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Senate

By Mr. MONDALE:

S.J. Res. 163. Joint resolution to assure that every needy school child will receive a free or reduced-price lunch as required by section 9 of the National School Lunch Act, and to alleviate the financial burden on States and local schools in providing nutritious meals for all schoolchildren. Referred to the Committee on Agriculture and Forestry.

The distinguished chairman of the Senate Agriculture Committee (Mr. TALMADGE) is working very hard to reverse the administration's decision to lower school lunch payment rates. He, too, has introduced legislation. While our bills differ in a number of respects, I am a cosponsor of the joint resolution he introduced last week.

I believe it is of utmost importance for the Congress to take action to restore adequate funding and payment levels to the school lunch program. Now, just 1 month into the school year, some schools are already on the verge of abandoning lunch programs.

Legislation I offer today is designed to achieve the urgent objectives of maintaining lunch programs in these schools and fulfilling the commitment made by Congress to an estimated 2 million hungry children in the United States.

Congress has long recognized the importance of nutrition programs to both the educational development of our Nation's schoolchildren and the essential health of children from low-income families.

Educational experts testify that children are not able to concentrate on material covered in classes when they are hungry. Child nutrition is thus a vital part of the Federal Government's role in assuring quality education for American children. In fact, without attending to the nutritional requirements of children in schools and child care facilities, much of the effective impact of our investment in these programs would be lost.

Hearings before the Senate Subcommittee on Employment, Manpower and Poverty, and the Select Committee on Nutrition and Human Needs have also provided ample medical evidence that millions of hungry children in the U.S. suffer greater incidence of sickness, impaired physical development, psychological and learning disabilities—simply because they do not get enough of the right things to eat.

Recognizing the tremendous responsibility of the Federal Government to alleviate these serious problems, last year Congress passed a law (Public Law 91–248) to expand the school lunch program to include every needy child in the United States.

Congress authorized such appropriations as may be necessary to carry out the purposes of this act.

Two provisions of Public Law 91–248 are particularly relevant. The first is section 9, which provides—

> By January 1, 1971, any child who is a member of a household which has an annual income not above the applicable family size income level set forth in the income poverty guidelines shall be served meals free or at a reduced cost.

This legislative requirement is very clear; yet it has never been fulfilled. In fact, the New York Times reported on August 29, 1971, that 1.9 million eligible children still get no help from the school lunch program and even that estimate may be low.

A second provision of Public Law 91–248 takes cognizance of the need for a concerted and immediate effort to bring all needy children into the school lunch program. To institute this all-out attack on hunger among American schoolchildren, the law requires States to submit comprehensive plans for expansion of their programs to include all eligible children.

Directly contradicting the intent of Congress expressed in Public Law 91–248, the Department of Agriculture on August 13, 1971, issued new regulations for the school lunch program which would prevent the States from carrying out their plans, and prevent many needy children from receiving meals.

At issue in the new regulations are payment rates which would bring Federal funding for meals in many States significantly below last year's levels.

Regulations in effect last year enabled States to designate certain schools "especially needy" and authorized reimbursement to these schools of up to 48 cents for section 11 meals and 12 cents for section 4.

According to the new regulations issued August 13, States which paid such higher reimbursement rates last year—in order to bring needy schools and children into the program—would now be penalized. They would be forbidden to continue these higher rates and compelled to cut back on payments to schools for feeding the needy. At least 35 States would be confronted with this problem.

On a nationwide average it costs more than 60 cents to serve nutritious meals in schools. In major cities, such as Baltimore and New York, where many low-income children are concentrated, it costs 70 cents and more for each lunch.

However, the August 13 regulations would allow only one State in the Nation an average payment per meal of 35 cents or more under section 11. The remainder of the States could only reimburse needy schools at higher levels by reducing support to less than 30 cents for an equal number of free or reduced price lunches in other schools so that the average reimbursement comes to 30 cents per such lunch.

The payment mechanism for section 4 functions similarly.

For thousands of schools, the consequences of the new regulations are truly alarming. Statistics from Minnesota indicate that the city of Duluth would have a deficit of $90,000 under the new funding structure for school lunches. In Minneapolis, the estimated deficit is $800,000, and statewide, a $2 million deficit is expected if these regulations are not overruled.

Assistant Secretary of Agriculture Richard Lyng explained the administration's rationale for the new regulations in testimony before the Select Committee on Nutrition and Human Needs and again before the Senate Agriculture Committee. He pointed out that average payment levels varied from State to State last year for meals served under the school lunch program and argued that the new amendments would promote uniformity of reimbursement rates among the States.

I do not differ with the administration's desire for equity in payment rates. But I do take exception to the intolerable rates of reimbursement that achieve uniformity only by jeopardizing the program itself in many States.

Minnesota is not the only State adversely affected by these regulations. Evidence compiled by a recent survey of the American School Food Service Association reports that California would lose $9 million; Oklahoma more than $1 million; Massachusetts, $3.2 million; Maine $1.3 million; Ohio, $5.5 million; Georgia, $6 million; and so on throughout the country.

According to the September 28, 1971 edition of the Washington Star—

> A number of school districts are reported to be abandoning the school lunch program or considering such a move. They include: Albuquerque, New Mexico; Bridgeport, Connecticut; and Buffalo, New York.

Thirty-seven State school lunch directors have protested the new regulations—testifying to the harmful effect they will have upon needy American school children. The school lunch directors have indicated the announced payment rates would bring State school lunch plans—required by Federal law—to a screeching halt.

The number 37 is significant in light of Assistant Secretary Lyng's testimony on behalf of greater equity. It is difficult to imagine what kind of equity would endanger programs in all but a handful of States.

In fact, the key to the new regulations is not uniformity, but priorities within the administration for allocation of budgetary resources. These regulatons set average reimbursement rates so low as to prohibit congressionally authorized expansion, and low enough to endanger the survival of programs, particularly in metropolitan areas.

On the one hand, the administration can bind money to guarantee loans to Lockheed, to finance new space extravaganzas, and to develop inessential weapons systems; but on the other, it applies the concept of "fiscal discipline" to lunches for our Nation's hungry children.

And while the school lunch program has received considerable attention by the Congress in the past few weeks, other child nutrition programs are also in danger. Many of my colleagues are deeply concerned that the school breakfast program in the States may not last another month unless congressionally appropriated funds are made available. Other States, which worked to create and expand school breakfast programs last year, now find they cannot get the money even to maintain last year's progress.

The special child feeding program in Minnesota has not received even minimum support for this school year. Of the bare $340,000 promised, no money has yet been delivered. Special child feeding provides assistance to day care centers and Headstart programs, and is capable of reaching many needy children before the effects of malnutrition become irreparably severe. Budget undercutting of this vital link in nutrition programs for the poor is truly shameful when we have the resources to feed these children.

Mr. President, budget attacks on child nutrition programs are not new to Members of Congress. This year, only by a determined effort, were we able to preserve summer feeding programs for hungry children.

Some budget officials may have difficulty understanding that a small cut here or there can mean the difference between protein and vitamin difficiencies among low income children—difficiencies so severe as to permanently impair both educational and physical development, and equal opportunity for these children.

It would also appear, in examining the administration's action on the school lunch program, that fiscal crises in State government, local school systems and in urban areas do not receive the persistant executive attention they clearly deserve.

If the States need financial relief, and I believe they do, why are they being asked to contribute more money—millions more—in order to continue the

school lunch program?

We see evidence in findings from the Select Committee on Equal Educational Opportunity of the crisis in school finance. This year we have had the largest number of school bond issues, and the largest number of bond rejections in our country's history.

Millions of taxpayers in the United States are deeply troubled that they can no longer afford to support even basic school functions—such as libraries and cafeterias—unless budget deficits are alleviated. While these deficits are caused primarily by factors other than school lunch—increasing outlays for meals in school only aggravates the desperate situation they are in.

I have already indicated that many schools cannot absorb school lunch program deficits. Where States and schools are fortunate enough to have the extra money, they are already locked into budgets based upon reasonable expectations for greater Federal support for the school lunch program.

The current wage-price freeze prohibits the schools from charging more for lunches to children not eligible for free or reduced price lunches.

But I believe asking parents to pay more is not the solution to the dilemma in school lunch funding. Particularly in low-income schools this method of finance could not work—since nearly all of the children in these schools qualify for free or reduced price lunches. In these schools as well as middle-income schools, there are also many children whose parents' incomes barely exceed eligibility criteria for reduced price lunches. These parents surely can pay no more for school lunches.

An excellent summary of the situation I have described is provided by Newsweek magazine, October 4, 1971:

. . . . Many districts have found themselves unable to afford the required matching payments for the federal school lunch program even in areas where the school lunch is the only solid meal a child gets all day. In such circumstances, teachers find ironic the Department of Agriculture's newest radio pitch for the lunch program, which reminds citizens that 'you can't teach a hungry child.'

Mr. President, in this context, I offer a comprehensive proposal to alleviate the problem of school lunch funding, and most importantly, to ensure that the 2 million eligible children not served by the program now, will be fed this year.

Permit me to begin the discussion of my proposal by first outlining how the present funding structure for the school lunch program works.

The National School Lunch Act authorizes two annual appropriations for the program—one under section 4 of the Act and one under section 11. The Act also specifies exactly how each of these annual appropriations is to be apportioned among the States.

Section 4 funds are apportioned among the States on the basis of the number of type A—nutritionally balanced—lunches previously served by each State and the relationship between each State's percapita income and the percapita income of the United States. For fiscal 1972, the apportionment formula uses the number of type A lunches served by each State 2 years ago—in fiscal 1970.

Section 11 funds are apportioned on the basis of the relative number of school-age children in household with annual incomes below $4,000, that reside in each of the States.

By bill would not alter this formula.

The core of the crisis in school lunch funding is not the formula for distributing the various allocations among the States.

The key to the school lunch controversy is in permissible reimbursement rates, which the States—within their formula allocations—can provide to participating schools.

Presently, reimbursement rates are established through Federal regulations issued by the Department of Agriculture. I have already explained in detail why the Department of Agriculture's regulations—August 13, 1971—are not adequate to carry out the purposes of the National School Lunch Act.

My proposal would increase by 80 percent the minimum guarantee now provided to schools under section 4 for each State to 8 cents per meal, while increasing the section 11 guarantee by over 60 percent to 48 cents per meal. It would legislatively guarantee these minimum reimbursement rates to every State.

In every State, a minimum of 56 cents per meal in Federal funds would be available for each free or reduced price lunch served, using a combination of 8 cent section 4 and 48 cent section 11 reimbursement rates.

The States would be free to allocate these funds to schools according to need for such funds in order to be able to reach every eligible youngster. The only limitation would be that no school would be entitled to recover in reimbursement more than it actually spent on meals—measured by the cost of serving such meals, less the amounts charged for regular and reduced-price lunches.

For example, if a school was compelled to spend 70 cents to produce a school lunch, the State could reimburse at that rate for all free meals served.

At the same time, however, the State would have to make sure that it could offset this high reimbursement and maintain its 56 cents average by paying less to other schools where the cost of producing a lunch was less than 56 cents.

All the State school lunch directors have made it clear that this reimbursement formula would fully meet their needs and indeed provide strong encouragement for schools to enter the program.

I realize that budget estimates submitted to Congress and approved early this summer would not be sufficient to pay for the increased reimbursement rates. Had Congress understood the intention of the administration to cut back on payment rates, I believe we would have adopted a higher appropriation.

Until we do have an opportunity to act on a supplemental appropriation to correct shortages in the school lunch program, my bill provides that the Secretary of Agriculture shall use section 32 funds to implement the minimum payment guarantees. There are ample funds in section 32 to support the school lunch program for the interim.

Each of the provisions I have outlined would insure that the will of Congress expressed clearly in Public Law 91-248 is carried out by the end of this year.

We are already a year behind in fulfilling the promise of that law. Many children have needlessly suffered—educationally and nutritionally—because we are late. Some of their losses we can remedy—others may be irreparable.

But it is not too late to prevent any more tragedies of this kind And it is both the legislative and the human responsibility of Congress to do so without delay.

As further evidence of the need for prompt action on this proposal I offer today, I submit a number of documents for the consideration of my colleagues. Letters, telegrams, articles, and editorials—these represent only a small sample of the public outcry to feed the hungry children of America.

Mr. President, I ask unanimous consent that certain materials and the text of my proposed joint resolution be printed in full at this point in the RECORD.

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

S.J. RES. 163

Whereas, funds appropriated for the purpose of carrying out the National School Lunch Act for the fiscal year ending June 30, 1972, including funds made available for such purpose from funds appropriated under section 32 of the Act of August 24, 1935 (49 Stat. 774), are inadequate to enable the States and schools to continue participation in the national school lunch program and to achieve the objectives of the National School Lunch Act, particularly the objective of providing a free or reduced price lunch to every needy school child: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of American in Congress assembled, That notwithstanding any other provision of law, the Secretary of Agriculture is authorized during the remainder of the fiscal year ending June 30, 1972, or until additional funds are hereafter appropriated for such purposes, whichever is earlier, to use such funds appropriated under section 32 of the Act of August 24, 1935 (49 Stat. 774), as may be necessary to (1) provide a rate of reimbursement under the National School Lunch Act that will assure every needy school child a free or reduced price lunch, (2) provide funds sufficient to assist the States in meeting the needs of local schools in carrying out the provisions of the National School Lunch Act.

SEC. 2. In carrying out the provisions of the National School Lunch Act, the Secretary of Agriculture shall make funds available to each State in such an amount as may be necessary to reimburse each State at a rate equal to not less than 8 cents per meal in the case of meals served in such State under section 4 of such Act and in an amount equal to not less than 48 cents per meal in the case of meals served in such State under section 11 of such Act.

SEC. 3. In making payments to schools under Sections 4 and 11 of the National School Lunch Act, at rates above or below the Statewide minimum payment provisions, States shall base the rate assigned to a school on the school's relative need for special assistance in serving free and reduced price lunches; but in no event shall reimbursement for meals served in any school exceed the actual cost of meals served in such school, less the charges collected from the children served, under each such section, respectively.

SEC. 4. The provisions of this Act shall not in any way limit the authority of the Secretary of Agriculture under any other provision of law to provide additional Federal assistance to any State for carrying out the National School Lunch Act, or prohibit him from providing higher payment rates under sections 4 and 11 of such Act whenever funds are available for such purposes.

FEDERAL SCHOOL LUNCH PLAN FAILS TO HELP 1.9 MILLION POOR PUPILS

WASHINGTON.—Today, nine months after President Nixon's target date of Thanksgiving, 1970, for extending the school lunch program to reach all needy children, 1.9-million children of the poor get none of its benefits.

But the Department of Agriculture—delegated the responsibility for carrying out the President's mandate—maintains that Mr. Nixon's original goal has technically been met.

Edward J. Hekman, administrator of the Food and Nutrition Service Division of the department, said in an interview that Mr. Nixon's goal was based on a figure of 6.6 million needy children—a figure used frequently by Dr. Jean Mayer, the President's nutrition expert.

Mr. Hekman said that his department had extended the lunch program to that number of needy children by January, 1971—only two months behind schedule. He said that the number now reached was 7.4 million.

A NEW TIMETABLE

He said that statistics gathered later indicated that instead of 6.6 million, the estimate on which the president's goal was based, there were 9.3 million needy children.

"It would have been physically impossible to reach this new figure by Thanksgiving," he said.

Mr. Hekman said that the Department of Agriculture and the National Advisory Council created by the 1970 amendment of the School Lunch Act had discussed a new timetable.

