended by the President pro tempore of the Senate, upon the recommendations of the majority leader of the Senate and the minority leader of the Senate; and

"(B) two shall be chosen from among individuals recommended by the Speaker of the House of Representatives, upon the recommendations of the majority leader of the House and the minority leader of the House. The two members appointed under subparagraph (A) shall not be affiliated with the same political party; nor shall the two members appointed under subparagraph (B). Of the three members not appointed under such subparagraphs, no more than two shall be affiliated with the same political party.

"(3) Members of the Commission shall serve for terms of seven years, except that, or the members first appointed—

"(A) two of the members not appointed under subparagraph (A) or (B) of paragraph (2) shall be appointed for terms ending on the April 30th first occurring more than six months after the date on which they are appointed;

"(B) one of the members appointed under paragraph (2) (A) shall be appointed for a term ending one year after the April 30 on which the term of the member referred to in subparagraph (A) of this paragraph ends;

"(C) one of the members appointed under paragraph (2) (B) shall be appointed for a term ending two years thereafter;

"(D) one of the members not appointed under subparagraph (A) or (B) of paragraph (2) shall be appointed for a term ending three years thereafter;

"(E) one of the members appointed under paragraph (2) (A) shall be appointed for a term ending four years thereafter; and

"(F) one of the members appointed under paragraph (2) (B) shall be appointed for a term ending five years thereafter.

"(4) Members shall be chosen on the basis of their maturity, experience, integrity, impartiality, and good judgment. A member may be reappointed to the Commission only once.

"(5) An individual appointed to fill a vacancy occurring other than by the expiration of a term of office shall be appointed only for the unexpired term of the member he succeeds. Any vacancy occurring in the office of a member of the Commission shall be filled in the manner in which that office was originally filled.

"(6) The Commission shall elect a Chairman and a Vice Chairman from among its members for a term of two years. The Chairman and the Vice Chairman shall not be

affiliated with the same political party. The Vice Chairman shall act as Chairman in the absence or disability of the Chairman, or in the event of a vacancy in that office.

"(b) A vacancy in the Commission shall not impair the right of the remaining members to exercise all the powers of the Commission and four members thereof shall constitute a quorum.

"(c) The Commission shall have an official seal which shall be judicially noticed.

"(d) The Commission shall at the close of each fiscal year report to the Congress and to the President concerning the action it has taken; the names, salaries, and duties of all individuals in its employ and the money it has disbursed; and shall make such further reports on the matters within its jurisdiction and such recommendations for further legislation as may appear desirable.

"(e) The principal office of the Commission shall be in or near the District of Columbia but it may meet or exercise any or all its powers in any State.

"(f) The Commission shall appoint a General Counsel and an Executive Director to serve at the pleasure of the Commission. The General Counsel shall be the chief legal officer of the Commission. The Executive Director shall be responsible for the administrative operations of the Commission and shall perform such other duties as may be delegated or assigned to him from time to time by regulations or orders of the Commission. The Commission shall not delegate the making of regulations regarding elections to the Executive Director.

"(g) The Commission may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code.

"(h) In carrying out its responsibilities under this title, the Commission shall, to the fullest extent practicable, avail itself of the assistance, including personnel and facilities, of the General Accounting Office and the Department of Justice. The Comptroller General and the Attorney General are authorized to make available to the Commission such personnel, facilities, and other assistance, with or without reimbursement, as the Commission may request.

"(i) The provisions of section 7324 of title 5, United States Code, shall apply to members of the Commission notwithstanding the provisions of subsection (d) (3) of such section.

"(j) (1) When the Commission submits any budget estimate or request to the President or the Office of Management and Budget, it shall concurrently transmit a copy of that estimate or request to the Congress.

"(2) Whenever the Commission submits any legislative recommendations, or testimony, or comments on legislation requested by the Congress or by any Member of Congress to the President or the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress or to the Member requesting the same. No officer or agency of the United States shall have any authority to require the Commission to submit its legislative recommendations, or testimony, or comments on legislation, to any officer or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

"(k) In verifying signatures on petitions required under this title, the Commission shall avail itself of the assistance, including personnel and facilities, of State and local governments to the extent those governments have already established programs to verify signatures on petitions. The Commission may make agreements with State and local governments to reimburse those governments for such assistance.

"POWERS OF COMMISSION

"Sec. 503. (a) The Commission shall have the power—

"(1) to make, pursuant to the provisions of chapter 5 of title 5, United States Code, any rules necessary to carry out its functions under this Act, including rules defining terms used in this Act and rules establishing procedures for gathering and certifying signatures on petitions required under this title;

"(2) to make rules governing the manner of its operations, organization, and personnel;

"(3) to require, by special or general orders, any person to submit in writing reports and answers to questions the Commission may prescribe; and those reports and answers shall be submitted to the Commission within such reasonable period and under oath or otherwise as the Commission may determine;

"(4) to administer oaths;

"(5) to require by subpoena, signed by the Chairman or the Vice Chairman, the attendance and testimony of witnesses and the production of all documentary evidence relating to the execution of its duties;

"(6) in any proceeding or investigation, to order testimony to be taken by deposition before any person designated by the Commission who has the power to administer oaths, and to compel testimony and the production of evidence in the same manner as authorized under paragraph (5) of this subsection;

"(7) to pay witnesses the same fees and mileage as are paid in like circumstances in the courts of the United States;

"(8) to initiate (through civil proceedings and through presentations to Federal grand juries), prosecute, defend, or appeal any court action in the name of the Commission for the purpose of enforcing the provisions of this title and of sections 602, 608, 610, 611, 612, 613, 614, 615, 616, and 617 of title 18, United States Code, and to recover any amounts payable to the Secretary of the Treasury under section 510, through its General Counsel; and

"(9) to delegate any of its functions or powers, other than the power to issue subpoenas under paragraph (5) to any officer of the Commission.

"(b) Any United States district court within the jurisdiction of which any inquiry is carried on, may, upon petition by the Commission—

"(1) in case of refusal to obey a subpoena or order of the Commission issued under subsection (a) of this section, issue an order requiring compliance therewith; and any failure to obey the order of the court may be punished by the court as a contempt thereof; and

"(2) upon the request of the Commission, convene a special Federal grand jury to investigate possible violations of this Act.

"(c) No person shall be subject to civil liability to any person (other than the Commission or the United States) for disclosing information at the request of the Commission.

"(d) Notwithstanding any other provision of law, the Commission shall be the primary civil and criminal enforcement agency for violations of the provisions of this title, and of sections 602, 608, 610, 611, 612, 613, 614, 615, 616, and 617 of title 18, United States Code. The Attorney General shall prosecute violations of this Act or those sections of title 18 only upon the request of the Commission.

"(e) Upon application made by any individual holding Federal office, any candidate, or any political committee, the Commission, through its General Counsel, shall provide, within a reasonable period of time, an advisory opinion whether any specific transaction or activity may constitute a violation of any provision of this title or of any provision of title 18, United States Code, over which the Commission has primary jurisdiction under subsection (d).

"ELIGIBILITY FOR FINANCING

"Sec. 504. (a) Each political party and candidate shall—

"(1) agree to obtain and to furnish to the Commission any evidence it may request about the expenditures by that party or candidate;

"(2) agree to keep and to furnish to the Commission any records, books, and other information it may request; and

"(3) agree to an audit and examination by the Commission under section 509 and to pay any amounts required under section 509.

"(b) Each political party and candidate shall certify to the Commission that—

"(1) the candidate will not incur expenditures greater than the limitations in section 506; and

"(2) no contributions greater than the limitations on contributions in section 615 of title 18, United States Code, have been or will be accepted by the party or candidate.

"(c) To be eligible to have the Commission make any payments under section 508, a candidate shall file all agreements and certifications required under subsections (a) and (b) with the Commission before the date of the relevant election at the time required by the Commission.

"(d) To be eligible to have the Commission make any payments in connection with a major party primary election campaign under section 508, a candidate who seeks the nomination of that party must in addition to the requirements of subsection (c), file with the Commission not later than two hundred and ten days before the date of that primary election—

"(1) a declaration that the candidate is seeking the nomination of a named major party for election to the office of Representative and a petition in support of his candidacy signed by a total number of people in excess of 2 per centum of the voting age population (as certified under section 506(f)) of the congressional district in which he seeks election; or

"(2) a declaration that the candidate is seeking the nomination of a named major party for election to the office of Representative in a State which is entitled to only one Representative, to the office of Senator, to the office of Vice President, or to the office of President, and a petition in support of his candidacy signed by a total number of people in excess of 1 per centum of the voting age population (as certified under section 506(f)) of the geographic area in which the primary election for that office is held.

"(e) (1) No candidate is eligible under subsection (d) until the Commission verifies that the petition filed by the candidate meets the requirements of subsection (d) and that—

"(A) the signatures on the petition are valid;

"(B) the individuals who signed the petition are eighteen years of age or older;

"(C) the individuals who signed the petition live in the geographic area in which the general election for the office the candidate seeks is held or are qualified to vote in the primary election under the laws of the State in which that election is held; and

"(D) no individual who signed the petition has signed a petition required under this section of any other candidate for the same office.

"(2) The Commission shall approve or disapprove any petition filed under this subsection not later than one hundred and eighty days before the date of the primary election in connection with which that petition is filed.

"(f) To be eligible to have the Commission make any payments under section 508, a political party must, in addition to the requirements of subsection (c), file with the Commission, at the time and in the manner the Commission prescribes by rule, a declaration that the political party will nominate candidates who will actively campaign for election in the next regular general election.

"ENTITLEMENTS

"Sec. 505. (a) (1) A candidate who is eligible for Federal financing of his campaign under section 504 is entitled to payment by the Commission of expenditures he incurs in connection with his campaign for nomination by a major political party.

"(2) No candidate who seeks the nomination of a major party is entitled to payment of his expenditures by the Commission under this subsection in excess of an amount which is equal to the amount the candidate is permitted to incur in connection with his primary election campaign under section 506 (a) (1) or (b), as applicable.

"(b) (1) Every candidate nominated by a political party who is eligible for Federal financing of his campaign under section 504 is entitled to payment by the Commission of expenditures he incurs in connection with his general election campaign.

"(A) No candidate of a major party is entitled to payment of his expenditures by the Commission under this subsection in excess of an amount which is equal to the amount the candidate is permitted to incur in connection with his campaign for election under section 506 (a) (2) or (b).

"(B) No candidate of a minor party is entitled to payment of his expenditures by the Commission under this subsection in excess of an amount which is equal to the greater of—

"(1) an amount which bears the same ratio to the amount of payments to which a candidate of a major party for the same office is entitled under this subsection as the total number of popular votes received by the candidate of that minor party for that office in the preceding general election bears to the average number of popular votes received by the candidate of a major party for that office in the preceding general election; or

"(2) (i) an amount which bears the same ratio to the amount of payments to which a candidate of a major party for the same office is entitled under this subsection as the total number of popular votes received by the candidate in the current general election bears to the average number of popular votes received by the candidate of a major party for that office in the current general election.

"(2) (A) Every independent candidate who is eligible for Federal financing of his campaign under section 504 is entitled to payment by the Commission of expenditures he incurs in connection with his general election campaign.

"(B) No independent candidate is entitled to payment of his expenditures by the Commission under this subsection in excess of an amount which is equal to the greater of—

"(1) an amount which bears the same ratio to the amount of payment to which a candidate of a major party for the same office is entitled under this subsection as the total number of popular votes received by the independent candidate as a candidate for that office in the preceding general election bears to the average number of popular votes received by the candidate of a major party for that office in the preceding general election; or

"(2) (i) an amount which bears the same ratio to the amount of payment to which a candidate of a major party for the same office is entitled under this subsection as the total number of popular votes received by the independent candidate in the current general election bears to the average number of popular votes received by the candidate of a major party for the same office in the current general election.

"(c) A minor party candidate or an independent candidate who (1) was the candidate of a major party for the same office in the preceding general election, (2) received the largest or second largest number of popular votes cast for a candidate for that office

in the preceding general election, or (3) received more than 25 per centum of the total number of popular votes cast in the preceding general election for that office shall be considered to be the candidate of a major party for purposes of this section.

"(d) (1) Every political party which is eligible for Federal financing under section 504 is entitled to payment by the Commission of expenditures it incurs in connection with Federal election activities such as voter registration drives, get-out-the-vote drives, and nominating conventions.

"(2) No political party is entitled to payment of its expenditures by the Commission under this subsection in excess of—

"(A) 20 per centum of the amount of payment by the Commission to which the Presidential candidate of that party is entitled under subsection (b), in any year in which a regular quadrennial Presidential election is held; or

"(B) 15 per centum of the amount of payment by the Commission to which the Presidential candidate of that party is entitled during a regular quadrennial Presidential election year under subsection (b) in any other year.

"(e) Notwithstanding the provisions of subsection (b), no minor party candidate or independent candidate is entitled to payment by the Commission of any expenditures under this section which, when added to the total amount of contributions received by him in connection with his campaign, exceed the amount of expenditures he may incur in connection with that campaign under the provisions of section 506.

"EXPENDITURE LIMITATIONS

"Sec. 506. (a) (1) Except to the extent that such amounts are changed under subsection (e), no candidate, other than a candidate for the office of President, may incur any expenditure in connection with his primary election campaign in excess of—

"(A) in the case of a candidate who seeks nomination for election to the office of Senator, the greater of—

"(i) 15 cents multiplied by the voting age population (as certified under subsection (f)) of the State in which he seeks nomination for election; or

"(ii) \$175,000;

"(B) in the case of a candidate who seeks nomination for election to the office of Representative—

"(i) 25 cents multiplied by the voting age population (as certified under subsection (f)) of the congressional district in which he seeks nomination for election; or

"(ii) the limitation under subparagraph (A) if the State in which he seeks nomination is entitled to only one Representative.

"(2) Except to the extent that such amounts are increased under subsection (e) no candidate, other than a candidate for election to the office of President, may incur any expenditure in connection with his general election campaign in excess of—

"(A) in the case of a candidate who is seeking election to the office of Senator, the greater of—

"(i) 20 cents multiplied by the voting age population (as certified under subsection (f)) of the State in which he seeks election; or

"(ii) \$250,000;

"(B) in the case of a candidate who is seeking election to the office of Representative—

"(i) 30 cents multiplied by the voting age population (as certified under subsection (f)) of the State in which he seeks election; or

"(ii) the limitation under subparagraph (A) if the State in which he seeks election is entitled to only one Representative.

"(b) (1) No candidate for nomination for election, to the office of President may incur with his campaign in excess of the amount

which a candidate for nomination for election, or election, to the office of Senator (or for nomination for election, to the office of Delegate, in the case of the District of Columbia) may incur within that State in connection with his campaign for that nomination or election.

"(2) No candidate for election to the office of President may incur any expenditure in connection with his general election campaign in excess of 20 cents multiplied by the voting age population (as certified under subsection (f)) of the United States.