"I expect the council to set a new target of about three years hence," he said. "The problem is bringing the approximately 20,000 schools not now a part of the program into the picture."

Mr. Hekman estimated that these schools—largely inner city or rural poverty areas—had one million eligible children.

A MOOT QUESTION

These, coupled with the 400,000 eligible but unreached children in schools that already participate in the program, would necessitate expenditure of about $570.4-million a year.

This is based on Congress's estimate of $100-million for equipment alone and on Mr. Hekman's estimate of a Federal share of 42 cents a lunch for each of the 1.4 million additional children.

But, in view of hold-the-line posture of Mr. Nixon's budget men, it is a moot question whether this goal can be reached.

The amount spent last year for free or reduced-price lunchers totaled $356.4-million. The amount budgeted this year exceeds that amount by about $33-million, according to Mr. Hekman.

Special provisions were made by Congress to provide $38-million in the fiscal year 1971 and $33-million in the fiscal year 1972 to put facilities in nonprogram schools.

The Administration cut this amount back to $16.1-million the first year and plans to use only $16-million this year.

"It may not be enough, but it will go a long way," Mr. Hekman said.

The sizable increase in the number of needy children—from 3.8 million in 1969 to 9.3 million today—is related to state-initiated changes in eligibility guidelines, Mr. Hekman said.

The figure of 6.6 million children results from states using a $3,940 poverty level as a guideline, he said. Now, at least 22 states have raised their poverty-level standard to around $4,350. Minn. $4,200.

Opponents of the department's methods of implementation and budgeting have accused the Administration in recent weeks of using calculated methods to halt the growth of the program.

The more notable critics include Senator George McGovern, Democrat of South Dakota, and a group of 35 directors of state child nutrition programs.

GUIDELINES CRITICIZED

Each charged that while not cutting back in program funds, the Administration had designed Federal reimbursement guidelines that held the states liable for a matching portion above that of last year's, in effect limiting expansion in states faced with financial problems.

Members of Senator McGovern's staff charged that funds in one special section had been released to states only after they had exhausted the two principal sections that provided funds under the lunch program act.

Senator McGovern plans a Congressional hearing on the program Sept. 7. He said that he would ask the Secretary of Agriculture, the director of the Office of Management and Budget and Mr. Hekman to testify.

[From the Washington Post, Aug. 28, 1971]

HUNGER IN THE CLASSROOM

"Fiscal discipline is always difficult but it is absolutely essential . . . if we're to live within our budget." Thus spoke Assistant Secretary of Agriculture Richard Lyng the other day in announcing some new belt-tightening regulations for administration of the school lunch program. He is entirely right about this, of course, and the directors of any chamber of commerce would have little difficulty in grasping the validity of his observation if they heard it in the course of a luncheon speech as they were finishing their dessert and sipping their coffee. Discipline is a term more easily understood on a full stomach than on an empty one.

The fiscal discipline Mr. Lyng has in mind will be felt most intimately by a large number of school children whose families cannot afford to buy lunches for them and who will, in consequence, be called upon to accept the discipline on empty stomachs. It is to take the form of a reduced contribution to the school lunch program by the federal government, if proposed new regulations of the Agriculture Department go into effect. The formula by which federal funds are allocated to this program is a complicated one. But the nub of the matter appears to be that the department aims to contribute to the feeding of an expected 9.1 million poor and hungry children in the school year ahead with the same amount of money it supplied for the feeding of 7.3 million last year. The department did not ask for additional funds to finance the expected expansion; and, although Congress authorized the expenditure of $100 million out of a special fund available to the department, Secretary Hardin has declined to do this.

The state director of the school lunch program responded to these proposed regulations with a unanimous outburst of indignation. "The average rate of 30 cents per meal for free and reduced lunches set forth in proposed regulations," they declared in a formal statement, "is unequivocally inadequate, and furthermore we feel that such a limitation would jeopardize the existing program and preclude any expansion to reach the additional estimated three to five million hungry children in America. The regulatory restrictions and funding projections as proposed are bringing the school lunch programs to a screeching halt, and will result in a termination of programs in many places. The state plans of operation as prepared for 1971–72 become null and void by each state as the plans were developed in good faith to meet the challenge of the President and Congress to feed the hungry children in America's schools."

This impassioned statement comes from men and women in the field who have to administer the school lunch program. Their indignation is becoming. Senator George McGovern, chairman of the Senate Select Committee on Nutrition and Human Needs, reacted similarly, charging in a letter to Secretary Hardin that the proposed regulations "blatantly violate both the spirit and the letter of the school lunch law passed by Congress last year." It is a curious order of priorities indeed that puts resuscitation of an aircraft manufacturer ahead of human hunger. It is a strange sort of fiscal discipline that puts its burden upon children.

[From the Minneapolis Tribune, Sept. 25, 1971]

RESTRICTING AID FOR SCHOOL LUNCH

The story of the national school lunch program has long been one of foot-dragging at all levels. Although federal money and food commodities have been offered as partial support for many years, this support was * * * many states made little or no contribution, and thousands of school districts did not attempt to offer lunches in more than a few schools. Minneapolis, for example, began to serve hot lunches in elementary schools only five years ago, and although all "target area" schools now provide lunches, 25 elementary schools in the city do not.

In May 1970, Congress passed legislation which President Nixon said "will assure that every child from a family whose income falls below the poverty line will get a free or reduced price lunch." During the 1970-71 school year, there was an experience in the school-lunch program. More federal funds were available as partial payment for each lunch served, and states could obtain additional flexible funds to aid schools most needing help for their lunch operations. Still, however, many school districts in the country did little to extend their lunch services.

In August, the Department of Agriculture proposed new regulations for the distribution of lunch subsidies. As school officials interpreted the complicated rules, more and more they complained of cutbacks. They said that either they would be unable to provide the free or low-priced lunches to all children of poor families, as required by the 1970 law, or they would have to cut the lunch programs in schools where most children can pay the regular price.

Department of Agriculture officials have defended their new regulations. They say the new funding procedure will provide contributions to the various states more equitably, an additional $78.8 million will be available for free and reduced-price lunches and the aid will reach more schools and more children.

In effect, however, the states and school districts which have been most enterprising in expanding schoollunch programs would be penalized by the new rulings in federal cash subsidies (5 cents per regular-priced lunch, 30 cents per free or reduced-price lunch) and also by the loss of any flexible funds. Sen. Mondale, who is severely critical of the proposed regulations, says that Minnesota would lose $2 million a year. The grant are a national basis, would come in the expansion of lunch programs in states which have lagged.

It can be argued that states and school districts should contribute more to school lunches. Minnesota pays ½ cent per lunch, about $550,000 a year, school districts spend money on staffing and facilities.) Even more obvious, however, is the fact that if seriously inadequate lunch programs in some states can be improved only by damaging the better lunch programs in other states, the new rules should be stripped and a better federal financing system should be devised.

The intent of Congress clearly was to see that all children in poor families be provided with good lunches. In addition, many children whose parents can pay for their lunches but cannot provide them at home should be able to obtain lunch at school. The administration should set regulations which serve these purposes and Congress should gear appropriations accordingly.

[From the St. Cloud Daily Times, Sept. 17, 1971]

MONDALE SEES THREAT TO SCHOOL LUNCH AID

WASHINGTON.—Sen. Walter Mondale, D-Minn., urged President Nixon Thursday to withdraw proposed new Department of Agriculture regulations that "pose a very real threat to the continued progress of the National School Lunch Program."

In a letter to Nixon, Mondale and 10 other senators said the proposed regulations would force many schools to eliminate their child nutrition programs.

In addition, he said, "there will be further hardships to the nation's economy through unemployment and reduced consumption of raw resources such as food and equipment."

He said absenteeism, dropouts and apathetic students will negate the benefits of the multimillion dollar investment for public and private schools, "and finally, and most important, there will continue to be hungry children in America's schools."

The new regulations provide for an average payment of 35 cents to states for free and reduced price lunches. Last year, Minnesota received an average of 50.8 cents per meal for free and reduced price lunches.

The senators called for new rules which would permit states to pay 60 cents maximum reimbursement rates for these lunches for needy children.

Mondale said the proposed reduction in federal payment rates for meals beneath last year could "bring planned state lunch programs to a screeching halt or seriously impair their expansion."

ST. PAUL, MINN., *Sept. 21, 1971.*

Senator WALTER MONDALE,
Washington, D.C.:

The one thousand elementary school principals of Minnesota request that you reject the new Agriculture Department guide lines that would drastically decrease Federal support for the hot lunch program for elementary schoolchildren.

Note under the new guide lines that in Minneapolis over three-fourths of a million dollars of local funds will be needed to continue the former program the fact is if the price freeze unemployment and limited income already limit the ability of parents to pay the former charge the new increase doubles the cost for a class a hot lunch this will deprive many poor and needy children in receiving a hot lunch each day.

Your influence and support is necessary M.E.S.P.A. requests it.

ROBERT ARNOLD,
Executive Secretary M.E.S.P.A.

SEPTEMBER 29, 1971.

Senator WALTER F. MONDALE,
U.S. Senate,
Washington, D.C.:

The Minnesota Congress of Parents and Teachers is deeply concerned over new school lunch regulations further limiting Federal funding of school lunches for needy children and cut back in Minnesota program. This administrative action does not carry out the intent of Congress in the passage of Public Law 92–32. We ask that you urge the U.S. Department of Agriculture to revise the proposed regulations to reflect the expressed directions of Congress.

MRS. E. E. JACOB,
President,
Parents Teachers Association.

SEPTEMBER 18, 1971.

Senator MONDALE,
Washington, D.C.:

The secondary administrators in Minneapolis which now numbers 87 members wish to go on record that we protest the decision which has been made regarding the change in lunch price especially for the Target area schools and all Minneapolis schools included. We feel that such a decision was untimely for our working in the community and certainly does not help the hungry child who needs support.

THE SECONDARY ADMINISTRATORS,
Minneapolis Public Schools.

WINDOM ELEMENTARY SCHOOL,
Minneapolis, Minn., September 17, 1971.

President RICHARD M. NIXON,
The White House, Washington, D.C.

DEAR PRESIDENT NIXON: We are protesting the withdrawal of federal funds from the school hot lunch program.

The Minneapolis Public Schools cannot finance the deficit created by the withdrawal of federal funds, so the cost of hot school lunches will be raised as of September 27th. Many children will go hungry. This is a glaring departure from your compaign promises. Parents in our community see an increase in the cost of school lunches and the withdrawal of some free lunch programs as inconsistent with the price freeze.

Well nourished children are more receptive to learning. It is ineffective and inappropriate to allocate funds for educational programs without providing the conditions that make learning possible. Hungry children cannot learn.

This is also an economically unsound action. Administrative costs of screening budgets, keeping records, collecting, etc. far exceed the cost of providing a free lunch for all children in depressed areas.

We strongly urge you to reconsider this action and expand rather than curtail federal funds for the school hot lunch program.

Sincerely yours,

Morris Vogel, Evelyn Silverman, Phyllis Lund, Betty Forbes, Marilyn Kiedsisch, Violet Malchow, Esther Babiracki, Ann Davis, Earl S. Johnson, Louise Henrikmen, Mary ———, Mary Wetherspoon, Margaret Decker.

Barbara McCart, Vi Bradherst, Grace Olson, Barbara Johnston, Isaiah Brewer, Patricia Madden, Rishelle Nisbett, Arthur Anderson, Kathleen Erickson, Bernice Lumesth.

DULUTH PUBLIC SCHOOLS,
Duluth, Minn., September 3, 1971.

Hon. WALTER MONDALE,
U.S. Senate,
Washington, D.C.

DEAR SIR: I was greatly encouraged last year to hear of the administration's plan for a hot lunch program for public school children that would provide a good hot lunch for children. I was even more encouraged by a provision which allowed us to provide free and reduced cost lunches to needy children. Now the news is bleak! The drastic cuts in subsidies will mean a loss of $86,000 to our program. Instead of just breaking even this loss will probably mean a drastic reduction or even elimination of our program. Our local school budget is such that we cannot absorb this type of undercutting.

What can you do to help us?

Yours truly,

DONALD H. PECKENPAUGH,
Superintendent.

MINNEAPOLIS PUBLIC SCHOOLS,
Minneapolis, Minn., September 16, 1971.

Hon. WALTER F. MONDALE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MONDALE: The news of President Nixon's cutback in support of the Federal Lunch Program distresses us greatly. We feel that there is a significant part of our population in the income range where the expenditure of the additional money for lunches will come as a great economic hardship.

Please assert as much pressure on your fellow legislators and the Executive Branch to have this cutback rescinded immediately. A great amount of time, work and money can be saved if this matter is rectified.

Very truly yours,

JACK A. GILBERTSON,
Principal.

MADISON ELEMENTARY SCHOOL,
Minneapolis, Minn., September 16, 1971.
President RICHARD M. NIXON,
The White House,
Washington, D.C.

DEAR PRESIDENT NIXON: We are dismayed at the withdrawal of federal funds from the school hot lunch program.

The Minneapolis Public Schools cannot finance the deficit created by the withdrawal of federal funds, so the cost of hot school lunches will be raised as of September 27th. Many children will go hungry. This is a glaring departure from your campaign promises. Parents in our community see this as inconsistent with the price freeze.

Well nourished children are more receptive to learning. It is ineffective and inappropriate to allocate funds for educational programs without providing the conditions that make learning possible. Hungry children cannot learn.

This is also an economically unsound action. Administrative costs of screening budgets, keeping records, collecting, etc. far exceed the cost of providing a free lunch for all children in depressed areas.

We strongly urge you to reconsider this action and expand rather than curtail federal funds for the school hot lunch program.

Sincerely yours,

Jean S. Hendrickson, Waldamar P. Buchanan, Violet Brandherst, Marguerite Smith, Douglas C. Anderson, Ellen Grothe, Helen Sarff, Herman Hargest, Judith Keregi, Helen I. Soderlind, Jeanette Knutson, William Lersung, Harriet P. Burns, Evelyn I. Sheldrup, Charles R. Olson.

Robert E. Frank, Dennis M. Hawkinson, Beverly Carroll, Marianne Christianson, Dennis J. Hayden, Shirley J. Odden, Carol Brant, Robert Wudlick, Shirley Carpenter, Jean Banks, Carol Oman, Marion Capistrant, Wilma Lane, Jean Rosenfeld, Cyril L. Paul.

CATHOLIC EDUCATION CENTER,
St. Paul, Minn., September 16, 1971.
Senator WALTER MONDALE,
U.S. Senate Office Building,
Washington, D.C.

DEAR SENATOR MONDALE: Just a brief note to thank you for your work on behalf of the less affluent children being affected by the Agriculture Department's decision not to support the free and reduced lunch program. In the event that no change is made in present policy, we will have to drop our program in connection with Project Discovery in St. Paul. We simply do not have the $7,000 that we will run in debt under the present Agriculture Department policies.

We have tried to get some help on the state level but have been told that there is no chance. Only the federal people can be of any help in making changes.

I realize that you are working on this problem and I applaud you for it. Even if you can't get anything accomplished in this area, thank you for trying.

Sincerely yours,

Father JOHN GILBERT,
Superintendent.