"(3) The Commission shall prescribe rules under which any expenditure incurred by a candidate who seeks nomination for election to the office of President for use in two or more States shall be attributed to that candidate's expenditure limitation in each such State based on the number of persons in each State who can reasonably be expected to be reached by that expenditure.

"(4) The Commission shall prescribe rules under which a candidate for nomination for election to the office of President may authorize his national campaign committee to incur expenditures in connection with his national campaign in an amount not in excess of 10 per centum of the amount of expenditures which he may incur in connection with his primary election campaign in a State under this section. The expenditure limitation applicable to that candidate for such campaign in that State shall be reduced by an amount equal to the amount the candidate authorizes under this section.

"(c) (1) No candidate who is unopposed in a primary election may incur any expenditure which is in excess of an amount which is equal to 20 per centum of the limitation applicable to that candidate under subsection (a) or (b) of this section.

"(2) A candidate in a primary or general election runoff election shall have an expenditure limitation which is 50 per centum of the limitation in subsection (a) or (b) of this section, as applicable.

"(3) A candidate who seeks the nomination of a political party which selects its nominee by means of a convention or caucus system which does not include a popular election or elections shall have an expenditure limitation which is 10 per centum of the limitation in subsection (a) or (b) of this section, as applicable.

"(d) (1) Expenditures incurred on behalf of any candidate are, for the purpose of this section, considered to be incurred by that candidate.

"(2) For purposes of this subsection, an expenditure is considered to be incurred on behalf of a candidate if it is incurred by—

"(A) an agent of the candidate for the purposes of incurring any campaign expenditure,

"(B) any person authorized or requested by the candidate to incur an expenditure on his behalf, or

"(C) in the case of the candidate of a political party for President, the candidate of that party for Vice President, or his agent, or any person he authorizes to incur an expenditure on his behalf.

"(e) (1) For purposes of paragraph (2)—

"(A) 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average—published monthly by the Bureau of Labor Statistics, and

"(B) 'base period' means the calendar year 1973.

"(2) At the beginning of each calendar year (commencing in 1973), as necessary data become available from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Commission and publish in the Federal Register the percentage difference between the price index for the twelve months preceding the beginning of such calendar year and the price

index for the base period. Each amount determined under subsections (a), (b), and (c) shall be changed by such percentage difference. Each amount so changed shall be the amount in effect for such calendar year.

"(f) During the first week of January 1975, and every subsequent year, the Secretary of Commerce shall certify to the Commission and publish in the Federal Register an estimate of the voting age population of the United States, of each State, and of each congressional district as of the first day of July next preceding the date of certification. The term 'voting age population' means resident population, eighteen years of age or older.

"PETITION DRIVES

"SEC. 507. (a) Except to the extent that such amounts are changed under subsection (d)—

"(1) no candidate who seeks a major party nomination for election to the office of Representative may incur any expenditures in connection with his petition drive to meet the requirements of section 504 which exceed an amount equal to 2 cents multiplied by the voting age population (as certified under section 506(f)) of the congressional district in which he seeks election; or

"(2) no candidate who seeks a major party nomination for election to the office of Representative from a State which is entitled to only one Representative, Senator, or President, may incur any expenditures in connection with his petition drive to meet the requirements of section 504 which exceed an amount equal to the greater of—

"(A) 1 cent multiplied by the voting age population (as certified under section 506(f)) of the geographic region in which he seeks election; or

"(B) \$7,7500.

"(b) (1) No person may make a contribution to any candidate for use in connection with the petition drive of that candidate to meet the requirements of section 504 which, when added to all other contributions made by that person to that candidate in connection with the same petition drive, exceeds \$100.

"(2) No candidate may knowingly accept a contribution from any person made in connection with the petition drive of that candidate which, when added to all other contributions from that person made in connection with that petition drive, exceeds \$100. For purposes of this paragraph, a contribution accepted by any person who makes any expenditures in connection with the petition drive of a candidate is considered to be accepted by that candidate.

"(c) No candidate may make any expenditure or accept any contribution in connection with his petition drive except during the period beginning three hundred days before the date of the primary election of the major party whose nomination the candidate seeks and ending two hundred and ten days before that date.

"(d) (1) Each candidate who files a petition with the Commission under section 504 shall report to the Commission the amount of each contribution he receives in connection with his petition drive, the identity of each contributor, and any other information the Commission requires at the time and in the manner the Commission prescribes.

"(2) If a candidate meets the requirements of section 504, the Commission shall pay an amount to each person who contributed to the petition drive of that candidate an amount equal to the contribution made by that person under subsection (b) to that candidate.

"(e) Each amount under subsection (a) shall be changed at the beginning of each calendar year by the percentage difference between price indexes as determined under section 506(f). Each amount so changed shall be the amount in effect for that calendar year.

"PAYMENTS BY THE COMMISSION

"SEC. 508. (a) (1) There is established on the books of the Treasury of the United States a fund to be known as the Federal Election Campaign Fund.

"(2) There are authorized to be appropriated to the fund such amounts as are necessary to carry out the provisions of this title.

"(3) On the day after the effective date of this title, the Secretary of the Treasury shall transfer to the fund any moneys in the Presidential Election Campaign Fund established under section 9006 of the Internal Revenue Code of 1954.

"(4) The Secretary of the Treasury may transfer to the general fund of the Treasury any amounts from the Federal Election Campaign Fund which he determines, after consultation with the Commission, are in excess of the amounts which are necessary to carry out the provisions of this title.

"(b) The Secretary of the Treasury shall transfer to the Commission such amounts as the Commission certifies to the Secretary from time to time are necessary to make payments under this section.

"(c) (1) The Commission shall create on its books an account for each political party and candidate eligible for payments under section 504.

"(2) The Commission shall allocate the funds it receives from the Secretary of the Treasury under paragraph (1) among the accounts of each political party and candidate according to the amount to which each party and candidate is entitled under section 505.

"(3) The Commission shall credit all contributions which a political party or candidate sends to the Commission under section 615 of title 18, United States Code, to the account of that party or candidate.

"(d) (1) A candidate who seeks the nomination of a major political party may contract for goods, services, or other expenditures in connection with his primary election campaign only during the period beginning one hundred and eighty days before the date of the primary election of that party and ending on the date of that primary election.

"(2) A candidate may contract for goods, services, or other expenditures in connection with his general election campaign only during the period beginning on the date on which he is nominated by a major political party for that election and ending on the date of that general election. A minor party or independent candidate may contract for such goods and services only during the period beginning one hundred and eighty days before the date of the general election, or on the date on which a major party nominates a candidate for the office the minor party or independent candidate seeks, whichever date is earlier, and ending on the date of the general election.

"(3) A political party may contract for goods, services, or other expenditures in connection with its Federal election campaign activities only during the period beginning two years before the date of the next general election in which it will nominate candidates and ending on the date of that general election.

"(4) The Commission may void any contract made by a party or candidate under this subsection which is fraudulent or illegal before performance of that contract begins according to procedures it prescribes by rule.

"(e) (1) The Commission shall pay all expenditures incurred by each political party or candidate by contracts created by that party or candidate under subsection (d). The Commission may not pay any amount in excess of the amount to which that political party or candidate is entitled under section 505.

"(2) If a candidate becomes entitled to an increased amount of payments under section

505 (b) (1) (B) or (b) (2) (B) because of the number of votes he receives in an election, the Commission shall pay the amount of that increase in payments to which the candidate is entitled on a pro rata basis directly to the persons who contributed to that candidate in connection with that election.

"(f) (1) The Commission shall make all payments under this section directly to the person with whom the political party or candidate contracts for goods, services, or other expenditures. Except as provided in paragraph (2), no political party or candidate shall pay any expenditures which it or he incurs in connection with a Federal election campaign except through payments by the Commission under this title.

"(2) A candidate may maintain a petty cash fund out of which he, or one individual he authorizes in writing, may make expenditures not in excess of \$25 to any person in connection with a single purchase or transaction. A candidate for Vice President or President may maintain one petty cash fund in each State. Records and reports of petty cash disbursements shall be kept and furnished to the Commission in the form and manner the Commission prescribes.

"EXAMINATIONS AND AUDITS; REPAYMENTS

"SEC. 509. (a) After each Federal election, the Commission shall conduct a thorough examination and audit of the expenditures incurred by every candidate.

"(b) (1) If the Commission determines that any portion of the payments it makes for a political party or candidate under section 508 was in excess of the aggregate amount of the payments to which the party or candidate was entitled under section 505, it shall so notify that party or candidate, and the party or candidate shall pay to the Secretary of the Treasury an amount equal to the excess amount.

"(2) If the Commission determines that any amount of any payment made by the Commission for a political party or candidate under section 508 was used for any purpose other than—

"(A) to pay expenditures, or

"(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to pay expenditures which were received and expended) which were used, to pay expenditures,

it shall notify the party or candidate of the amount so used, and the party or candidate shall pay to the Secretary of the Treasury an amount equal to such amount.

"(3) If the Commission determines that a major party candidate for whom it has made payments under section 508 received—

"(A) a total number of popular votes in the primary election, in connection with which the Commission made payments for that candidate which is less than 15 per centum of the total number of popular votes cast for all candidates seeking the same office that candidate seeks in that primary election;

"(B) a total number of delegate votes in the nominating convention in connection with which the Commission made payments for that candidate which is less than 15 per centum of the total number of delegates votes cast for all candidates seeking the same office that candidate seeks in that convention; or

"(C) a total number of popular votes in the general election in connection with which the Commission made payments for that candidate which is less than 25 per centum of the total number of popular votes cast for all candidates seeking the same office that candidate seeks in that general election,

it shall notify that candidate and the candidate shall pay to the Secretary of the Treasury an amount equal to the total amount of payments which the Commission made for him under section 508.

"(4) No payment shall be required from a political party or candidate under this subsection in excess of the total amount of all payments by the Commission for that party or candidate under section 508.

"(c) No notification shall be made by the Commission under subsection (b) with respect to a Federal election more than three years after the day of the election.

"(d) A candidate for whom the Commission has made payments under section 508 in an amount which is less than 25 per centum of the amount to which that candidate is entitled for a primary or general election under section 505 may withdraw as a candidate in that primary or general election at any time up to the forty-fifth day before the date of the primary election, or the thirtieth day before the date of the general election, in connection with which the Commission made those payments. A candidate who withdraws under this subsection shall pay to the Secretary of the Treasury an amount equal to 50 per centum of the payments which the Commission made for him under section 508.

"(e) All payments received by the Secretary under subsections (b) and (d) shall be deposited by him in the fund.

"REPORTS TO CONGRESS; INVESTIGATIONS; RECORDS

"SEC. 510. (a) The Commission shall, as soon as practicable after each Federal election, submit a full report to the Senate and House of Representatives setting forth—

"(1) the expenditures incurred by each political party and candidate which received a payment under section 508 in connection with that election;

"(2) the amounts paid by it under section 508 for that political party or that candidate; and

"(3) the amount of payments, if any, required from that political party or candidate under section 509, and the reasons for each payment required.

"(b) The Commission may conduct examinations and audits (in addition to the examinations and audits under section 509), investigations, and require the keeping and submission of any books, records, and information necessary to carry out the functions and duties imposed on it by this title.

"JUDICIAL REVIEW

"SEC. 511. (a) Any agency action by the Commission made under the provisions of this Act shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court by any interested person. Any petition filed pursuant to this section shall be filed within thirty days after the agency action by the Commission for which review is sought.

"(b) The Commission, a political party, a candidate, and individuals eligible to vote in an election for Federal office are authorized to institute any action, including actions for declaratory judgment or injunctive relief, which are appropriate to implement any provision of this title.

"(c) The provisions of chapter 7 of title 5, United States Code, apply to judicial review of any agency action, as defined in section 551 of title 5, United States Code, by the Commission.

"PENALTIES

"SEC. 512. (a) Any person who violates the provisions of section 506, 507, or 508 of this title shall be fined not more than \$50,000, or imprisoned for not more than five years, or both.

"(b) (1) It is unlawful for any person knowingly and willfully—

"(A) to furnish any false, fictitious, or fraudulent evidence, books, or information to the Commission under this title, or to include in any evidence, books, or information so furnished any misrepresentation of

a material fact, or to falsify or conceal any evidence, books, or information relevant to an examination and audit by the Commission under this title; or

"(B) to fail to furnish to the Commission any records, books, or information required by him for purposes of this title.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than \$50,000, or imprisoned not more than five years, or both.

"(c) (1) It is unlawful for any person knowingly and willfully to give or accept any kickback or any illegal payment in connection with any expenditure incurred by a candidate or political party which the Commission pays under section 508.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than \$50,000 or imprisoned not more than five years, or both.

"(d) (1) Any person who violates any provisions of this title or of section 602, 608, 610, 611, 612, 613, 614, 615, 616, or 617 of title 18, United States Code, may in addition to any other penalty, be assessed a civil penalty by the Commission under paragraph (2) of this subsection of not more than \$10,000 for each violation. Each violation of this title and each day of noncompliance with an order of the Commission shall constitute a separate offense. In determining the amount of the penalty the Commission shall consider the person's history of previous violations, the appropriateness of such penalty to the financial resources of the person charged, the gravity of the violation, and the demonstrated good faith of the person charged in attempting to achieve rapid compliance after notification of a violation.

"(2) A civil penalty under this subsection shall be assessed only after the person charged with a violation has been given an opportunity for a hearing and the Commission has determined, by decision which includes findings of fact, that a violation did occur, and the amount of the penalty. Any hearing under this section shall be held in accordance with section 554 of title 5, United States Code.

"(3) If the person against whom a civil penalty is assessed fails to pay the penalty, the Commission may file a petition of enforcement of its order assessing the penalty in any appropriate district court of the United States. The petition shall designate the person against whom the order is sought to be enforced as the respondent. A copy of the petition shall forthwith be sent by registered or certified mail to the respondent and his attorney of record, and thereupon the Commission shall certify and file in such court the record upon which such order sought to be enforced was issued. The court shall have jurisdiction to enter a judgment enforcing, modifying, and enforcing as so modified, or setting aside in whole or in part the order and decision of the Commission or it may remand the proceedings to the Commission for such further action as it may direct. The court may determine de novo all issues of law but the Commission's findings of fact, if supported by substantial evidence, shall be conclusive.

"RELATIONSHIP TO OTHER FEDERAL ELECTION LAWS

"SEC. 513. The Commission shall consult from time to time with the Secretary of the Senate, the Clerk of the House of Representatives, the Federal Communications Commission, and with other Federal officers charged with the administration of laws relating to Federal elections, in order to develop as much consistency and coordination with the administration of those other laws as the provisions of this title permit. The Commission shall use the same or comparable data as that used in the administration of such other election laws whenever possible.

"AUTHORIZATION OF APPROPRIATIONS"

"Sec. 514. There are authorized to be appropriated to the Commission, for the purpose of carrying out its functions under this title, such funds as are necessary for the fiscal year ending July 30, 1975, and each fiscal year thereafter."