MINNEAPOLIS PUBLIC SCHOOLS,
Minneapolis, Minn., September 16, 1971.
Hon. WALTER MONDALE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MONDALE: I want to express my appreciation for your efforts on behalf of the school lunch program. The loss of federal funds means for our school an increase in the cost of hot lunches from 20 cents to 35 cents. It is especially difficult in view of the fact that this school has just been declared a "Target Area" school, and parents have many questions as to whether this designation really has any meaning. With the lower price this year, fewer people applied for free or reduced cost lunches; thus, many were able to preserve a sense of dignity and self-sufficiency which may now be threatened.

I hope you will be able to convince the Administration that the availability of a nourishing hot lunch for all children can contribute much to successful learning, general health, and also education in nutrition.

Sincerely yours,

(Mrs.) MARY LOU LOUD,
School Social Worker.

MINNEAPOLIS PUBLIC SCHOOLS,
Minneapolis, Minn., September 16, 1971.
Senator WALTER MONDALE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MONDALE: I'm writing this letter to you fully aware of your diligence and perserverance in securing funds for public school lunch programs. Not with a feeling of protest, but rather with indignation and a sense of frustration over the recent change in our federal guidelines for target area schools.

I keep asking myself how in a country with all our resources we choose to save funds in the area of food for children? How we can loan money to large corporations and tell parents we're short of funds for hot lunch programs? The answer to these questions must lie in the Congress of the United States and the men who represent us in office. Surely a change in priorities must be instituted.

Please continue your efforts in the behalf of public education.

Sincerely,

KENNETH A. SCHUMACK, *Principal.*

MINNEAPOLIS, MINN.,
September 18, 1971.
Senator WALTER MONDALE,
Washington, D.C.

DEAR SENATOR MONDALE: As a teacher in one of the Minneapolis inner city schools, I strongly support your action in trying to stop the lunch program change proposed by President Nixon.

Sincerely,

MARIE C. SUNDHEIM.

MINNEAPOLIS, MINN.,
September 21, 1971.
The Honorable Senator MONDALE:

We would appreciate your support in opposing any change in the school hot lunch program.

I feel the proposed change would be taking food out of the mouths of children.

Very truly yours,

Mrs. J. WASHOSKY,
Whittier PTA—Minneapolis.

SEPTEMBER 21, 1971.
DEAR MR. MONDALE: The parents in the Phillips Jr. High School area feel very badly about the rise in cost to them, for school lunches.

Most of these people cannot afford the new prices and the children will be getting along on less than good nutrition.

Mrs. R. W. KEATING,
PTA President.

AUGUST 29, 1971.
Hon. CLIFFORD M. HARDIN,
Secretary of Agriculture, U.S. Department of Agriculture, Washington, D.C.

DEAR SECRETARY HARDIN: " I strongly urge that you withdraw the regulations issued August 13, 1971, pertaining to reimbursement rates for the School Lunch Program.

"I object not only to the content of these regulations but also to the timing and conditions of their announcement.

"In each respect, the Department would break faith with Congress, the States and hungry children if these regulations go into effect.

"It is outrageous to consider that—despite massive federal support for spending on space, loans to Lockheed and other non-essential programs—budgetary manipulations might lie behind rules which deny meals to children who are guaranteed these lunches under federal law.

"I need not repeat the President's promise to end hunger among American school children. But beyond promises, Public Law 91-248 requires that 'any child who is a member of a household that has an annual income not above the applicable family size income level shall be served meals free or at a reduced cost.'

"In accordance with the law, States have submitted plans to meet that requirement. But if the new regulations are adopted, thirty-seven State school lunch directors have testified they will be unable to implement the plans they developed, in good faith, to comply with P.L. 91-248.

"Does the Department ask that the States rescind plans that are required by law? Does it ask that the States pay for the school lunch program when they are already under such severe budgetary strain? Or, should children who do not qualify under the Act absorb the cost of lunches for those who do?

"These are the alternatives posed by the August 13 regulations. I fear the likely answer is that hungry children again will not get food.

"As unacceptable as the new regulations are in substance, the timing and conditions for their release are inexcusable.

"The August 13th public announcement comes just three weeks before school is to start, too late for many States to abandon their plans without chaos. It comes while Congress is in recess. Moreover, the fifteen day period for response denies both the States and Congress a fair opportunity for comment.

"To all of these arguments, I would add one more.

"Promises for opportunity and laws to protect the rights of children must be more than mere words, or our children will respect neither the word nor the law of this government. But, truthfully, respect for the law and concern for American children are not embodied in the August 13th regulations.

"I hope that you will act to withdraw them."

Sincerely,

WALTER F. MONDALE.

United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 92d CONGRESS, FIRST SESSION

Vol. 117 WASHINGTON, TUESDAY, OCTOBER 5, 1971 No. 147

Senate

By Mr. MUSKIE (for himself and Mr. MONDALE):

S. 2656. A bill to amend chapters 2 and 21 of the Internal Revenue Code of 1954, and title II of the Social Security Act, to reduce social security tax rates and provide a new method for their determination in the future, to remove the dollar limitation presently imposed upon the amount of wages and self-employment income which may be taken into account for tax and benefit purposes under the old age, survivors, and disability insurance system (making allowance for personal income tax exemptions and the low-income allowance in determining such amount for tax purposes), and to increase benefits under such system to reflect the new tax and benefit base. Referred to the Committee on Finance.

PROPOSED PAYROLL REFORM TAX LEGISLATION

Mr. MUSKIE. Mr. President, today I am introducing, with Senator MONDALE, a bill which would make fundamental and far-reaching improvements in the payroll tax. This bill would build into the payroll tax the principles of equity and progressivity which are the foundation of any enlightened tax system. This bill would reduce the amount of Federal taxes paid by 63 million American families.

The present payroll tax system, establishing a flat tax rate of 5.2 percent on earned income up to a ceiling of $7,800, places a disproportionate burden of the financing of social security upon the lower- and middle-income wage earner. For the working man making $7,800 per year, the effective tax rate is 5.2 percent, while for the man making $50,000, the effective tax rate is 0.8 percent. Furthermore, the lack of exemptions and low-income allowance add to the regressive nature of the payroll tax.

Because the burden of the payroll tax is focused on the low- and middle-income worker increases in the payroll tax in recent years have largely eliminated the tax relief Congress attempted to extend to these Americans. Furthermore, at rates proposed by H.R. 1, the payroll tax burden will be larger in 1973 than the personal income tax burden for the average family of four with an income of $13,900 or less.

In order to remedy this situation, we are introducing legislation today to make the payroll tax progressive by eliminating the ceiling on taxable earned income and providing personal exemptions and low income allowance equal to those allowed for income tax purposes. Second, the legislation fixes the level of the payroll tax rate at the rate necessary to bring revenues into annual balance with benefits paid.

The social security system was one of the signal achievements of the New Deal. Instead of facing destitution and the dole, the retiring American now is guaranteed some measure of economic security. Without the benefits provided by the social security system, 19 out of every 20 beneficiaries would have achieved even a moderate standard of living. Social security helps to keep at least 10 million Americans out of poverty. Presently, about one out of every eight Americans receives social security cash benefits every month.

In 1971, more than 26 million families will receive social security benefits. Those benefits will total more than $34 billion. Covering virtually all of the Nation's workers other than Government employees, and railroad workers who receive the protection of separate programs, the social security system guarantees income support on retirement and important medical coverage. It affords financial protection against disability. And it assures aid to the survivors of deceased workers.

Social security did not spring into being in its present form. When he signed the original social security legislation, Franklin Roosevelt called it "the cornerstone of a structure which is far from complete." With broad bipartisan support, subsequent Congresses and administrations have extended that structure and improved it. Much has been done. We can all take very great pride in what has been accomplished.

But that pride in our existing social security system must not lead us to forget that the system can be improved—and must be improved—as our wealth increases and as our understanding of the system and the needs of its beneficiaries grows. In H.R. 1, the House of Representatives recently approved an increase in social security benefits. The Senate has begun its own deliberations on the expansion of social security benefits. I have no doubt that, like the House, the Senate will approve important increases in benefits—and I hope make those increases more substantial. As I have in the past, I intend to support such increases. And, whatever the Congress does this year, urgent need will remain for further attention to the sufficiency of the economic protection which social security affords.

Despite the achievements of the social security system, too many of our elderly citizens are trapped in the prison of poverty, because social security benefits are inadequate to provide a dignified retirement. Sixty percent of our elderly who are living alone are also living in or near poverty. They are three-fifths of a generation who heard a promise made, and now see the promise falling short. A drastic infusion of funds is needed to rescue many of our senior citizens from a life of poverty. Retirement must be a reward, not a punishment.

To achieve a substantial increase in benefits, I believe that there must be some form of general revenue financing for social security. General revenue financing has been advocated since 1937 when it was recommended by the first Advisory Council on Social Security. Delay in enacting this recommendation has meant needless poverty for millions of elderly Americans. We must work to end that delay, to eliminate that poverty and to provide substantial increases in social security benefits through the use of general revenues.

But today I wish to address myself to a different part of the social security system—not its benefits, but the mechanism by which those benefits are financed. One source of the continuing strength of the social security system has been that a special tax is set aside to finance it—the payroll tax. When a worker is employed in a covered occupation, he knows that with each paycheck he and his employer are contributing to the support of old people, the disabled, and survivors today so that he and his dependents will enjoy the same kind of protection tomorrow.

Small in its first years, the payroll tax has now become one of the largest components of the Federal tax system. It produces more revenue than the corporate income tax. Indeed, it produces more Federal revenue than any tax other than the individual income tax. This year it will raise $47 billion.

The payroll tax achieved its present importance in the Federal tax system very quickly. It is, in fact, the most rapidly growing Federal tax. In 1950, it produced only 5 percent of Federal revenue. Today it has produced to 23 percent of Federal revenue. According to current forecasts, by 1976 the payroll tax will yield more than $80 billion—or 25 percent of all Federal revenue for that year.

While the magnitude and impact of the payroll tax have grown rapidly, the essential structure of the tax has changed very little since the original adoption of social security. The tax is still imposed on the first dollars a worker earns each year up to a specified ceiling. The tax makes no allowance for the size of the worker's family; it applies whether or not the worker's family is below the poverty level; and it does not increase as the worker's earnings rise above the wage base.

The characteristics of the payroll tax created few serious inequities when the tax was first adopted. The tax was then very small. The tax rate applicable to workers was only 1 percent, and the initial $3,000 wage base included 95 percent of all earnings of the workers covered.

But the payroll tax rate has risen sharply. It is now 5.2 percent for the worker and 5.2 percent for his employer. Under the present form of H.R. 1, it would rise to 5.4 percent and increase further to 7.2 percent by 1977 for both worker and employer. We are taxing a smaller proportion of income with steadily higher rates. In short, we are financing one of our society's most progressive programs with an increasingly regressive tax.

The form of the payroll tax has not changed substantially during a time of vast economic change. The result is serious inequities. Despite the 1969 congressional recognition of the principle that people below the poverty level ought not to pay income tax—and despite the reaffirmation of that principle last week by the Ways and Means Committee in its increase of the low-income allowance—payroll tax continues to be exacted from workers who are below the poverty level.

The payroll tax applies without regard to the number of children or other dependents whom a worker must support. The single individual whose earnings are $20,000 a year pays precisely the same payroll tax as the married couple who are supporting five children on an income of $7,800, despite the broad difference in their real ability to pay tax.

The effective rate of the payroll tax declines as a worker's earnings rise above the ceiling on the wage base. The school teacher earning $7,000 a year pays 5.2 percent of her earnings in payroll tax. The engineer earning $25,000 pays about 1.6 percent of his entire earnings, and the business executive earning $100,000 pays about four-tenths of 1 percent. While each of those workers becomes eligible for the same social security benefits, they simply cannot afford to pay the same amount for those benefits.

Finally, the payroll tax hits harder at families in which there are two wage earners than at families which derive the same income from a single wage earner. Again, the consequence is a major difference in tax burdens which has no relationship to differences in ability to pay.

Thus the payroll tax which began under very different circumstances has become unfair. Those who can least afford it must pay the same amounts as those who need not worry about the burden. And low- and middle-income Americans

are near the limit in paying taxes. Under the present system, they face the frightening prospect of inequitable tax increases to finance a vain attempt to provide adequate benefit levels.

The payroll tax has wiped out much of the tax reductions that Congress passed in 1969. Because the burden of the payroll tax is focused upon low- and middle-income workers, increases in the payroll tax in recent years have reduced sharply—and in some cases offset entirely—the tax relief which Congress has attempted to extend to these groups in the income tax system. Despite the major income reductions of 1964 and 1969, the total Federal tax load of the low- and middle-income worker is little lower now than it was in 1963. Indeed, by reason of the payroll tax increases, the single worker with $3,000 of income will pay more total Federal tax in 1973 than he paid in 1963. He will do so despite the fact that, because of general increases in prices and wages, he has become poorer both absolutely and relatively.

Americans have been willing to accept the payroll tax—and its increases—because they have recognized that it's current tax burdens will lead to future benefits, for themselves and their families. On these terms, social security has seemed a good buy—and it is. But we can have the same buy, and the same benefits, financed by a fairer and sounder payroll tax. We must change the social security taxes to make them fairer. We must change them so the limits on the ability of many Americans to pay more taxes will not deprive older Americans of needed increases in benefits. And we must strengthen the payroll tax to make the whole social security system stronger.

To achieve that end, Senator MONDALE and I are introducing legislation which would make key changes in the payroll tax. In order to make the payroll tax progressive, our legislation would make these changes:

First. The wage base upon which a worker is taxed would be reduced by dependency exemptions equal to those allowed him for income tax purposes.

Second. Further, the worker's tax base would be reduced by an amount equal to the low-income allowance provided by the income tax law. Under current law, the low-income allowance will reach the level of $1,000 on January 1, 1972. Under an amendment approved by the House Ways and Means Committee last week, the allowance would be increased to $1,300.

Third. The ceiling on the wage base would be removed. Hence, to the extent that they exceed dependency exemptions and the low-income allowance, all of a worker's earnings from covered employment would be subject to the payroll tax.

Fourth. The wage base ceiling would also be removed for the payroll tax paid by employers, but for reasons of administrative convenience, neither dependency exemptions nor the low-income allowance would be applied in the computation of the employer tax. However, continuing the principle of the existing payroll tax that equal contributions should be made by employers and employees, the rate of the employer tax would be set to produce approximately the same amount of revenue as the employee tax.

Fifth. The removal of the ceiling on taxable earnings would be accompanied by an elevation in the amount of earnings counted in computing benefits from $7,800—the ceiling applicable under current law—to $20,000. This modification will provide improved retirement benefits for millions of middle-income Americans for whom social security benefits are insufficient to prevent a drastic decline in income upon retirement. Expanding upon a principle already used in the existing benefit system, the proposal would phase down benefits earned as income rises so that the major benefit increases would occur in levels of income under $10,000 and lesser increases would occur in the $10,000 to $20,000 range.

Our proposal would also change the payroll tax rate by fixing it at a level which brings revenues produced into annual balance with benefits paid.

With these changes made in the tax structure, the payroll tax rate would be established at the level necessary to finance the increased benefits provided in H.R. 1. To support the benefit provisions contained in the current form of H.R. 1, a tax rate of 5.2 percent would be necessary for the employee's tax. That rate compares with the H.R. 1 rate of 5.4 percent for 1972 through 1974, 6.2 percent for 1975 and 1976, and 7.2 percent for 1977 and thereafter. A tax rate of approximately 4.5 percent on employers would produce approximately the same revenue as the employer tax under H.R. 1. The tax rate of the self-employed would remain at 7.5 percent.