(b) The Federal Election Campaign Act of 1971 is amended by—

(1) striking out "Comptroller General" in sections 104(a) (3), (4), and (5) and inserting "Federal Election Commission";

(2) striking out "Comptroller General" in section 105 and inserting "Federal Election Commission";

(3) amending section 301(g) (relating to definitions) to read as follows:

"(g) 'Commission' means the Federal Election Commission";

(4) striking out "supervisory officer" in section 302(d) (relating to organization of political committees) and inserting "Commission";

(5) amending section 302(f) by—

(A) striking out "appropriate supervisory officer" in the quoted matter appearing in paragraph (1) and inserting "Federal Election Commission";

(B) striking out "supervisory officer" in subparagraphs (A) and (B) of paragraph (2) and inserting "Commission"; and

(C) striking out "which has filed a report with him" in paragraph (2) (A) and inserting "which has filed a report with it";

(6) amending section 303 (relating to registration of political committees; statements) by—

(A) striking out "supervisory officer" each time it appears and inserting "Commission"; and

(B) striking out "he" in the second sentence of subsection (a) and inserting "it";

(7) amending section 304 (relating to reports by political committees and candidates) by—

(A) striking out "appropriate supervisory officer" and "him" in the first sentence of subsection (a), and inserting "Commission" and "it", respectively;

(B) striking out "supervisory officer" where it appears in the second sentence of subsection (a) and in paragraphs (12) and (13) of subsection (b), and inserting "Commission"; and

(C) striking out everything after "filing" in the second sentence of subsection (a) and inserting a period;

(8) striking out "supervisory officer" each place it appears in section 305 (relating to reports by other than political committees) and section 306 (relating to formal requirements respecting reports and statements) and inserting "Commission";

(9) striking out "Comptroller General of the United States" and "he" in section 307 (relating to reports on convention financing) and inserting "Federal Election Commission" and "it", respectively;

(10) striking out "SUPERVISORY OFFICER" in the caption of section 308 (relating to duties of the supervisory officer) and inserting "COMMISSION";

(11) striking out "supervisory officer" in the first sentences of subsections 308(a) and 308(b) and inserting "Commission";

(12) amending section 308(a) by—

(A) striking out "him" in paragraphs (1) and (4) and inserting "it"; and

(B) striking out "he" each place it appears in paragraphs (7) and (9) and inserting "it";

(13) amending subsection (c) of section 308 by—

(A) striking out "Comptroller General" each place it appears therein and inserting "Commission", and striking "his" in the second sentence of such subsection and inserting "its"; and

(B) striking out the last sentence thereof;

(14) amending subsection (d) (1) of section 308 by—

(A) striking out "supervisory officer" each place it appears therein and inserting "Commission";

(B) striking out "he" the first place it appears in the second sentence and inserting "it"; and

(C) striking out "The Attorney General on behalf of the United States" and inserting "The Commission or the Attorney General on behalf of the United States"; and

(15) striking out "a supervisory officer" in section 309 (relating to statements filed with State officers) and inserting "the Commission".

(c) (1) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following paragraph:

"(60) Members, Federal Election Commission (7)."

(2) Section 5316 of such title is amended by redesignating the second paragraph (133) as (134), and by adding at the end thereof the following new paragraphs:

"(135) General Counsel, Federal Election Commission.

"(136) Executive Director, Federal Election Commission."

(d) Until the appointment of all of the members of the Federal Election Commission and its General Counsel and until the transfer provided for in this subsection, the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall continue to carry out their responsibilities under title I and title III of the Federal Election Campaign Act of 1971 as those titles existed on the day before the date of enactment of this Act. Upon the appointment of all the members of the Commission and its General Counsel, the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall meet with the Commission and arrange for the transfer, within thirty days after the date on which all such members are appointed, of all records, documents, memorandums, and other papers associated with carrying out their responsibilities under title I and title III of the Federal Election Campaign Act of 1971 as it existed on the day before the date of enactment of this Act.

(e) Subtitle H (Financing of Presidential Election Campaigns) of the Internal Revenue Code of 1954 (relating to financing of Presidential election campaigns) is repealed.

(f) The amendments made by this section shall take effect on January 1, 1975.

On page 42, beginning with line 1, strike out through line 16 on page 59.

On page 59, strike out lines 18, 19, 20, and 21, and insert in lieu thereof the following:

Sec. 207. Section 308(a) (6) of the Federal Election Campaign Act of 1971 is amended to read as follows:

On page 60, beginning with line 13, strike out through line 9 on page 61.

On page 61, line 12, strike out "Sec. 210." and insert in lieu thereof "Sec. 208."

On page 61, line 14, strike out "redesignated as section 314 of such Act and".

On page 61, strike out lines 16, 17, and 18.

On page 61, line 19, strike out "(2)" and insert in lieu thereof "(1)".

On page 61, line 24, strike out "(3)" and insert in lieu thereof "(2)".

On page 62, line 6, strike out "211." and insert in lieu thereof "209."

On page 62, line 8, strike out "redesignated as section 315 of such Act and".

On page 62, strike out lines 12 and 13.

On page 62, line 15, strike out "212." and insert in lieu thereof "210."

On page 62, beginning with line 18, strike out through line 5 on page 64.

On page 64, line 7, strike out "318." and insert in lieu thereof "311."

On page 64, line 9, beginning with "title V.", strike out through "Code," on line 10.

On page 64, line 14, strike out "319." and insert in lieu thereof "312."

On page 64, line 23, strike out "213." and insert in lieu thereof "211."

On page 71, line 20, strike out "(1)".

On page 72, line 1, strike out "would be limited under section 504" and insert in lieu thereof "is limited under section 506".

On page 72, strike out lines 2 and 3 and insert in lieu thereof "Campaign Act of 1971."

On page 72, line 4, strike out "(2)" and insert in lieu thereof "(b) (1)".

On page 72, line 7, strike out "(3)" and insert in lieu thereof "(2)".

On page 72, line 12, strike out "(4)" and insert in lieu thereof "(3)".

On page 72, line 21, strike out "(5)" and insert in lieu thereof "(c)".

On page 73, beginning with line 3, strike out through line 4 on page 75.

On page 75, line 6, strike out "(a) (5)" and insert in lieu thereof "(c)".

On page 75, line 11, strike out "(a) (4)" and insert in lieu thereof "(b)".

On page 75, beginning with line 19, strike out through line 8 on page 77 and insert in lieu thereof the following:

"(a) (1) No person may make a contribution to a major party, to a candidate who seeks the nomination of a major party, or to the candidate of a major party for use in connection with a primary election or general election campaign of that party or candidate.

"(2) No major party candidate who seeks the nomination of a major party, or candidate of a major party may knowingly accept a contribution from any person in connection with a primary election or general election campaign of that party or candidate. For purposes of this paragraph, a contribution accepted by any political committee which makes any expenditures in connection with the primary or general election campaign of a major party or the candidate of a major party shall be considered to be received by that party or candidate.

"(b) No minor party may accept contributions in connection with its Federal election campaign activities in excess of an amount which, when added to the maximum amount of payments by the Federal Election Commission to which that party is entitled under section 505 of the Federal Election Campaign Act of 1971, exceeds the amounts of payments by the Commission to which a major party is entitled under section 505 of such Act.

"(c) (1) No candidate who seeks the nomination of a minor party may accept total contributions in connection with his primary election campaign which exceeds the amount of the limitation on expenditures which applies to a candidate in a primary election campaign under section 506 (a) (1) or (b) of the Federal Election Campaign Act of 1971.