These changes would bring major and fundamental improvement to the payroll tax. Under them, 63 million Americans would pay lower taxes. Only 8 million high-income Americans would pay more. Persons at or below the poverty level would be sheltered from payroll taxes altogether. And the relief would extend well into the middle- and upper middle-income ranges. Every family of four with earnings of $14,500 or less would save money. Every married couple with earnings of $13,000 or less would save money. Every single person with earnings of $12,250 or less would pay lower taxes. Furthermore, at every income level up to $25,000, more people would save on their taxes than would pay increased tax.

In broad and important income ranges, the amounts of the tax savings under the proposal would be substantial. Compared with the tax liability called for in H.R. 1, a four-person family at the poverty level will save $200 in taxes—or 100 percent of its prior Federal tax liability. A worker earning $7,500 and trying to support a wife and four children will pay $300 less—a saving of 44 percent in his Federal taxes. A salesman earning $8,000 and his school teacher wife earning $7,500 who support two children will save $240.

Let me emphasize that the proposal which Senator MONDALE and I make today is aimed at the taxation machinery of the social security system. It would reduce no one's social security benefits. In fact, it increases in benefits for many Americans by incorporation of earnings between $7,800 and $20,000 in the benefit computation. And it makes future benefit increases more likely by improving the equity of the tax which finance them.

Furthermore, let me emphasize that the proposal leaves the present structure of the social security system intact. The payroll tax would remain the financing mechanism of the system. Revenue produced by that tax would continue to be transferred to the social security trust fund. Social security benefits would continue to be paid from that trust fund. If Congress should decide to finance future social security benefits increases from general Federal revenues, as I hope it will, our proposal would not impede that step.

Within the area to which it is addressed, however, the proposal would accomplish broad-scale improvement of the payroll tax. It would shift the burden of that tax from the low-income and the middle-income worker to those who have greater ability to pay the tax. In doing so, it would make today's payroll tax fairer and sounder; and it would facilitate future increases in social security benefits by making it possible to increase payroll taxes without imposing unacceptable burdens upon low- and middle-income families. No longer would a decent income for the elderly depend on an indecent increase in the tax burden of the working.

By submitting this legislation, we draw attention to a long-neglected area of economic injustice affecting almost every working American. A nation that is fair cannot tolerate a tax which makes no allowance for real difference in ability to pay. Enactment of the legislation that Senator MONDALE and I are proposing would allow this country to make social security benefits more generous and burdens more equitable. This legislation, aimed at our second largest tax—a tax which many millions of American workers pay every 2 weeks—would constitute a fundamental and important contribution to the continuing effort to strengthen and improve our Federal tax system.

Mr. President, I ask that additional material be inserted in the RECORD which further details Muskie-Mondale payroll proposal. First, there is a brief fact sheet and explanation of the proposal.
and amount of Federal taxes paid by specific taxpayers from 1963 to 1973.

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

FACT SHEET OF THE MUSKIE PAYROLL REFORM PROPOSAL

I. PURPOSE

The proposed legislation would make fundamental and far-reaching improvements in the payroll tax. The present payroll tax, established a flat rate of 5.2 percent on earned income up to a fixed ceiling of $7,800 a year, is highly regressive. Under the existing law, for the working man making $7,800 a year, the effective payroll tax is 5.2 percent, while for the man making $50,000 a year the effective payroll tax rate is .8 percent. The regressive nature of the tax is increased because neither exemptions nor deductions are allowed.

Because the burden of the payroll tax is focused on the low and middle income worker, in recent years increases in the payroll tax have largely eliminated the tax relief Congress attempted to extend to these groups both in 1964 and in 1969. Furthermore, at rates proposed by H.R. 1, the payroll tax burden will be larger in 1973 than the personal income tax burden for the average family of four with an income of $13,900 or less.

II. PROPOSAL

To provide for a more equitable and progressive payroll tax, the proposed legislation would:

1. Remove the ceiling on the wage base.
2. Allow exemptions equal to the personal exemptions provided for income tax purposes.
3. Allow a low income allowance equal to that provided for income tax purposes.
4. Adopt the recommendations of the 1971 Advisory Council of Social Security that the payroll tax rate be fixed at a level which brings revenues produced into annual balance with benefits paid.

With these changes made in the tax structure, the payroll tax rate would be established at the level necessary to finance the social security benefits decided upon by Congress. To support the benefits provisions contained in the current form of H.R. 1, a tax rate of approximately 5.2 percent would be necessary compared with the rate of 5.4 percent proposed by H.R. 1.

III. EFFECTS

The payroll tax reform legislation leaves the present structure of the social security system intact.

Under this proposal 63 million American families would pay lower taxes in 1973 than under H.R. 1. Eight million high income Americans would pay more. Every family of four with earnings of $14,500 or less would pay less in taxes. Every married couple with earnings of $13,000 or less would pay less in taxes. Every single person with earnings of $12,250 or less would pay less in taxes. At every income level up to $25,000, more people would save taxes than would pay increased taxes.

The use of exemptions and low income allowance makes the tax much more responsive to real differences in ability to pay. The removal of the ceiling increases the responsiveness of the tax base to changes in wage and price levels. This proposal builds into the payroll tax the principles of equity and progressivity which are the foundation of any enlightened tax system.

EXPLANATION OF PAYROLL TAX REFORM PROPOSAL

1. *Adopt exemptions and low income allowance.*

Under *present law*, all earned income up to $7,800 is subject to tax. No exemptions or deductions are allowed.

The *proposal* would allow exemptions for employee payroll tax purposes equal to the personal exemptions showed for income tax purposes—$750 per person beginning in January, 1972, under the September 23 action of the Ways and Means Committee. In addition, the employee would be permitted a deduction equal to the low income allowance permitted for income tax purposes.

Married couples filing jointly and single individuals would receive the full deduction; married wage earners filing separately would each be allowed a $500 deduction. The self-employed would receive personal exemptions and the low income allowance under the same rules applicable to employees. For reasons of administrative simplicity, neither exemptions nor the low income allowance would apply in the computation of the tax on employers.

2. *Remove ceiling on wage base.*

The *present* tax is imposed on both employer and employee only on earnings up to $7,800. The self-employment tax is subject to the same ceiling. Increases already scheduled under current law will raise the ceiling to $9,000 in 1972 and thereafter. H.R. 1 would raise the ceiling to $10,200 or 1972 and provide for automatic increases in later years based upon increases in the cost of living.

The *proposal* would eliminate these ceilings. Hence, to the extent that they exceed dependency exemptions and the low income allowance, all of a worker's earnings from covered employment would be subject to the payroll tax. Similarly, to the same extent, all earnings from covered self-employment would be subject to the payroll tax. For purposes of the payroll tax on employers, all covered wages would be included in the wage

base, and no reduction would be made for personal exemptions and the low income allowance.

The payroll tax would apply, as at present, only to "wages" and "self-employed income" as defined under the Social Security law. Other types of income would not be taxed. The present law exclusions for the earnings of Federal government employees, most of whom are covered by the Civil Service Retirement system, and railroad workers, covered under the Railroad Retirement Act, would be continued unchanged.

3. *Adoption of recommendations of Advisory Council on Social Security.*

Under *present law,* the payroll tax produces revenue each year beyond the amount necessary to pay Social Security benefits for that year. The surplus for 1973 is projected at $6.1 billion. The Advisory Council on Social Security has recommended that the payroll tax rate be fixed to place the Social Security paid on a pay-as-you-go-basis. In general, under this recommendation, Social Security revenues would equal benefits on an annual basis.

The *proposal* would adopt the Advisory Council's recommendation.

4. *Raise benefit ceiling.*

Under *present law,* benefits rise, though less than proportionately, as average taxable earned income rises, up to the ceiling.

The proposal would accompany the removal of the ceiling on taxable earnings with an elevation in the amount of earnings counted in computing Social Security benefits. The increase would be from the present maximum level of $7,800 to $20,000. The proposal would phase down benefits earned as income rises, so that levels of income above $10,000 would produce declining percentages of benefits.

5. *Reduce payroll tax rate.*

Under *present law* the payroll tax rate for 1971 is 5.2 percent for employees, 5.2 percent for employers, and 7.5 percent for the self-employed. Under H.R. 1, the tax rate on employees and employers would be raised to 5.4 percent for 1972–74, 6.2 percent for 1975–76, and 7.2 percent for 1977 and thereafter.

The *proposal* would lower the tax rate to that which, in conjunction with the amendments described above, is necessary to fund the increased benefits provided in H.R. 1. The employee tax rate necessary to finance the benefits provided in the current form of H.R. 1 would be approximately 5.2 percent. Similarly, 4.5 percent tax on employers—applied to wages without a ceiling and unreduced by exemptions and the low income allowance—would produce the same revenue as H.R. 1's 5.4 percent employer tax on the first $10,200 of earnings. If benefits are set at H.R. 1 levels, the proposal would leave the present 7.5 percent tax rate on self-employment income unchanged.

To fund both the benefits provided for in H.R. 1 and those which would result from raising the ceiling for benefit purposes to $20,000, as proposed, an employee tax rate somewhat higher than 5.2 percent would be necessary for 1975 and later years. However, that rate would be substantially below the H.R. 1 rates of 6.2 percent for 1975–76 and 7.2 percent for 1977 and thereafter. The necessary actuarial computations can be performed by the Social Security Administration at the request of the Committee on Finance.

Mr. MONDALE. Mr. President, along with the distinguished Senator from Maine (Mr. MUSKIE), I am introducing today a bill to reform fundamentally our method of financing social security.

As David Broder pointed out recently, Congress has all but ignored the increasingly heavy burden of social security taxes:

> Discussing the inequities of payroll taxing may not attract as much praise at Georgetown cocktail parties as a ringing denunciation of the bombing in Laos or the tactics of the Washington police.

But it is equally worthy of our attention.

The problems posed by the payroll tax are only part of the much larger problem of tax equity.

Three years ago, the Secretary of the Treasury predicted a taxpayer's revolt.

Congress responded to the popular outcry by passing the Tax Reform Act of 1969.

This was a step forward.

Yet today, our tax system is still appallingly unfair.

Contrary to myth, it is not progressive. Rich people, poor people, middle-income people—all pay about the same portion of their income in taxes. According to a recent study by the Chief of the Census Bureau's Population Division, the worker making under $2,000 pays an average of 40 percent of his income in taxes to all levels of government. The worker in the $2,000 to $50,000 range pays a few percentage points less. Workers with income over $50,000 pay a few percentage points more.

Our tax system—taken as a whole—bears no relation to ability to pay.

The average man earning $6,000—barely enough to support a family, and below the Labor Department's low-income budget—pays taxes of $1,600.

Meanwhile, one of every 20 people who made $1 million in 1969 went tax-free. The 20 largest oil companies contributed only 8½ percent of their incomes to the Treasury.

Inequities like these make our tax system a national disgrace.

And the disgrace is deepening. Our tax system is actually becoming more regressive.

At the heart of the problem is the payroll tax.

The Federal tax system is composed of three main taxes: two that are progressive—the corporation income tax and the personal income tax—and the regressive social security tax.

Unfortunately, the social security tax has been growing faster than the other two combined.

Over the last 10 years, as personal income taxes have been cut on several occasions, the average taxpayer has simply watched payroll taxes absorb the difference.

The result is that an increasing share of the Federal tax burden is falling on poor and middle income wage earners.

The worst is yet to come.

If—as appears likely—the House passed social security provisions in H.R. 1 become law, on January 2, 1972, the American worker will receive the largest payroll tax hike in history.

According to Professor Pechman, $1.5 billion in social security taxes is being paid this year by persons officially classified as poor. With H.R. 1, the poor will pay much more.

At present, the family of four earning $3,000 pays $156 in payroll taxes.

By 1977, with the increases scheduled under H.R. 1, it will be $216.

This is wrong and utterly senseless. Everyone agrees on the importance of alleviating poverty. Numerous programs have been devised to cope with the problem. But every year, we force the poor to pay 40 percent of their income in taxes.

For the middle-income worker, the prospects are little better.

The man earning $10,000—close to the average, and less than the Labor Department says is needed to support adequately an average urban family—is already paying total taxes of $2,700.

By 1977, under H.R. 1, his payroll tax will roughly double—to $755.

The bill that Senator MUSKIE and I are introducing today brings a measure of fairness to the Social Security System.

It recognizes the elementary fact that poor families and large families simply cannot afford to contribute as much to social security as the rich.

The Mondale-Muskie proposal would:

Remove the $7,800 ceiling, making all earned income subject to the payroll tax. At present, the payroll tax is imposed on only the first $7,800 of a person's earnings; and

Allow wage earners a standard deduction of $1,000 and exemptions of $650 for each family member in calculating the tax. Thus, a married worker with two children earning $8,000 in 1971 would pay payroll taxes on only $4,400.

Our bill would also allow the payroll tax to be set at 5.2 percent—lower than the 5.4 percent that would go into effect with the passage of H.R. 1. The employer's tax would be computed on all covered wages and salaries without ceiling; the tax rate would be 4.5 percent instead of the higher rate in H.R. 1.

Overall, about 63 million people would pay lower taxes under our proposal than under H.R. 1. And only 8 million would pay more.

All families of four with earnings below $14,592 would benefit. All married couples without children whose earnings are below $13,092 would get a tax cut.

The accompanying table shows the tax savings that would result from our proposal for a family of four.

Savings are $216 at $4,000 of earnings, $222 at $7,000, and $228 at $10,000.

For families of four with two wage earners, the savings in the middle incomes are even greater. Such families would benefit from the reform if their income is $25,000 or less.

Mr. President, I ask unanimous consent that a table be printed at this point in the RECORD.

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

PAYROLL TAX FOR A FAMILY OF 4 IN 1973—H.R. 1 AND MONDALE-MUSKIE

Earnings	Financing under H.R. 1		Financing under Mondale-Muskie
	1 wage earner	2 wage earners	
$2,000	$108	$108	
$3,000	162	162	
$4,000	216	216	
$5,000	270	270	$52
$6,000	324	324	104
$7,000	378	378	156
$8,000	432	432	208
$9,000	486	486	260
$10,000	540	540	312
$12,000	551	648	416
$15,000	551	810	572
$20,000	551	1,080	832
$25,000	551	1,102	1,092
$40,000	551	1,102	1,872

Mr. MONDALE. Mr. President, our proposal has a number of additional advantages.

First, because our tax is truly progressive, we could afford to greatly increase benefits without imposing an indefensible burden on the average worker.

Second, our tax base is much more elastic than the present Social Security tax base. As income grows, tax revenues will grow more than in proportion.

We will then be able either to cut the tax rate, or to finance greatly increased benefits without any increase in the tax rate.

Third, our approach will deal fairly with families containing two wage-earners. At present, a family with two earners may have to pay almost double the tax paid by a single-earner family with the same income.

Finally, our reform will increase work incentives for welfare recipients.

Under the House-passed welfare bill, the tax rate for welfare recipients is 67 percent—or every dollar they earn above $720, the welfare payment declines by 67 cents. But if social security taxes are included, the tax rate rises to about 74 percent.

In my judgment, the tax rate in the welfare bill already removes much of the incentive to otbain work. Our proposal would keep the tax rate down; it would encourage welfare recipients to find jobs.

Some people may object that our approach violates the insurance principle—that it would pay benefits to people who have not contributed to the system.

The fact is, however, that even now social security is far removed from a strict insurance system. We already pay benefits to people who have paid little or nothing in payroll taxes. And for most people, benefits are out of proportion to their contributions.

As Professor Pechman has written:

> The relationship between individual contributions (that is, payroll taxes) and benefits received is extremely tenuous.

Our proposal is wholly consistent with one of the first principles of the social security system.

Removing the ceiling returns us to the situation at the inception of social security when almost everyone—93 percent of all wages and 97 percent of all wage-earners—was below the ceiling. In recent years, only 75 to 80 percent of all wages have been taxable.

Nor would the Mondale-Muskie bill create administrative problems. We would continue to withhold social security taxes; payments would continue to be earmarked for the social security trust funds; the present relationship between contributions and benefits would remain essentially unchanged.

The approach that we are advocating has its precedent in the experience of other countries. Germany exempts low-income workers from social security taxes, as does Japan from the national pension tax. Many countries have no ceiling on earnings subject to tax, and many use a contribution from general revenues to finance benefits.

In this country, there have been numerous proposals to introduce general revenues into the social security system. The idea was recommended by the Committee on Economic Security, whose work led to the Social Security Act of 1935. This recommendation was reiterated by

the Advisory Councils on Social Security of 1938 and 1948. The labor movement has for some time supported a plan to finance one-third of the system from general revenues. And several proposals along these lines have been introduced in recent Congresses.

These past efforts have had the same goal as ours today—to bring relief to lower and middle-income workers.

But what we are proposing today is much more than a contribution from general revenues. What we are proposing is much more than a patchup job for the inequities of the payroll tax.

Even if one-third of social security benefits were financed out of general revenues, that would still leave two-thirds to be financed by one of the most regressive taxes in our tax system.

Senator MUSKIE and I have rejected that approach. Instead, we are supporting a comprehensive reform.

Obviously, our approach raises a number of new difficulties. Although many people have devoted considerable effort to developing this proposal, neither Senator MUSKIE nor I are wedded to every detail. No doubt some of the provisions can be altered or improved.

But what is important is that the Congress make a comprehensive review of social security financing. The question is not whether the payroll tax needs to be raised or lowered a few tenths of a percentage point, but whether our whole approach to social security financing makes sense.

I think our proposal makes sense. Its enactment would be an important step toward comprehensive reform of our whole tax system.

It would place the taxpaying burden on those who can acord it, and relieve the load on those who cannot.

It would allow us to provide decent benefits for our retired elderly without imposing an unreasonable burden on our workers.

In short, it would increase economic justice for all our people.

And that must be our first priority in binding up the wounds that so dangerously divide this great Nation.

United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 92d CONGRESS, FIRST SESSION

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Senate

By Mr. MONDALE:

S. 2707. A bill to provide economic growth and stability by restoring the investment credit, accelerating individual income tax reductions, postponing social security tax increases, and providing additional weeks of unemployment insurance benefits. Referred to the Committee on Finance.

S. 2708. A bill to increase the authorizations of appropriations under the Emergency Employment Act of 1971. Referred to the Committee on Labor and Public Welfare.

Mr. MONDALE. Mr. President, for over 2 years, we have been paying the mounting price of a mindless economic policy.

Today that price has reached $70 billion.

That is how much more we could produce if almost a third of our plant and equipment were not idle—if 5 million of our workers could find jobs.

This staggering waste must set some kind of national record. And the tragedy is compounded when we realize who is picking up the tab.

Because the enormous cost of Mr. Nixon's policies has not been spread evenly over the American economy.

American workers have borne the brunt of it.

Many millions have paid with their jobs; almost one worker of every three has experienced some reduction in work, or had a relative who was cut back.

While the Wall Street Journal attributes all our ills to supposedly "inflationary" wage demands, the average worker today is less well off than 6 years ago.

The wage increases of 6 long years—eaten up by inflation.

Meanwhile, through much of the 6 years, the corporations made record profits.

So the President's original economic game plan was not just wasteful. It was also unconscionably unjust.

Then, a few weeks ago came the dramatic announcement: President Nixon was replacing the old failure with a new economic plan.

And I do commend the President for reversing his course. I wish he had acted sooner—but at least he adopted a number of sensible steps. But, the central problem remains: the President's new program is just as biased against the worker as the old one—maybe more so.

It is in its program for economic stimulation that the administration has really outdone itself.

Here is what happens in 1972.

Adding the investment tax credit to the other business tax proposals, it comes to $9 billion—more than a 20 percent corporate tax cut.

Yes, the average taxpayer also gets a tax cut—about $100. The catch—Catch 72, we could call it—is that there is an even larger increase in social security taxes—of about $150.

So the average worker will pay more in 1972 at the same time that the corporations are getting the largest tax cut in American history.

This is not only backward policy. It is rotten economics.

Almost all the experts agree that what the economy needs now is greater consumer buying power.

Therefore, the priorities of the tax package must be reversed.

Today, I am introducing legislation to redress the imbalance in the President's program.

My bill—the Economic Growth and Stability Act of 1971—would:

Substitute the investment credit for the new guidelines covering the depreciation of plant and equipment. Firms will still get a large tax break for investment in plant and equipment, but at a loss to the Treasury of $3 to $4 billion a year less than in the President's package;

Accelerate the income tax cuts presently scheduled for 1972 and 1973 to January 1971. This will give consumers a $4.5 billion tax cut this year, in contrast to the much smaller cut provided for by the administration in 1972;

Delay the $3 billion social security tax increase presently scheduled to go into effect on January 1, 1972; and

Provide extended unemployment compensation benefits to workers who have exhausted both their normal 26 weeks of coverage and the 13 weeks of additional benefits provided in periods of high unemployment.

I am also introducing a second bill which would double the funds for the Emergency Employment Act, and thus create additional badly needed public service jobs for the unemployed. Moreover, I intend to give my full support to the Randolph-Blatnik bill which would also provide quick relief to many of the jobless.

Finally, I intend to press a number of additional concerns:

Congress should move ahead full steam to pass welfare reform and revenue sharing legislation; and

The President should release a substantial portion of the $13 billion frozen by the Office of Management and Budget.

These measures will provide the economy with much more stimulation than the President's package. With unemployment above 5 million, our first priority must be to encourage a vigorous expansion that will put millions of unemployed back to work.

I am glad to see that the House Ways and Means Committee has already completed action on the tax package. Although it contains some notable improvements over the bill sent up by the administration, the Ways and Means bill is still heavily biased in favor of the corporations. I hope the Senate will be able to effect further significant improvements when this legislation comes over from the House.

I ask unanimous consent that my two bills be printed at this point in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 2707

A bill to provide economic growth and stability by restoring the investment credit, accelerating individual income tax reductions, postponing social security tax increases, and providing additional weeks of unemployment insurance benefits

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

TITLE I—RESTORATION OF INVESTMENT CREDIT; ELIMINATION OF ASSET DEPRECIATION RANGE SYSTEM

SEC. 101. RESTORATION OF INVESTMENT CREDIT.

(a) Subpart B of part IV of subchapter A of chapter I of the Internal Revenue Code of 1954 (relating to rules for computing credit for investment in certain depreciable property) is amended by adding at the end thereof the following new section:

"SEC. 50. RESTORATION OF CREDIT.

"Notwithstanding the provisions of section 49, for purposes of this subpart, the term 'section 38 property' includes property—

"(1) the physical construction, reconstruction, or erection of which is completed after August 15, 1971, or

"(2) which is acquired by the taxpayer after August 15, 1971.

In applying section 46(c)(1)(A) in the case of property described in paragraph (1) which, but for the provisions of this section, would not be section 38 property, there shall be taken into account only that portion of the basis which is properly attributable to construction, reconstruction, or erection after August 15, 1971."

(b) The table of sections for such subpart is amended by adding at the end thereof the following new item:

"SEC. 50. Restoration of credit."

(c) Section 46(a)(1) of the Internal Revenue Code of 1954 (relating to determination of amount of credit) is amended to read as follows:

"(1) GENERAL RULE.—The amount of the credit allowed by section 38 for the taxable year shall be equal to—

"(A) with respect to section 38 property placed in service before August 16, 1971, 7 percent of the qualified investment (as defined in subsection (c)),

"(B) with respect to section 38 property placed in service after August 15, 1971, and before August 16, 1972, 10 percent of the qualified investment, and

"(C) with respect to section 38 property placed in service after August 15, 1972, 5 percent of the qualified investment."

(d) Section 46(b)(5) of such Code (relating to certain taxable years) is amended—

(1) by inserting after "The amount" in the matter preceding subparagraph (A) "attributable to property placed in service before August 16, 1971,"; and

(2) by inserting after "taxable year" in subparagraph (a) "attributable to property placed in service before August 16, 1971".

(c) Section 46(c)(3)(A) of such Code (relating to public utility property) is amended to read as follows:

"(A) In the case of section 38 property which is public utility property, the amount of the qualified investment shall be—

"(i) with respect to such property placed in service before August 16, 1971, 3/7 of the amount determined under paragraph (1), and

"(ii) with respect to such property placed in service after August 15, 1971, ½ of the amount determined under paragraph (1)."

(f) Section 47(a)(4) of such Code (relating to property destroyed by casualty, etc.) is amended by inserting before the period at the end thereof the following: ", and before August 16, 1971, unless after August 15, 1971, section 38 property is placed in service by the taxpayer to replace the property described in subparagraph (A)".

(g) Section 47(a)(5) of such code (relating to certain property replaced after April 18, 1969) is amended by striking out "property which" in subparagraph (B) and inserting in lieu thereof "property which is not section 38 property but which".

(h) Section 49(c) of such Code (relating to leased property) is amended by inserting ", and before August 16, 1971" after "April 18, 1969".

(i) Section 49(d) of such Code (relating to property placed in service after 1975) is repealed.

(j) The amendments made by this section shall apply to taxable years ending August 15, 1971.

SEC. 102. ELIMINATION OF ASSET DEPRECIATION RANGE SYSTEM.

(a) Section 167(a) of the Internal Revenue Code of 1954 (relating to depreciation) is amended by adding at the end thereof the following new sentence: "Such allowance shall be computed only on the basis of the useful life of the property in the trade or business of the taxpayer, or in the case of property held for the production of income, on the basis of its useful life in the hands of the taxpayer."

(b) The amendment made by subsection (a) shall apply with respect to property placed in service after December 31, 1970.

TITLE II—ACCELERATION OF INCREASES IN PERSONAL EXEMPTIONS AND STANDARD DEDUCTION

SEC. 201. PERSONAL EXEMPTIONS.

(a) Section 151 of the Internal Revenue Code of 1954 (relating to allowance of personal exemptions) is amended by striking out "$650" wherever it appears therein and inserting in lieu thereof "$750".

(b) Section 6013(b)(3)(A) of such Code (relating to assessment and collection in case of certain returns of husband and wife) is amended by striking out "$650" wherever it appears therein and inserting in lieu thereof "$750", and by striking out "$1,300" wherever it appears therein and inserting in lieu thereof "$1,500".

(c) Subsections (c) and (d) of section 801 of the Tax Reform Act of 1969 are repealed.

SEC. 202. PERCENTAGE STANDARD DEDUCTION; LOW INCOME ALLOWANCE.

(a) Section 141 of the Internal Revenue Code of 1954 (relating to standard deduction) is amended by striking out subsections (b) and (c) and inserting in lieu thereof the following:

"(b) Percentage Standard Deduction.—The percentage standard deduction is an amount equal to 15 percent of the adjusted gross income, except that such deduction shall not exceed $2,000 ($1,000, in the case of a separate return by a married individual).

"(c) Low Income Allowance.—The low income allowance is $1,000 ($500 in the case of a separate return by a married individual)."

(b) Section 802(e) of the Tax Reform Act of 1969 is repealed.

SEC. 203. FILING REQUIREMENTS.

(a) Section 6012(a)(1) of the Internal Revenue Code of 1954 (relating to persons required to make returns of income) is amended—

(1) by striking out "$600" each place it appears therein and inserting in lieu thereof "$750";

(2) by striking out "$1,700" each place it appears and inserting in lieu thereof "$1,750"; and

(3) by striking out "$2,300" each place it appears and inserting in lieu thereof "$2,500".

(b) Section 941(d) of the Tax Reform Act of 1969 is repealed.

SEC. 204. COLLECTION OF INCOME TAX AT SOURCE ON WAGES

(a) Section 3402(a) of the Internal Revenue Code of 1954 (relating to requirement of withholding) is amended—

(1) by striking out "January 1, 1972" in paragraph (3) an inserting in lieu thereof "the 15th day after the date of the enactment of the Economic Growth and Stability Act of 1971";

(2) by striking out paragraph (4) and by renumbering paragraph (5) as (4); and

(3) by striking out "after December 31, 1972" in paragraph (4) (as renumbered) and inserting in lieu thereof "on or after the 15th day after the date of the enactment of the Economic Growth and Stability Act of 1971".

(b) Section 3402(b) of such Code (relating to percentage method of withholding) is amended by striking out the table contained therein and inserting in lieu thereof the following:

"Percentage method withholding table

	Amount of one withholding exemption
Weekly	$14.40
Biweekly	28.80
Semimonthly	31.30
Monthly	62.50
Quarterly	187.50
Semiannual	375.00
Annual	750.00
Daily or miscellaneous (per day of such period)	2.10"

(c) Paragraphs (3) and (4) of section 805 (b) of the Tax Reform Act of 1969 are repealed.

SEC. 205. EFFECTIVE DATES.

The amendments made by sections 201, 202, and 203 shall apply to taxable years beginning after December 31, 1971. The amendments made by section 204 shall apply with respect to wages paid on or after the 15th day after the date of the enactment of this Act.

TITLE III—POSTPONEMENT OF INCREASE IN SOCIAL SECURITY WAGE BASE

SEC. 301. ONE-YEAR POSTPONEMENT.

Section 203 (c) of the Act entitled "An Act to increase the public debt limit set forth in section 21 of the Second Liberty Bond Act, and for other purposes", approved March 17, 1971 (Public Law 92-5) is amended by striking out "1971" each place it appears therein and inserting in lieu thereof "1972".

SEC. 302. AMENDMENTS TO SOCIAL SECURITY ACT.

(a) Section 209 (a) of the Social Security Act is amended—

(1) by striking out "1972" in paragraph (5) and inserting in lieu thereof "1973"; and

(2) by striking out "1971" in paragraph (6) and inserting in lieu thereof "1972".

(b) Section 211 (b)(1) of such Act is amended—

(1) by striking out "1972" in subparagraph (E) and inserting in lieu thereof "1973";

(2) by striking out "1971" in subparagraph (F) and inserting in lieu thereof "1972".

(c) Sections 213 (a)(2)(ii), 213 (a)(2)(iii), and 215 (e)(1) of such Act are each amended—

(1) by striking out "1972" and inserting in lieu thereof "1973"; and

(2) by striking out "1971" and inserting in lieu thereof "1972".

SEC. 303. AMENDMENTS TO INTERNAL REVENUE CODE.

(a) Section 1402 (b)(1) of the Internal Revenue Code of 1954 is amended—

(1) by striking out "1972" in subparagraph (E) and inserting in lieu thereof "1973"; and

(2) by striking out "1971" in subparagraph (F) and inserting in lieu thereof "1972".

(b) Section 6413 (c) (1) of such Code is amended—

(1) by striking out "1972" each place it appears therein and inserting in lieu thereof "1973"; and

(2) by striking out "1971" each place it appears therein and inserting in lieu thereof "1972".