"(2) (A) A candidate of a minor party or an independent candidate may accept contributions in connection with his general election campaign only during the period beginning one hundred and eighty days before the date of the general election, or on the date on which a major party nominates a candidate for the office the minor party or independent candidate seeks, whichever date is earlier and ending on the date of the general election.

"(B) No candidate of a minor party or independent candidate may accept total contributions which, when added to the maximum amount of payments by the Federal Election Commission to which that candidate is entitled under section 505 of the Federal Election Campaign Act of 1971, exceed the limitation on expenditures which applies to a candidate in a general election campaign under section 506 (a) (2) or (b) of such Act.

"(d) For purposes of this section, a contribution accepted by any political committee which makes any expenditures in connection with the primary or general election campaign of a minor party, a candidate who seeks the nomination of a minor party, a minor party candidate, or an independent candidate, is considered to be accepted by that party or candidate.

"(e) (1) No person may make a contribution which, when added to all other contributions made by that person to the same party or candidate in connection with the same campaign, exceeds \$100. This \$100 limitation applies separately to contributions made in connection with a primary election campaign and with a general election campaign.

"(2) No party or candidate may knowingly accept contributions in connection with its Federal election campaign from any person which, when added to all other contributions accepted by that party or candidate which were made by that person in connection with the same campaign, equals an amount in excess of \$100. This \$100 limitation applies separately to contributions made in connection with a primary election campaign and with a general election campaign. For purposes of this paragraph a contribution accepted by any political committee which makes any expenditures in connection with the primary or general election campaign of a candidate shall be considered to be accepted by that candidate.

"(f) No person may make a contribution which, when added to all other contributions made by that person to all political parties and candidates in connection with any primary election or general election campaigns during the preceding twelve months, exceeds \$1,000.

"(g) All contributions which a party or candidate receives shall be sent to the Federal Election Commission in the manner and with any information about the identity of the contributor which the Commission prescribes by rule.

"(h) (1) No person shall make any expenditure advocating the election or defeat of a clearly identified candidate or political party during any calendar year (other than an expenditure made on behalf of a candidate, as defined in section 506(d)(2) of the Federal Election Campaign Act of 1971 which, when added to all other such expenditures made by that person during that year exceeds \$1,000.

"(2) For purposes of paragraph (1), 'clearly identified' means—

"(A) the candidate or political party is named;

"(B) a photograph or drawing of the candidate appears; or

"(C) the identity of the candidate or political party is apparent by unambiguous reference.

"(3) For purposes of paragraph (1), 'person' does not include a political party.

"(i) For purposes of this section—

"(1) 'contribution' does not include moneys collected for a petition drive under section 507 of the Federal Election Campaign Act of 1971; and

"(2) 'major party' and 'minor party' have the same definitions as under section 501 of the Federal Election Campaign Act of 1971."

Mr. CLARK. Mr. President, this amendment is offered as a substitute for title I of the Senate Rules Committee bill (S. 3044) now under consideration, and the amendment is identical to the Comprehensive Election Reform Act (S. 2943) which I introduced in February. The legislation goes beyond the provisions of S. 3044, and far beyond anything previously considered by the Senate, but there is no question that this is the time and the place to again raise the concept

of total public financing of Federal elections. It is a proposal to eliminate the dominance of the private dollar in the public's business.

The introduction of this amendment in no way reflects a lack of support for the public financing legislation that Senator HOWARD CANNON and Senator CLAIBORNE PELL have managed so ably over the last week or so. If anything, my support for the Rules Committee bill has grown during the debate as the Senate has considered the arguments of the opponents to public financing.

But the introduction of this amendment does reflect a fundamental belief that S. 3044 does not go far enough. Given the incredible abuse of the political process, given the skepticism and doubt of the American people, a system of public financing that is either partial or optional simply will not be enough.

Over the last few days, the Senate has heard hours of debate over public financing, and in all of that time, we have gotten lost in the complexities of amendments and counterproposals, and there has been a tendency to forget about one central point: the present system of financing political campaigns simply does not work.

It is beyond reform. Like an old tire with too many miles and too many patches, it cannot be repaired. It has to be changed—and that change must include more than partial or optional public financing.

The Senator from Alabama (Mr. ALLEN) has argued at length that the public financing proposal now before the Senate has its own problems and infirmities. Perhaps it does, but whatever those problems and infirmities, it is definitely preferable to the current system. As the Clear Rapids Gazette observed in an editorial just yesterday:

There is no great reassurance in the idea of tax monies paying for the self-centered blandishments of political candidates. But distasteful as the proposal may seem, it beats the daylight out of the present abuse-prone financing system.

And total public financing of political campaigns beats the daylight out of partial and optional public financing of political campaigns.

Total public financing would eliminate many of the questions that the opponents of S. 3044 have raised. There would not be loopholes available for anyone to funnel private money to candidates for public office if only because candidates would have no need for private money. And every citizen would have the same influence, the same access, the same degree of representation from public officials. Each of us could vote, each of us could volunteer in a campaign.

None of us could use money and wealth to buy public office or political influence.

There is an inherent inconsistency in relying on private funds in any way to support election to public office. As long as candidates have to depend on private funds—however large or small the amount—the potential for abuse will remain. And the people know it.

The only way to dissipate their doubt and distrust, the only way to restore faith in the integrity of popular govern-

ment, is to put public actions beyond the influence of campaign contributors. That requires total public financing of elections, and absolutely no reliance on private contributors.

Mr. President, my amendment would remove the influence of private money in public elections. It is the only proposal which does so. It provides for total Federal financing in primary and general elections for all Federal offices.

It is the only proposal which allows candidates to qualify for public financing in primaries by demonstrating the only legitimate evidence of public support—the petition signatures of registered voters. This is a far more satisfactory and representative way of determining public support than continued reliance on private contributions. All the people should control the access to public offices, not just those who have enough money to devote part of it to politics. And for those people concerned about the chance of public financing attracting too many candidates, the proposal provides that the candidate must obtain a minimum percentage of the vote—to avoid reimbursing the Federal Treasury for the cost of the campaign.

The plan would distribute campaign funds in primaries equally to all candidates who qualify. Everyone should have an equal chance at the public's attraction. Matching and mixed plans of private and public financing simply reinforce, at public expense, the candidate preferences of those with enough money to contribute to political campaigns. The "incumbency advantage" inherent in all matching plans for public financing is significant, and the only way to eliminate it is to eliminate the use of private funds as a measure of public support.

The terrific advantages that incumbents now have over their challengers arise chiefly out of the system of private financing. Incumbents have a built-in advantage in raising campaign funds. Only by eliminating the need to raise private funds can that advantage be substantially reduced and the campaign contest balanced. Matching plans not only fail to reduce the advantage, but tend inevitably to increase it. Decreasing the total amount of private funds required means candidates have to raise less money, but incumbents will always raise it quicker. Putting a ceiling on the size of contributions means the number of contributors is increased.

And here again, incumbents have an enormous advantage because of their network of friends and supporters.

Finally, this proposal provides for effective enforcement of campaign finance laws. Unlike any other bill, it creates a commission which covers all permissible political expenditures—goods, services, and salaries. And it charges them against the candidates' accounts maintained by the commission.

Perhaps the central lesson of Watergate is that we must carefully guard, not only the sources of campaign contributions, but their use. The Commission established in my amendment would police expenditures before they are made, rather than simply audit them after they are made—when it is too late either to

prevent the harm or to remedy its consequences. The threat of punishment alone is too weak a deterrent when so much political power is at stake.