(c) Section 6413 (c) (2) (A) of such Code is amended—

(1) by striking out "or 1971" and inserting in lieu thereof "1971, or 1972"; and

(2) by striking out "after 1971" and inserting in lieu thereof "after 1972".

TITLE IV—ADDITIONAL EXTENDED UNEMPLOYMENT COMPENSATION BENEFITS

FEDERAL-STATE AGREEMENTS

SEC. 401. (a) Any State which desires to do so may enter into an agreement with the Secretary of Labor (hereinafter in this title referred to as the "Secretary") under this title, if the State law of such State contains (as of the date such agreement is entered into) a requirement that extended compensation be payable thereunder as provided by the Federal-State Extended Unemployment Compensation Act of 1970.

(b) Any such agreement shall provide that the State agency of the State will make payments of extended unemployment compensation in like manner as is required by the Federal-State Extended Unemployment Compensation Act of 1970, except that, for purposes of such agreement only section 202 (b)(1) of such Act shall be deemed to be modified—

(1) by striking out, in subparagraph (A), "50 per centum" and inserting in lieu thereof "100 per centum";

(2) by striking out, in subparagraph (B), "thirteen times" and inserting in lieu thereof "twenty-six times"; and

(3) by striking out, in subparagraph (C), "thirty-nine times" and inserting in lieu thereof "fifty-two times".

(c) Any agreement entered into under this section shall be effective for the period specified in such agreement, except that the effective period of any such agreement shall not—

(1) become effective prior to the date on which such agreement is entered into, nor

(2) terminate later than 12 months after the date on which such agreement becomes effective or, if later, 15 months after the date of enactment of this title.

(d)(1) There shall be paid to each State which has entered into an agreement under this section an amount equal to 100 per centum of the expenses incurred by the State (including administrative expenses) in carrying out such agreement, disregarding any such expenses which would have been incurred by the State in carrying out its State law (as defined in section 205 (10) of the Federal-State Extended Unemployment Compensation Act of 1970) in the absence of any agreement under this section.

(2) Sums payable to any State by reason of such State having an agreement under this Act shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under such agreement for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State for such month. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

(3) Funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act) of the Unemployment Trust Fund shall be used by the Secretary for the making of payments to States having agreements entered into under this section. There are hereby authorized to be appropriated to such account such additional sums as may be necessary to assure a sufficiency of funds in such accounts for the making of the payments authorized by this section and by section 204 of the Federal-State Extended Unemployment Compensation Act of 1970.

(e) As used in this section, the terms "State" and "State agency" shall have the same meanings as those assigned by section 205 of the Federal-State Extended Unemployment Compensation Act of 1970.

S. 2708

A bill to increase the authorizations of appropriations under the Emergency Employment Act of 1971

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) Section 5(a) of the Emergency Employment Act of 1971 is amended by striking out "$750,000,000" and inserting in lieu thereof "$1,500,000,000".

(b) Such section 5(a) is further amended by striking out "$1,000,000,000" and inserting in lieu thereof "$2,000,000,000".

(c) Section 6(a) of such Act is amended by striking out "$250,000,000" and inserting in lieu thereof "$500,000,000"

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PROCEEDINGS AND DEBATES OF THE 92d CONGRESS, FIRST SESSION

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Senate

Mr. MONDALE. Mr. President, I thank the Senator from Tennessee for his courtesy. May I join my colleagues in commending the distinguished chairman of the full Public Works Committee, the Senator from West Virginia (Mr. RANDOLPH) and the chairman of the Subcommittee on Air and Water Pollution, the Senator from Maine (Mr. MUSKIE) and other Senators, for their magnificent work in developing the legislation now before the Senate.

Mr. President, I share the profound sense of gratitude in the Senate for the outstanding work that they have done.

I believe each of us feels very deeply a sense of horror and outrage at the neglect that has transformed once idyllic rivers and lakes in America from scenic wonders into contaminated wastelands. Witness what has become of the Hudson and Delaware Rivers, the Chesapeake, the Potomac, the Savannah, the Mississippi, the Columbia, and even the remote rivers in the State of Maine. Our lakes, including Lake Erie, Michigan, Tahoe, and thousands of smaller fresh water lakes are in need of urgent care.

In recent months, Congress has sought to prevent the increasing pollution of our waterways. There is progress in the creation of a new Environmental Protection Agency and the Council on Environmental Quality.

But for the most part, we have had far too much talk about the need for stringent standards and enforcement, and far too little action. At stake in this issue is the most precious and limited natural resource in America today.

Our neglect of the Nation's water resources, our shortsightedness in despoiling essential supplies of water are fully documented.

According to the Council on Environmental Quality's 1971 report:

> Although the BOD level of wastes actually discharged has remained roughly constant in recent years, the overall quality of the Nation's water probably has deteriorated because of accelerated eutrophication, increased discharges of toxic materials, greater loads of sediment, and other factors.

The Environmental Protection Agency estimates that almost one-third of U.S. stream-miles are characteristically polluted, in the sense that they violate Federal water quality criteria. Less than 10 percent of all U.S. watersheds were characterized by EPA regional offices as unpolluted or even moderately polluted.

Part of our problem is that we have expended too much energy attempting to determine who is responsible for this situation, and too little time trying to correct it. I am afraid there is plenty of blame to go around, and a multitude of weaknesses in the Nation's water pollution control programs.

Intensive study of Federal water quality programs reveals that every link along the chain is weak; we lack firm standards, strict enforcement, necessary information, and adequate programs for research. All of these efforts are in turn hampered by a critical shortage of funding for water pollution control.

The proposal before us today offers a comprehensive program to remedy each of these problems. First, it would set a national policy of eliminating the discharge of all pollutants into the Nation's navigable waters by 1985, and it would set an interim goal of water quality protection by 1981. Second, this legislation would prohibit the discharge of toxic pollutants as an immediate priority toward total water pollution control. Third, it would greatly expand the Federal program of grants to communities in order to construct waste treatment works and assist in developing programs for regional waste treatment management. Finally, this legislation would initiate a major research and demonstration effort within EPA to expand knowledge and technological progress in the field of water quality.

Of special significance to my State of Minnesota, are two items in this bill which I would like to discuss at this time. Together these items constitute the essence of the Clean Lakes Act, which I first introduced with Senator BURDICK 5 years ago and which we reintroduced this year with the support of more than 30 cosponsors.

These sections would provide increased Federal support for the construction of waste treatment facilities and Federal grants for the restoration of the Nation's fresh water community lakes. There are more than one hundred thousand such lakes in the United States.

While it is not possible to assess the total value of these lakes to our country, a study of just the recreational value of certain lakes in California placed their worth at more than $2 million each.

Consider this value, and all the related values which cannot be measured, in light of the evidence that many of the Nation's fresh water community lakes are now being victimized by municipal and industrial pollutants, agricultural runoff, and accelerated sedimentation. Thousands of these lakes are dying; thousands more are in grave danger.

I am particularly concerned by this problem because one out of every eight of these lakes is located in the State of Minnesota. But the committee's report on S. 2770 states, on page 68:

> There is not a State in which the water quality of lakes is not seriously degraded.

Earlier I cited a study of the recreational value of lakes in California. In commenting on this information, the Council on Environmental Quality said that much of this value, "would be lost with the level of deterioration that is now found in many of the Nation's water bodies. The rapidly increasing demands for recreation and scenic amenities will raise the value of losses from pollution."

Last year, through an amendment which I offered in the Senate, the Congress voted to set aside $2 million in Federal funds to evaluate the effectiveness of existing technology to save lakes which are threatened by pollution. Although at that time we were happy at long last to get a pilot program of lake research underway, I point out that that $2 million represents just the recreational value of one lake surveyed in California.

With the help of these pilot programs, we have found that we can save many of the Nation's lakes with currently available methods and procedures for lake pollution control. The principle difficulty that must be overcome is now is to apply needed Federal resources to restoring and protecting America's fresh water lakes. States and communities simply cannot afford to do the job alone.

Section 314 of S. 2770 would provide Federal grants for up to 70 percent of the cost of restoring the quality of publicly owned fresh water lakes. This money would be used to clean up thousands of lakes which are already polluted.

In addition, title II of the bill would increase to up to 70 percent the Federal share of constructing sewage treatment plants to prevent pollutants from entering our lakes in the first place.

An authorization of $300 million is provided over the next 3 years to fund the lake reclamation program, and $14 billion dollars is to be allocated over 4 years to build the treatment works.

In my own State of Minnesota, more than 5,000 lakes have already been identified which could benefit from a Federal program for lake restoration. This money could be used to help communities like Albert Lea, Detroit Lakes, and Lake Minnetonka in Minnesota which have made valient efforts to clean up their lakes. Communities across the Nation would be assisted in the next 3 years to restore and protect their treasured lakes.

Mr. President, I am most grateful to the committee, and to Senators RANDOLPH and MUSKIE, for their enlightened concern about our cherished lakes. This is an historic step by the Congress. For the magnificent fresh water community lakes of this country are threatened now with destruction and this legislation is designed to prevent that destruction. I am hopeful that it will be fully funded and that we will begin, at long last, to save this irreplaceable resource for our country.

Mr. President, I ask unanimous consent to have printed in the RECORD page 68 of the committee report, under the heading "Clean Lakes."

In summary, I believe that the total legislative package before us today is a landmark in Federal pollution control law. It is a bill, which is long overdue.

I would hope that my colleagues in the Senate will move promptly to adopt this vital legislation.

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

SECTION 314—CLEAN LAKES

All States shall identify and classify their lakes according to eutrophic condition, and set up procedures to control lake pollution and restore these lakes. Seventy percent grants are authorized to assist States in carrying out this program with $300,000,000 authorized over three fiscal years.

In many areas of the nation, fresh water lakes and reservoirs are seriously degraded by municipal-industrial pollutants, by agricultural runoff, and by accelerated sedimentation. These pollutants greatly accelerate the rate of eutrophication.

Lake Erie is an example of this process. There is not a State, however, in which the water quality of lakes is not seriously degraded.

Excessive eutrophication, accumulated sludge and other pollutants, reduced flow and severe water level fluctuations, and heavy sedimentation all are contributing to critical conditions which must be remedied promptly if the lakes are to recover and continue their natural function in our national life.

The Committee bill adopts the essence of legislation proposed by Senator Walter F. Mondale which requires each State to classify fresh water lakes according to water quality condition and to develop plans and methods for restoring those lakes. The plans are to be submitted to the Administrator for his approval.

Upon approval by the Administrator, such State will become eligible for Federal grants to pay 70 percent of the cost of carrying out the approved programs. A total of $300 million is authorized for these grants as follows: $50 million for fiscal year 1972, $100 million for fiscal year 1973, and $150 million for fiscal year 1974.

To complement the procedures set out, the bill authorizes the Administrator to develop methods, processes, and procedures to restore fresh water lakes. Only in this manner can the program be fully used. While the Committee recognizes that many such techniques will require development, many methods now available have considerable potential for cleaning and restoring water quality to lakes. In view of the urgent need in many areas of the Nation, these methods should be supported.

United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 92d CONGRESS, FIRST SESSION

Vol. 117 WASHINGTON, FRIDAY, NOVEMBER 5, 1971 No. 167

Senate

THE CANNIKIN TEST

Mr. MONDALE. Mr. President, the countdown is rapidly proceeding on the Atomic Energy Commission's Cannikin test, scheduled to take place on Amchitka Island this Saturday.

If the warnings of environmental experts are confirmed, Cannikin would be a tragedy for our Nation. It could become a synonym for human arrogance or catastrophic folly.

If the AEC's assurances prove valid, the mounting wave of opposition may quickly dissolve. I doubt that it will vanish from our thoughts.

For with or without any irreparable environmental destruction, if the test does go on, a valid question will linger on in the minds of many Americans. Why were our doubts never answered by our Government?

Until doubts about Cannikin are fully and openly discussed by the Atomic Energy Commission, we may not be able to pursuade many Americans that their views matter at all in the Government's seemingly impervious decisionmaking process.

Objections to the Cannikin test are based on a number of very serious matters, not excepting an earnest desire to reduce the nuclear arms race. At a minimum, there is a danger to fish and wildlife in the immediate vicinity of the test site. Second, there is the possibility that the test could trigger a large natural earthquake. Third, radioactive gases may be emitted which would contaminate marine, and eventually, human, life. Finally, some fear a seismic tidal wave could be unleashed, carrying its destructive force as far as Hawaii, Japan, and the west coast of the United States.

Officials in the AEC have dismissed these fears, despite their knowledge that the Cannikin blast will be four times the size of any underground test the United States has ever set off. It will explode with the force of 250 Hiroshimas. This is the equivalent of 10 billion pounds of dynamite—enough to move 3 cubic miles of earth.

Even top officials within the administration find this prospect alarming. According to the Washington Post, November 4, 1971:

> President Nixon's chief environmental advisor came out almost a year ago against a five-megaton underground nuclear explosion on Amchitka because he feared there was a chance the test might trigger a large, natural earthquake and release radiation into the sea.

In a secret memo to Under Secretary of State John N. Irwin II, which was made public only yesterday, Chairman Russell Train of the President's Council on Environmental Quality reviewed the AEC's previous experience with smaller nuclear explosions at the Nevada test site:

> The evidence is strong that natural strain energy stored in the earth has been released in the Nevada test site by the underground explosions. . . . Fault scars over six feet in height and several miles in length have resulted from fault movements initiated by underground explosions.

Chairman Train also disagreed with the AEC's predictions that radiation would not leak into the sea until 100 or even 10,000 years after Cannikin had taken place. He states in the same memo:

> U.S. Geological Survey calculations indicate a time for such movement might be as short as one or two years. If the shorter times are correct, then the level of radioactivity in the groundwater entering the ocean would be in excess of 10,000 to 100,000 the minimum permissible concentration for water.

In the face of these warnings, why does the AEC insist on conducting the test? According to one AEC official, the reasons for going ahead can be summarized:

> Cannikin's going to give us three things. It's going to tell us if our warhead design is correct. It's going to give us some clues as to how our own offensive missiles survive an ABM. And it's going to give us a better hand at the SALT table with the Soviet Union.

Both fact and commonsense demonstrate that this rationale is paper thin. Weapons experts have pointed out that the warhead the test seeks to prove may be already obsolete. Nor is there any evidence that Cannikin will increase the chances for getting an agreement for mutual arms reductions at the SALT talks. In fact, no reason put forth so far can justify the risks associated with the enormous explosion scheduled to take place on Amchitka.

This past July, I joined with many Senators in cosponsoring an amendment to delete funds for the Cannikin test from the AEC appropriation. Congress did enact a law which permitted only the President to authorize a go-ahead on Cannikin. I regret that he has decided to hold the test.

Today, I have cosigned, with my distinguished colleague from Massachusetts (Mr. BROOKE) a telegram to the President urging that he order a cancellation of the test. Already, 36 Members of the Senate have joined in this effort to stop the Amchitka explosion.

I sincerely hope that we will be successful in halting the impending blast and in restoring confidence among our citizens that their views really do matter to the Government and its leaders in Washington.

Mr. President, I ask unanimous consent that the full text of our telegram be printed in full at this point in the RECORD.

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

NOVEMBER 5, 1971.

We the undersigned urge you to reconsider your decision to allow the Atomic Energy Commission to proceed with "Cannikin," the underground nuclear test scheduled for this Saturday on Amchitka Island, Alaska.

We feel that you have little to lose and much to gain by reversing your original decision to proceed. Thousands of people in this country, in Canada and Japan, and throughout the world oppose the test and have expressed their anxiety about it, both publicly and in the form of personal letters and telegrams. Seismologists have argued persuasively that the force of the blast will be so great that there is a small though palpable risk of earthquake, tidal wave, and radioactive contamination of the ocean. Environmentalists have demonstrated that the test will endanger wildlife populations. Weapons experts have pointed out that the warhead the test seeks to prove may be obsolete.

Behind all these arguments and anxieties, we are united in the feeling that no reason profferred thus far justifies the hostile act of unimaginable power that is about to take place on Amchitka. We believe that to proceed with the test is to endanger national security and world peace, not to further it.

We therefore urge you to cancel the Amchitka test.

United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 92d CONGRESS, FIRST SESSION

Vol. 117 WASHINGTON, FRIDAY, NOVEMBER 5, 1971 No. 167

Senate

By Mr. MONDALE:

S. 2817. A bill to promote the public welfare by amending the Longshoremen's and Harbor Workers' Compensation Act to provide for compensation for persons injured by certain enumerated acts, and for other purposes. Referred to the Committee on Labor and Public Welfare.

COMPENSATION TO VICTIMS OF CRIME

Mr. MONDALE. Mr. President, we hear much about crime rates and there is a great deal of appropriate concern about this problem. Although there is considerable confusion about the data, it is all too clear that violent crime is a threat to all of us. And yet, many law-abiding citizens—especially those least able to pay—are subjected to sometimes staggering financial setbacks when they fall victim to such crimes.

As a practical matter, Government must assume the principal burden of assisting victims of violent crime. Techniques such as civil suits or insurance have little usefulness where the criminal is without assets and the victim is too poor to pay insurance premiums or hire a lawyer to prosecute the suit. Unfortunately, this is all too often the case.

In view of these facts, I firmly believe we should pass legislation in this Congress to allow compensation to the innocent victim of violent crime. I believe this is only right, because this society has an obligation, which it has not met, to the crime victim, just as it helps victims of other misfortunes.

There will always be those in society who are unable to make provisions for themselves or their families to meet the unexpected hazards that may befall a citizen. The maintenance of law and order and protection of the society is a primary function of the Government. How then can a just and fair Government turn its back on the suffering of the tragic figure represented by the unsuspecting, innocent victim of criminal activity?

We should pass this compassionate legislation for many reasons. Although significant steps have been taken in recent years to help local police apprehend the criminal, we have done nothing to recognize the rights of his victim. It is time to consider his plight.

While all segments of society are represented among the victims of crime, certain persons are far more vulnerable than others. Those individuals without resources and insurance are often the most exposed to criminal activity and suffer the most.

We must also acknowledge that existing methods of restitution and compensation are inadequate and ineffective. Finally, a crime compensation program can give impetus to our efforts in the past Congress to control crime. This legislation could lead to more citizen cooperation in promptly reporting crimes, thus aiding in the apprehension of dangerous criminals.

It is for these reasons that I am today offering the "Compensation to Victims of Crime Act" which would authorize the Secretary of Labor to pay compensation, for actual expenses, loss of earning power and other damages to persons injured by certain criminal acts. No distinction would be made among the victims of crimes committed within Federal, State, or local jurisdictions.

Compensation for victims of violence is not a new concept. It has been practiced in various forms since ancient times. Both the Mosaic Law and the Code of Hammurabi provided for public reparations to individuals who suffered criminal assaults, at least under some circumstances. Such compensation was generally awarded only when the criminal was not caught, and was a way of inducing the Government to do everything possible to apprehend the criminal. Compensation was motivated less by a concern for the victim than by a desire to punish society for failing to find the criminal.

In contrast, today's proposals for compensating the victims of violence are properly motivated by a humanitarian desire to alleviate the suffering of such victims. The idea of compensating the innocent victim was first proposed in Congress by former Senator Ralph Yarborough in 1965 and repeated in succeeding Congresses. The distinguished majority leader (Mr. MANSFIELD), has introduced a similar measure in the present Congress.

These earlier proposals, however, were focused principally on a minority of violent crimes—those under Fedral jurisdiction. A plan applying only to the District of Columbia cleared the Senate last year as a little noticed part of a broad anticrime measure, but it was dropped from the bill which was finally enacted. The time has come, I think, to enact a single measure of national scope.

Only seven States have enacted legislation providing for limited compensation. Compensation to innocent victims has been proposed in several others. California, 1965, and New York, 1966, were the pioneering States in this field. Compensation laws were passed by Hawaii in 1967, in Maryland and Masachusetts in 1968, in Nevada in 1969, and in New Jersey this year.

The philosophy behind this proposed legislation is simple: Providing protection from criminals is the responsibility of Government and citizens generally are discouraged from carrying weapons for self-defense. If an individual is injured by a criminal, the Government has failed in its duty to that individual and thus should make some restitution to him.

Edmund G. Brown, former Governor of California, once noted that it was ironic that his State spent millions of dollars for the rehabilitation of criminals in its corrective institutions, yet left the victims to fend for themselves. Arthur Goldberg, former Associate Justice of the U.S. Supreme Court, has written that the victim of a crime has been denied the "protection" of the law, and that "society should assume some responsibility for making him whole."

It is a mockery of justice that an innocent victim should be forced to bear the experience of the crime and also the burden of paying for it. This is particularly true when we look at existing studies identifying typical victims. They show that the physically weak, the young, the aged, the female, and the handicapped, are most vulnerable to crimes of robbery and assault. The psychologically weak, the unintelligent, and the unstable are more vulnerable to many crimes because of the unnecessary risks that they may take.

The socioeconomically weak, the poor, the nonwhite, the immigrant, are also more vulnerable than others, because the majority of crimes occur in the deprived areas in which they are forced to live. Studies have proven that those persons with incomes under $6,000 per year are far more likely to be victims of crime than those with higher incomes.

Thus, the statistics show that the heaviest burden rests precisely on those least able to handle the consequence of violent crime against the person. Generally speaking, it is just those factors that tend to disadvantage a person in general that make him more vulnerable to crime. Or to put it another way, the one who suffers the greatest impact of criminal violence is also the victim of society's long inattention to poverty and other forms of social injustice.

It is only right and decent, therefore, that society, through a program of public compensation, recognize its obligation toward these victims.

The financial hardships, such as paying hospital and doctor bills and suffering lost wages, are particularly difficult for many victims of crime to bear. Those who are least able to provide for themselves in the first place are more often victimized, thus put in an even worse financial position, and then left to fend for themselves. Dr. Karl Menninger has suggested that the typical American views the person convicted of crime with contempt, his chief feeling being that the criminal should be punished, but neither the public nor the offender seems to express any particular sympathy for the victim of crime. He tends to be overlooked or merely forgotten.

The attitude of the offender perhaps helps to explain the problem. Research conducted on more than 800 inmates placed in Florida correctional institutions between July 1, 1962, and June 30, 1963, indicated that those in prison for capital offenses seemed to realize their social obligations, including reparation of their wrongs. Those imprisoned for aggravated assault or violent theft, however, could not accept their responsibilities to their victims and seemed to view their incarceration as fully paying their debt to society.

Again, the victim is the forgotten man in the criminal triangle. Our criminal cases pit the State against the accused suspect with scarcely a mention of the victim. Essentially there are three parties interested in the outcome of a crime: The victim, the offender, and society; but the victim has been virtually forgotten by the other two and lacks the means to gain justice.

This is not to say that compensation of victims by the State is an idea that is received negatively. Opinion polls indicate that the vast majority of the public favors a victim compensation plan, as do legislators, law enforcement officials, and a presidential task force.

Among supporters of the idea have been the National Association of Chiefs of Police and the President's Commission on Law Enforcement and Administration of Justice.

The need for a crime victim's compensation program is highlighted by the fact that there are no viable alternatives at the present time. It is almost always futile for a victim to sue a criminal for damages. Most criminals do not have the financial resources to compensate a victim. A criminal must also be apprehended first and the victim must have the means to be able to sue.

A victim cannot seek satisfaction from the State by going to court; this avenue is blocked by the doctrine of sovereign immunity. The courts cannot impose liability on the State without a directive from the legislature.

Private insurance rarely, if ever, offers the full range of compensation needed to make a victim whole. Even partial insurance coverage, for medical costs and lost wages, is usually well beyond the means of most of the potential victims. Despite the affluence of many Americans, between 40 and 50 million have annual incomes that provide only marginally adequate housing, medicine, and food. Such persons understandably do not have the re-

sources to provide even the inadequate insurance coverage which may now be purchased.

In 1967, almost $6 billion was paid to the beneficiaries of policyholders who died, but 29 percent of all Americans owned no life insurance of any kind. In families with incomes under the $5,000 level, 42 percent were not insured. In 1967, although health insurers paid almost $10 billion in benefits, 27 percent of the total population carried no hospital expense coverage by private health insurance organizations.

Crime control is on everybody's mind. I say we must act now, because millions of Americans today are frightened. The fear of violent crime is real. The threat of being assaulted, mugged, robbed, or raped is curtailing the pleasure of an evening walk, or plans for an evening activity outside of the home. People are fleeing their homes in the cities to the hoped-for safety of suburban living. Residents of many areas will not go out on the street at night. Others have added bars and extra locks to windows and doors in their homes. Busdrivers in major cities do not carry cash, because incidents of robbery have been so frequent.

Let me cite just a few figures to show the extent of the violent crime problem. Figures available from the FBI uniform crime reports indicate that the amount and rate of violent crime over the last 10 years has been frightening. Between 1960 and 1970, violent crime rose 156 percent. In 1970 alone, 731,402 acts of violence were reported to the police. One crime of violence occurred every 43 seconds.

National information on crimes of violence has been available in this country only since the 1930's. The FBI uniform crime reports are the only national crime data available. They consist of voluntary submissions by most local police jurisdictions in the country on offenses known to the police and arrests made. Consequently, the number of criminally inflicted injuries can only be estimated, because of the victim's hesitance, inability and inaccuracy in reporting crimes to the police. There is a considerable gap between the reported figures and the true figures which are sometimes estimated to be nearly twice as high as reported rates.

Although it is difficult to make comparisons among nations with their different histories, cultures, levels of development, criminal statutes, and statistical reporting procedures, the United States probably has true rates of serious violence among the highest of the industrialized countries. Yet Great Britain and New Zealand have been paying crime victims since 1964. Compensation programs are also in effect in parts of Canada and Australia, and Sweden is setting up such a program.

Under my proposal, the Secretary of Labor would be empowered to grant awards for victims of assaults, robberies, arson, murder, attempted rape, kidnaping, and other violent crimes. The bill has provisions which are designed to prevent abuses. For example, a person who was injured by an accident, rather than a crime, would be discouraged from making a false application by the requirement that the crime be reported within 72 hours. Thus, there would be ample opportunity for law enforcement officials to ascertain whether a crime had been committed.

Another provision authorizes criminal prosecution for fraudulent applications for compensation. The likelihood of false claims is also sharply reduced by excluding property damage from the act's coverage.

A thorough investigation would be conducted in each case to verify the loss claimed and thus lessen the possibility that claims might be inflated. Compensation could be paid to the injured person, to any person responsible for the care of the injured person and to the dependents or closest relative of any deceased victim. Payments would cover expenses resulting from injury or death, loss of earning power, pecuniary loss to dependents of the victim, and could also compensate for pain and suffering. The Federal payment could be reduced to reflect compensation received by the victim from other sources.

The bill I am introducing is different from others in this area in several respects. First, as noted above, it makes no distinctions as to the level of government whose criminal laws are involved. It will cover certain additional classes of injuries, such as those resulting from efforts to apprehend violations of law. It also provides a special death gratuity for law enforcement officers and firemen. It will aid in law enforcement by requiring that crimes be reported within 72 hours. It provides for full compensation for actual expenses and loss of earnings. Finally, it assigns the administrative responsibility to an existing agency rather than creating yet another commission.

The Secretary of Labor currently administers workmen's compensation benefit programs for millions of workers, including Federal employees and related personnel, employees in the District of Columbia, and longshoremen and harbor workers. I believe building upon this existing agency would provide a more effective administrative vehicle for the "Compensation to Victims of Crime Act," and that the added delays and expenses which would be encountered in creating a new agency would, thus, be eliminated.

On the surface, the victim presently sustains the full burden of medical expenses, lost wages, and related expenses. Ultimately, of course, society suffers in terms of lost jobs, productivity and purchasing power. In addition to the humanitarian basis for the legislation, a program of public compensation can reduce some of the costs to society in other ways. By requiring victims to report crimes promptly, as a prerequisite to compensation, such a program could help law enforcement authorities apprehend criminals. This could reduce crime by removing from society criminals who would otherwise remain at large to commit further crimes. In addition, the very prospect of more effective law enforcement would deter the would-be violators from committing criminal acts.

Policemen and firemen, and their survivors, would be eligible for all of the benefits the bill provides. However, I think it is appropriate that special provision be made for such public servants who are killed by violence in the course of their duties. It is for that reason that I have included a special $50,000 death gratuity for the dependents of such personnel.

The States and foreign governments which have adopted a compensation plan find that it is achieving its purposes fairly well. Awards have been used to keep families together, to avert foreclosures and evictions, as well as to pay bills and keep the victims out of debt. Their experience shows that the proposal is not only desirable but workable. I urge that the "Compensation to Victims of Crime Act" be given early consideration and that we in Congress show our compassion for these victims.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 2817

A bill to promote the public welfare by amending the Longshoremen's and Harbor Workers' Compensation Act to provide for compensation for persons injured by certain enumerated acts, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Longshoremen's and Harbor Workers' Compensation Act (44 Stat. 1424) is amended by inserting:

"TITLE I—LONGSHOREMEN'S AND HARBOR WORKERS' COMPENSATION"

immediately above the heading of section 1, by striking out "this Act" wherever it appears in section 1 through 51, inclusive, and inserting in lieu thereof "this title", and by adding immediately after section 51 the following new title:

TITLE II—CRIMINAL INJURIES COMPENSATION

SHORT TITLE

SEC. 201. This title may be cited as the "Compensation to Victims of Crime Act".

PURPOSE

SEC. 202. (a) It is a purpose of this title to promote the public welfare by establishing a means of compensating victims of violent crimes.

DEFINITIONS

SEC. 203. As used in this title the term—

(1) "child" means an unmarried person who is under eighteen years of age and includes a stepchild or an adopted child, and a child conceived prior to but born after the death of the victim;

(2) "Secretary" means the Secretary of Labor;

(3) "dependent" means those who were wholly or partially dependent upon the income of the victim at the time of the death of the victim or those for whom the victim was legally responsible;

(4) "personal injury" means actual bodily harm and includes pregnancy, mental distress, nervous shock, and loss of reputation;

(5) "relative" means the spouse, parent, grandparent, stepfather, stepmother, child, grandchild, siblings of the whole or half blood, spouse's parents;

(6) "victim" means a person who is injured, killed, or dies as the result of injuries caused by any act or omission of any other person which is within the description of any of the offenses specified in section 206 of this title;

(7) "guardian" means one who is entitled by common law or legal appointment to care for and manage the person or property or both of a child or incompetent;

(8) "incompetent" means a person who is incapable of managing his own affairs, whether adjudicated or not; and

(9) "State" means a State, the District of Columbia, Puerto Rico, or the Virgin Islands, American Samoa, Guam and the Trust Territory of the Pacific Islands.

(10) "political subdivision" means the general local authority to prosecute any of the acts described in section 206.