The cost of my proposal is necessarily higher than the cost of the committee bill but at most, it will take \$250 million a year to fully finance all Federal election campaigns. That amounts to less than one-tenth of 1 percent of the annual budget of this Government. It amounts to less than one-fifth of the cost of one Trident nuclear submarine. It amounts to about \$1 a year from every American. It amounts to a awfully small price to pay to restore trust and confidence in our political system, and to return to a government truly responsible to all the people.

Many contend that we must encourage, not discourage, small individual contributions to political campaigns. There is an argument that encouraging small contributions increases participation in the political process.

But only a tiny percentage of the American people now contribute in any amount to political campaigns. Fewer than 2 percent of those who voted in 1972 contributed to either Presidential campaign, and less than one-half of 1 percent of any constituency ever contribute to an individual candidate. When they do contribute, it is usually by virtue of their wealth and education. If we continue to allow private contributions, whatever the rules or limits, we will inevitably continue to favor that tiny group and discriminate against the vast majority of Americans. I believe very strongly in increasing political participation, but only in a way that allows everyone to participate equally. This proposal would encourage equal involvement—with the provision of an income tax checkoff—and involvement on a volunteer basis where consideration of economic status is not a factor.

Others have suggested that to outlaw private contributions would somehow violate the first amendment right of freedom of expression. But in a number of cases, the U.S. Supreme Court has consistently affirmed the existence of another basic right—the right of citizens to be free of wealth distinctions in the political process—and the court has further implied an affirmative obligation to eliminate the influence of wealth on political campaigns.

Prof. Archibald Cox, whose combination of scholarly and practical knowledge of this issue is unique, made the case convincingly in the March 9, 1974 Saturday Review/World. He wrote:

The objection is sometimes raised that prohibiting private campaign contributions violates the freedom of speech guaranteed by the First Amendment. Money is indeed necessary in order to make speech effective. Those of few or modest means can make themselves heard only by pooling their resources. Even so, spending money is one step removed from speech, and the contributor is a second step away because he is using money to promote not his own speech but another's.

Nor can it fairly be said that ideas would be suppressed or opportunities for speech be restricted. Everyone would be left free to speak and write as an individual. Except for the very wealthy, everyone would be left free

to spend money in disseminating his personal expressions. As for parties and candidates, the public subsidy would merely replace the private contributions. The opportunities to travel, to buy space or time in the media, to leaflet and advertise, would remain. The relative size of expenditures by one or another candidate might be affected, but the First Amendment has never been supposed to guarantee those able to raise the most money the greatest opportunity for organized political expression.

A "constitutional right" to use wealth in the political process is a right that only destroys the rights of others. The elimination of private contributions and the substitution of public financing of political campaigns is both legal and desirable.

In 1976 this country will celebrate its 200th birthday. I hope the Senate passes a bill that will enable us to cleanse politics of the real and perceived corruption that haunts the country, and that will encourage our citizens to renew their faith in the institutions of self-government. That is the only way to enter our third century with heads unbowed by shame, confident in the future. We can not afford to do anything less.

Mr. President, I ask unanimous consent to have printed in the RECORD, a summary of my amendment.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

COMPREHENSIVE ELECTION REFORM ACT OF 1974

Provisions:

CANDIDATES AND ELECTIONS COVERED

President: Primary and general (incorporates Presidential check-off fund)
Congress: primary and general.

TYPE OF FUNDING

Automatic full funding of all qualifying major party candidates with partial funding of minor and independent candidates on basis of vote performance. Campaign bills paid by and through Federal Election Commission.

PARTY ORGANIZATIONS COVERED

National party (major and minor) automatically receives funding in presidential election year of up to 20% of amount allowed its presidential candidates. In all other years, it's up to 15% of that amount. Party may spend public funds for election activities such as voter registration, nominating conventions, get-out-the-vote drives. Bills paid directly by Federal Election Commission.

HOW ADMINISTERED

Seven member Federal Elections Commission, appointed by President with consent of Senate to serve staggered seven year terms. Two recommended by Senate leadership, two by House. No more than four of seven of same political party. Responsible for administering, auditing, enforcing federal campaign finance program. Has full investigative, subpoena, prosecutorial powers. Commission responds to Executive Branch.

Executive Branch prohibited from censoring Commission comments or testimony.

Commission sets up accounting system for each qualified candidate, pays all bills directly, except for petty cash expenses of \$25 or less.

AMOUNT OF FUNDING

President: Primary: 15¢ x VAP* in each state; General: 20¢ x VAP in each state.

Senate: Primary: 15¢ x VAP (or \$175,000 if greater); General: 20¢ x VAP (or \$250,000 if greater).

*VAP—voting age population.

House: Primary: 25¢ x VAP (or Senate amount if state has only one Congressional district); General: 30¢ x VAP.

HOW QUALIFY

Candidates agrees to file all necessary records and comply with audit requirements, certifying that he or she will not exceed spending and contribution limits.

President: Primary: Petition signatures of 1% of VAP in each primary state must be filed with Commission 210 days before primary, to be validated by Commission within 30 days.

General: Major party candidates automatically qualify for full funding.

Senate: Primary: Petition signatures of 1% of VAP in State must be filed with Commission 210 days before primary.

General: Major party candidates automatically qualify for full funding.

House: Primary: Petition signatures of 2% of VAP in district must be filed with Commission 210 days before primary (1% if single district state).

General: Major party candidates automatically qualify for full funding.

National party: Automatically qualifies for funding based on a percentage of the presidential candidate entitlement.

CANDIDATE SPENDING LIMIT

Same as total entitlement allowed major party candidates (see "Amount of Funding"). In presidential primary, candidate can authorize his or her national committee to spend up to 10% of his or her total allowable limit in states entered, reducing own spending by that same amount. Unopposed primary candidates may spend only 20% of amount allowed opposed candidate.

LIMITS ON INDIVIDUAL PRIVATE CONTRIBUTIONS

No private contributions can be given to or accepted by major party candidates or major parties in primary or general elections. (Exception for \$100 maximum contributions allowed in petition gathering, all contributions to be refunded later from primary entitlement). Limit of \$100 on contribution to minor party, independent candidate (separate limit for primary, runoff, general). Minor party, independent candidates may accept private contributions up to overall spending limit.

LIMITS ON CONTRIBUTIONS BY POLITICAL COMMITTEE TO CANDIDATE

No contributions allowed to major party candidates or to major party. \$100 limit on contributions to minor, independent candidates.

TREATMENT OF MINOR AND NEW PARTIES/CANDIDATES

Entitled to a fraction of major party funding based on ratio of minor/new party candidate votes received to average votes received by major party candidate. May raise proportionately more in private funds up to spending limit.

Can receive additional funding—up to total funding—after election on basis of performance.

SPECIFIC RESTRICTIONS

Major party candidate must repay full entitlement if he or she receives less than 15% of votes in primary or 25% in general election.

Candidates may withdraw under certain conditions, repaying half of entitlement received.

Post election audit can require repayment of excess funds received by candidate.

Minor party candidate or his or her family can spend \$1,000 on primary or general election (treated separately); major party candidate or family can spend \$1,000 in connection with petition drive.

All private contributions to minor, independent candidates must be sent to Election Commission, fully identified.

Full reporting of petition drive contributions.

Spending limits for petition drives:

House: 2¢ x VAP.

Senate: 1¢ x VAP or \$7,500, whichever is more.

Limit of \$100 on individual's contribution to petition drive.

TAX INCENTIVES FOR SMALL CONTRIBUTIONS

Increase tax credit to 100% of contribution up to \$100 (\$200 on joint return). Provides automatic income tax payment to Election Fund of \$2, unless taxpayer specifically designates "no."