FUNCTIONS

SEC. 204. In order to carry out the purposes of this title, the Secretary shall—

(1) receive and process applications under the provisions of this title for compensation for personal injury resulting from violent acts described in this title;

(2) pay compensation to victims and other beneficiaries in accordance with the provisions of this title; and

(3) hold such hearings, sit and act at such times and places, and take such testimony as he may deem advisable.

AWARDING COMPENSATION

SEC. 205. (a) In any case in which a person is injured or killed by any act or omission of any other person which is within the description of the offenses listed in section 206 of this title, the Secretary may, in his discretion, upon an application, order the payment of, and pay, compensation in accordance with the provisions of this title, if such act or omission occurs within any State or political subdivision thereof.

(b) The Secretary may order the payment of compensation—

(1) to or on behalf of the injured person;

(2) in the case of the personal injury of the victim, where the compensation is for pecuniary loss suffered or expenses incurred by any person responsible for the maintenance of the victim, to that person;

(3) in the case of the death of the victim, to or for the benefit of the dependents or closest relative of the deceased victim, or any one or more of such dependents;

(4) in the case of a payment for the benefit of a child or incompetent the payee shall file an accounting with the Secretary no later than January 31 of each year for the previous calendar year;

(5) in the case of the death of the victim, to any one or more persons who suffered pecuniary loss with relation to funeral expenses.

(c) For the purposes of this title, a person shall be deemed to have intended an act or omission notwithstanding that by reason of age, insanity, drunkenness, or otherwise he was legally incapable of forming a criminal intent.

(d) In determining whether to make an order under this section, or the amount of any award, the Secretary may consider any circumstances he determines to be relevant, including the behavior of the victim which directly or indirectly contributed to his injury or death, unless such injury or death resulted from the victim's lawful attempt to prevent the commission of a crime or to apprehend an offender.

(e) No order may be made under this section unless the Secretary supported by substantial evidence, finds that—

(1) such an act or omission did occur; and

(2) such act or omission was the proximate cause of the injury or death.

(f) An order may be made under this section whether or not any person is prosecuted or convicted of any offense arising out of such act or omission, or if such act or omission is the subject of any other legal action. Upon application from the Attorney General, the Attorney General of any State, or chief prosecuting officer of any political subdivision thereof, or the person or persons alleged to have caused the injury or death, the Secretary shall suspend proceedings under this Act until such application is withdrawn or until a prosecution for an offense arising out of such act or omission is no longer pending or imminent. The Secretary may suspend proceedings in the interest of justice if a civil action arising from such act or omission is pending or imminent.

OFFENSES TO WHICH THIS ACT APPLIES

SEC. 206. (a) The Secretary may order the payment of, and pay, compensation in accordance with the provisions of this Act for personal injury or death which resulted from offenses in the following categories:

(1) assault with intent to kill, rob, rape;
(2) assault with intent to commit mayhem;
(3) assault with a dangerous weapon;
(4) assault;
(5) mayhem;
(6) malicious disfiguring;
(7) threats to do bodily harm;
(8) lewd, indecent, or obscene acts;
(9) indecent act with children;
(10) arson;
(11) kidnaping;
(12) robbery;
(13) murder;
(14) voluntary manslaughter;
(15) attempted murder;
(16) rape;
(17) attempted rape; or
(18) other crimes involving force to the person.

(b) The Secretary may also order payment of, and pay, compensation in accordance with the provisions of this Act for personal injury or death which resulted from the flight or pursuit of a criminal or suspected criminal.

APPLICATION FOR COMPENSATION

SEC. 207. (a) In any case in which the person entitled to make an application is a child, or incompetent, the application may be made on his behalf by any person acting as his parent, guardian or attorney.

(b) Where any application is made to the Secretary under this title, the applicant, or his attorney, and any attorney of the Department of Labor, shall be entitled to appear and be heard.

(c) Any other person may appear and be heard who satisfies the Secretary that he has a substantial interest in the proceedings.

(d) Every person appearing under the preceding subsections of this section shall have the right to produce evidence and to cross-examine witnesses.

(e) If any person has been convicted of any offense with respect to an act or omission on which a claim under this title is based, proof of that conviction shall, unless an appeal against the conviction or a petition for a rehearing or certiorari in respect of the charge is pending or a new trial or rehearing has been ordered, be taken as conclusive evidence that the offense has been committed.

PROCEDURES

SEC. 208. (a) The Secretary is authorized to subpena and require production of documents in the manner of the Securities and Exchange Commission as required by subsection (c) of section 18 of the Act of August 26, 1935, and the provisions of subsection (d) of such section shall be applicable to all persons summoned by subpena or otherwise to attend or testify or produce such documents as are described therein, except that no subpena shall be issue except under the signature of the Secretary, and application to any court for aid in enforcing such subpena may be made only by the Secretary.

(b) The Secretary is authorized to administer oaths, or affirmations to witnesses, receive in evidence any statement, document, information, or matter that may contribute to his functions under this title, whether or not such statement, document, information, or matter would be admissible in a court of law, except that any evidence introduced by or on behalf of the person or persons charged with causing the injury or death of the victim, any request for a stay of action, and the fact of any award granted shall not be admissible against such person or persons in any prosecution for such injury or death.

(c) The Secretary may delegate his powers under this title to any officer under his jurisdiction.

ATTORNEYS' FEES

SEC. 209. (a) The Secretary shall publish regulations providing that an attorney shall, at the conclusion of proceedings under this title, file with the agency a statement of the amount of fee charge, in connection with his services rendered in such proceedings.

(b) After the fee information is filed by an attorney under subsection (a) of this section, the Secretary may determine, in accordance with such published rules or regulations as it may provide, that such fee charged is excessive. If, after notice to the attorney of this determination, the Secretary and the attorney fail to agree upon a fee, the Secretary may, within ninety days after the receipt of the information required by subsection (a) of this section, petition the United States district court in the district in which the attorney maintains an office, and the court shall determine a reasonable fee for the services rendered by the attorney.

(c) Any attorney who willfully charges, demands, receives, or collects for services rendered in connection with any proceedings under this title any amount in excess of that allowed under this section, if any compensation is paid, shall be fined not more than $2,000 or imprisoned not more than one year, or both.

NATURE OF THE COMPENSATION

SEC. 210. The Secretary may order the payment of compensation under this title for—
(1) expenses actually and reasonably incurred as a result of the personal injury or death of the victim;
(2) loss of earning power as a result of total or partial incapacity of such victim;
(3) pecuniary loss to the dependents of the deceased victim;
(4) pain and suffering of the victim; and
(5) any other pecuniary loss resulting from the personal injury or death of the victim which the Secretary determines to be reasonable.

FINALITY OF DECISION

SEC. 211. The orders and decisions of the Secretary shall be final.

LIMITATIONS UPON AWARDING COMPENSATION

SEC. 212. (a) No order for the payment of compensation shall be made unless—
(1) the act, to which the personal injury or death to be compensated for is based, was reported to the proper law enforcement authorities within 72 hours after its occurrence, unless the Secretary finds that the requirement of this paragraph is unreasonable; and
(2) the application has been made within two years of the personal injury or death.

(b) No compensation shall be awarded in any situation in which the Secretary, at his discretion, determines that unjust enrichment to or on behalf of the offender would result.

(c) Compensation shall be paid as follows:

(1) 100 percent of all hospital and medical bills, and for any other pecuniary loss or expense proximately arising from the injury or death to be compensated for;

(2) loss of earning power not to exceed twice the average weekly industrial wage as determined by the Secretary, until the victim resumes gainful employment at a rate equal to or in excess of the rate of earning power that the victim had at the time of his injury; and

(3) an amount not to exceed $10,000 for pain and suffering.

POLICE AND FIREMEN'S DEATH BENEFITS

SEC. 213. (a) The Secretary shall pay a gratuity of $50,000 to a dependent of a law enforcement officer or fire officer upon certification by the Governor of any State that—

(1) a law enforcement officer employed by that State or a unit of general local government within that State to enforce the criminal laws of that State has been killed in the line of duty; or

(2) a fire officer employed by that State or a unit of general local government within that State has died in the line of duty as the result of injuries proximately caused by any one of the enumerated acts described in section 206.

(b) Payment of a gratuity under this section shall preclude any death benefits under section 205.

TERMS AND PAYMENT OF THE ORDER

SEC. 214. (a) Except as otherwise provided in this section, any order for the payment of compensation under this title may be made on such terms as the Secretary deems appropriate.

(b) The Secretary shall deduct from any payments awarded under section 205 or 213 of this title any payments received by the victim or by any of his dependents from the offender or from any person on behalf of the offender, or from the United States (except those received under this title), a State or any of its subdivisions, for personal injury or death compensable under this title, but only to the extent that the sum of such payments and any award under this title are in excess of the total compensable injuries suffered by the victim as determined by the Secretary.

(c) The Secretary shall pay to the person named in the order the amount named therein in accordance with the provisions of such order.

EMERGENCY AWARDS

SEC. 215. (a) Whenever the Secretary determines, prior to taking action upon a claim, that—
(1) such claim is one with respect to which an award probably will be made, and
(2) undue hardship will result to the claimant if immediate payment is not made, the Secretary may make emergency awards to the claimant pending a final decision in the case.

(b) The amount of any emergency award made under subsection (a) shall be deducted from the amount of any final award made to the claimant.

(c) Where the amount of any emergency award made under subsection (a) exceeds the amount of the final award, or if there is no final award, the recipient of any such emergency award shall be liable for the repayment of such amount in accordance with rules and regulations prescribed by the Secretary. The Secretary may waive all or part of such repayment where in his judgment such repayment would invoke severe hardship.

RECOVERY FROM OFFENDER

SEC. 216. (a) Whenever any person is convicted of an offense and an order for the payment of compensation is or has been made under this title for a personal injury or death resulting from the act or omission constituting such offense, the Attorney General may within 3 years institute an action against such person for the recovery of the whole or any specified part of such compensation in the district court of the United States for any judicial district in which such person resides or is found. Such court shall have jurisdiction to hear, determine, and render judgment in any such action.

(b) Process of the district court for any judicial district in any action under this section may be served in any judicial district of the United States by the United States marshal thereof. Whenever it appears to the court in which any action under this section is pending that other parties should be brought before the court in such action, the court may cause such other parties to be summoned from any judicial district of the United States.

(c) The Secretary shall provide to the Attorney General such information, date, and reports as the Attorney General may require to institute sections in accordance with this section.

EFFECT ON CIVIL ACTIONS

SEC. 217. An order for the payment of compensation under this title shall not affect the right of any person to recover damages from any other person by a civil action for the injury or death.

REPORTS TO THE CONGRESS

SEC. 218. The Secretary shall transmit to the President and to the Congress annually a report of its activities under this title including the name of each applicant, a brief description of the facts in each case, and the amount, if any, of compensation awarded.

PENALTIES

SEC. 219. The provisions of section 1001 of title 18 of the United States Code shall apply to any application, statement, document, or information presented to the Secretary under this title.

AUTHORIZATION OF APPROPRIATIONS

SEC. 220. There are hereby authorized to be appropriated such sums as may be necessary to carry out the other provisions of this title.

EFFECTIVE DATE

SEC. 221. This title shall take effect on January 1, 1973.

United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 92d CONGRESS, FIRST SESSION

Vol. 117 WASHINGTON, FRIDAY, NOVEMBER 19, 1971 *No. 178*

Senate

NOMINATION OF DR. EARL BUTZ TO BE SECRETARY OF AGRICULTURE

Mr. MONDALE. Mr. President, the Committee on Agriculture and Forestry is conducting hearings on the nomination of Dr. Earl Butz for Secretary of Agriculture.

I do not have to tell you or the Senate about my concern over the plight of our family farmers. I am currently sponsoring and cosponsoring several bills which seek to increase the economic well-being of our farmers and to revitalize rural America. Because of these concerns, I have to oppose the nomination of Dr. Butz. His philosophy of agricultural policy does not give any indication that he will champion the cause of our family farmers.

Would we confirm the nomination of any enemy of business for Secretary of Commerce? Would we want an enemy of small business to head the Small Business Administration? Of course not. Therefore, we cannot settle for Dr. Butz as Secretary of Agriculture. The Secretary should be the spokesman for our farmers. The record of Dr. Butz shows nothing to indicate that he would serve that function. Throughout his career he has represented the interests of vertical integrators, grocery manufacturers, processors and other corporate giants. He has advocated the concept of fewer and larger farms and has said strongly that a large proportion of the farm population should leave farming for other types of work.

Improved efficiency and greater volume have often been the theses of his speeches. He has said that farmers must adapt to this system or die. What that idea leaves out is the fact that in that type of race for survival, several of our most efficient and most hard-working farmers will voluntarily leave the farm. Faced with a high degree of risk and continually narrowing margins, it becomes all too obvious to many of our sharpest young people that they can achieve greater economic rewards for the same amount of efforts in other forms of work. We cannot afford, socially or economically, to continue losing these people.

Many farmers in Minnesota who are hard pressed by the low corn and feed grain prices this fall are top-notch businessmen. Several would probably be considered efficient, even by Dr. Butz standards. Being sharp businessmen, they will see that they are not getting any return for their labor when it costs 90 cents to produce a bushel of corn and they are offered only 88 cents a bushel in the market. Would General Motors spend $2,700 to build an automobile—then sell it for $2,640?

Mr. President, farm prices are the lowest they have been since the depths of the great depression. Many of our fine farm communities are depressed. Low farm income and reduced buying power of farmers can only lead to one result—stagnation of more communities. We cannot afford to allow this to continue.

The farmers and all Americans are entitled to know where Dr. Butz and the current administration stand on matters of farm policy. What will they do to better the critical situation which our farmers face? So far we have only the past record of the administration which has led us to the present overproduction and depressed price situation.

Concerning Dr. Butz, we also only have a past record on which to base our judgments. He has been an eloquent advocate of vertical integrators and conglomerate corporations which propose to either squeeze independent family farmers out of business or reduce them to the status of employees. Several of those forces have helped to create the current farm crisis.

Dr. Butz has long advocated a laissez faire type of agriculture. He loyally praised former Secretary of Agriculture Ezra Taft Benson for his alleged attempt to reduce surplus Commodity Credit Corporation stocks. In reality, during the Eisenhower-Benson years, CCC inventory increased fivefold—from $1.13 billion in 1952 to $5.37 billion in 1957.

During the Benson years, when other sectors of the economy were setting new highs in profits, wages were increasing, and other economic indicators were rising, the cumulative total loss of net farm income amounted to $14.2 billion. As a result of that dreadful decline in farmers' buying power, the Nation suffered a disastrous loss of smalltown businesses which had been dependent upon farmers for their volume and profits.

Mr. President, the time has come to redirect our priorities toward a revitalization of the countryside and this can best be started by preserving what we already have—the family farmer. Instead of forcing more people off the farm, we should be finding ways of keeping our fine young people on the farms and out of troubled, crowded cities. Polls have shown that 60 to 70 percent of Americans living in cities would like to live in the country. But, in fact, less than 20 percent of our people do live in rural areas.

Instead of forcing good farmers off the land, we should be rewarding them for their tremendous productivity performance. They are the envy, not only of other farmers over the world, but of other American businessmen as well.

Dr. Butz has not shown that he, as Secretary of Agriculture, would take steps to remedy the current depressed situation or that he will take steps to improve the long-run status of rural America; therefore, I cannot vote to confirm his nomination.

United States Senate
WASHINGTON, D.C. 20510

Walter F. Mondale
U.S.S.

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