OTHER PROVISIONS

Repeals Sec. 315 "equal time" requirements of Communications Act for all federal candidates.

Bans use of frank for mass mailings 90 days before any federal election.

Directs Postal Service to establish special rates for all federal candidates.

PENALTIES

Up to \$50,000/five years.

Civil penalty: Up to \$10,000 per day per violation.

ESTIMATED ANNUAL COST

\$250 million (assumes three candidates in each party primary for every Federal office).

Effective Date: January 1, 1975.

Mr. PELL. Mr. President, I congratulate the Senator from Iowa on the completeness and fairness of his amendment and for the thought that has gone into it. It is, as he suggests, a very innovative and major suggestion. It would involve substantial expense, substantial amounts from the public treasury, perhaps twice or three times as much as is foreseen in the bill that is presently under consideration. This matter was not considered in the deliberations of the subcommittee. It was not adequately considered at that time. Finally, there is the question of what the courts would rule in connection with the flat out prohibition on private contributions. They might be willing and already have supported a limitation on the amount an individual can contribute. To prohibit him from contributing anything might be a violation of his constitutional rights.

For these reasons, as the acting manager of the bill, I would be compelled not to support the amendment of the Senator from Iowa.

Mr. President, I move that the amendment of the Senator from Iowa be tabled at this time.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Rhode Island.

The motion was agreed to.

AMENDMENT NO. 1156

Mr. HUMPHREY. Mr. President, today I submit an amendment for myself and my distinguished colleague from Arizona (Mr. GOLDWATER) that would make the day on which Federal general elections are held a legal public holiday.

While I have been successful in each of the last 2 years in winning Senate approval of similar amendments, neither of them have been enacted, for various reasons unrelated to the substance of this proposal. I hope that this time it will be passed by the Congress and become law.

The logic of this amendment is just as compelling today as it has been for years. Under our present electoral system, a number of serious obstacles have

been erected that block full democratic participation by all Americans in our Government and politics.

We have made some great strides in the last 25 years, however, in reducing and eliminating these barriers. Unconstitutional voting requirements posed by the poll tax, literacy requirements, residency laws, and some of the more subtle racially motivated obstacles, have been removed. And, we are making some progress in facilitating voter registration—a step of great importance in increasing democratic participation in our Government.

Yet there is more that we can, should, and must do, in the name of true popular democracy, to bring the mass of the people into the political system of our Nation.

Mr. President, according to a survey conducted by the U.S. Census Bureau, 51.2 million eligible Americans did not vote in the general elections in November 1972. That number represented a full 37 percent of the voting-age population in this country at that time. Many of these people have been denied this basic right of citizenship because of hard-to-find registration offices and a full day's work.

The amendment I submit today would eliminate one of the major obstacles to fuller voter participation in elections. It would assure that millions of American working families are not deterred from exercising their franchise in Presidential and congressional elections.

My amendment makes election day the first Wednesday after the first Monday in November, and also creates a legal holiday on that day.

Several other Nations—Denmark, Italy, France, Germany, and Austria—which enjoy 85 to 95 percent voter turnout in nearly every election have designated election day a holiday.

These are nations that are industrialized. They find that the workers participate freely openly, and in much larger numbers when there is an election holiday.

I believe that it would substantially improve participation in our elections, as well.

Workers who commute long distances to work often leave home before polls open and return after they have closed. People working irregular shifts in a shop or factory are also discouraged from voting. In some areas rush hours at the polls mean a long wait in line causing many who must get to work, and many others who are tired from a full day's labor, to give up their franchise in despair.

Mr. President, it is time we put an end to this obstacle to democracy. The amendment I am introducing today would achieve this goal, it would eliminate the work day as an obstacle to expanding suffrage.

The right to vote should not be hampered by any economic consideration. It is too important to the survival of our system of government. In the 19th century we eliminated property ownership requirements for voting in this country. As we enter the last quarter of the 20th century, it is time for us to act to prevent

a job from keeping the 80 million Americans who work in factories, on farms, and in the businesses of this Nation, from the voting booths.

Mr. President, I believe this amendment—providing a legal election holiday every 2 years beginning in 1976—would increase voter participation for the most important office in the land: The Presidency of the United States—an open day so that every citizen will have all the time in that day available to consider the candidates and exercise his franchise. And the same, of course, would apply to the offices of U.S. Senator and Member of the House of Representatives.

I send to the desk my amendment, for myself and for Mr. GOLDWATER, and ask that it be printed.

The PRESIDING OFFICER. The amendment will be received and printed, and will be on the table.

Mr. HUMPHREY. Mr. President, I might ask the acting manager of the bill, since this amendment has passed through the Senate twice with overwhelming votes, as to whether or not he would just like to accept the amendment or let it go over so we can vote on it. It will be adopted again, I am sure, unless the Senate has completely changed its mind.

Mr. PELL. Mr. President, I would like to ask, in view of the fact that, as the Senator has suggested, I am the acting floor manager, that it go over until next week, when the floor manager will be here.

Mr. HUMPHREY. Very good.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider certain nominations which have been reported today by the Committee on the Judiciary.

The PRESIDING OFFICER. Without objection, it is so ordered.

U.S. ATTORNEY

The PRESIDING OFFICER. The clerk will state the first nomination.

The legislative clerk read the nomination of S. John Cottone, of Pennsylvania, to be U.S. attorney for the middle district of Pennsylvania.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

U.S. DISTRICT JUDGE

The legislative clerk read the nomination of Murray M. Schwartz, of Delaware, to be a U.S. district judge for the district of Delaware.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

U.S. ATTORNEY

The legislative clerk read the nomination of Mr. William J. Schloth, of Georgia, to be U.S. attorney for the middle district of Georgia.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

U.S. DISTRICT JUDGE

The legislative clerk read the nomination of Joseph W. Morris, of Oklahoma, to be U.S. district judge for the eastern district of Oklahoma.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

U.S. MARSHAL

The legislative clerk read the nomination of George A. Locke, of Washington, to be U.S. marshal for the eastern district of Washington.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, on Monday, the Senate will convene at the hour of 12 o'clock noon. After the two leaders have been recognized under the standing order, there will be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements limited therein to 5 minutes each, at the conclusion of which the Senate will resume consideration of the unfinished business, S. 3044.

At that time the pending question will be on an amendment by Mr. TALMADGE, on which there is a time limitation of 30 minutes. Any rollcall votes on the Talmadge amendment or other amendments, motions, et cetera, will not occur until the hour of 3:30 p.m. The leadership would expect several rollcalls on Monday.

Mr. President, if there is anything in my statement of the program that has not been previously ordered, I ask unanimous consent that it be done.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, and, pursuant

to Senate Resolution 304, as a further mark of respect to the memory of Georges Pompidou, President of the French Republic, that the Senate now adjourn.

The motion was unanimously agreed to; and at 11:33 a.m. the Senate adjourned until Monday, April 8, 1974, at 12 noon.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 5, 1974:

DEPARTMENT OF JUSTICE

William J. Schloth, of Georgia, to be U.S. attorney for the middle district of Georgia for the term of 4 years.

S. John Cottone, of Pennsylvania, to be U.S. attorney for the middle district of Pennsylvania for the term of 4 years.

George A. Locke, of Washington, to be U.S. marshal for the eastern district of Washington for the term of 4 years.

(The above nominations were approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

IN THE JUDICIARY

Joseph W. Morris, of Oklahoma, to be U.S. district judge for the eastern district of Oklahoma.

Murray M. Schwartz, of Delaware, to be U.S. district judge for the district of Delaware.