President Ford has announced his opposition to such an increase until January 1, 1975. Under existing congressional procedures, the proposed raise will not go into effect on October 1 unless the House or the Senate passes a resolution supporting the recommended increase.

I intend to vote for a resolution in the House of Representatives to insure that Federal employees receive the recommended increase on October 1, 1974.

Prior to 1970, Congress alone weighed the merits of Federal pay rates each year. The new system, based on the recommendations of the Director of OMB and Chairman of the Civil Service Commission, was designed to provide a reasoned analysis and criteria for any salary increases. This year, after considerable study, the recommendation was made to increase pay by 5.5 percent as of October 1.

In my view, that recommendation is sound.

The last Federal pay increase, of 4.77 percent, was instituted in October 1973. Since that time, the cost of living has increased approximately 11 percent. Thus, the recommended salary boost only makes up for about half of the dollars eaten up by inflation. In my opinion, a 5.5-percent pay raise is neither unjustified nor exorbitant.

While many workers in the private sector have received pay advances of varying sizes during the past year, Federal employees have not received such a needed increase. Pay scales for Federal employment are not comparable with those in many areas of the private sector. It is not wise public policy to allow that disparity to widen.

The proposed pay increase is moderate, reasonable, and merited. For me to vote to defer it would be unfair to Federal employees who, even with this recommended raise, will be unable to retrieve the buying power lost during the past 12 months.

Thus, I will support a House resolution to reject any deferment and to provide the recommended increase in pay for Federal workers as of October 1.

IN SUPPORT OF THE 1974 RAILROAD RETIREMENT AMENDMENTS

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

Mr. RAILSBACK. Mr. Speaker, for some time now the need to make major changes in the railroad retirement program has been recognized. Congress took official notice of this need when it created a Commission on Railroad Retirement under Public Law 91-377. The Commission was directed to recommend changes in the railroad retirement program that would provide adequate benefits on an actuarially sound basis. The problem was that the level of benefits was more than the financing provided could support. The report of the Commission was filed on June 30, 1972, and recommended a major restructuring of the program. Briefly, the Commission recommended that the railroad program be restructured into a two-tier program with one tier being social security benefits and the other a staff retirement program similar to the private pensions provided by employers in other industries.

Last year, Congress took a first step in this direction when it changed the railroad retirement tax structure so that railroad workers would pay the same tax that other workers pay for social security with the difference—4.75 percent—in the taxes they had been paying being added to the employer tax. At the same time railroad employers and railroad employees were instructed to get together and work out in a practical way implementation of the Commission's recommendations.

The bill before us this afternoon is the result of negotiations between railway labor and railway management. Following the directions of the Congress, representatives of both groups came to an agreement as to how the railroad retirement program might be restructured along the lines recommended by the Commission on Railroad Retirement. They sent their recommendations to Congress in the form of a draft bill, and with some modification, that is the bill we are now discussing.

The legislation, involving as it does a rewriting of the Railroad Retirement Act, is very complicated in its details. The concept, however, is somewhat less complicated. Under the bill, the railroad retirement program would be restructured so that all people entering railway employment in the future would receive a railroad annuity computed in two major parts or tiers. The first part will be a social security benefit, and the second part will be a railroad staff benefit; both, however, will be paid in one check issued by the Railroad Retirement Board.

For people now getting railroad benefits, there will be no visible change in the annuities they get although there will be some change in the way the Board does its bookkeeping and other paperwork.

The major change in the program will come for people who are now working in the railroad industry and who have also worked under the social security program long enough to qualify for social security benefits. These people will have their current rights to social security benefits frozen at the level earned by their prior earnings and when they retire they will receive an additional payment above the two tiers mentioned earlier.

As a result of this change, the cost of the railroad program will be greatly reduced over the long-run. The reasons for this reduction came about because of the unique relationship between the railroad program and social security. Under the law, funds are transferred between the railroad program and social security in a way that places the social security fund in the same position it would have been in had railroad employment been covered under social security. In practical terms this means that each year the social security program transfers a significant amount of money—about $1 billion a year—to the railroad program. There is, however, a flaw in the provision that comes into play when a person works under both social security and the railroad program. When this happens the payments to the railroad program are cut by the amount of the social security benefits paid to the railroad employee. Thus, from the railroad point of view, the railroad program is in effect paying the social security benefit.

When this situation was considered by the Commission on Railroad Retirement, it was the Commission's belief that railroad employees were in effect being paid a windfall benefit which should not have been provided and which was a major cause of the financial unsoundness of the program. The Commission recognized that although Congress had provided this benefit without providing any financing, it would be unfair to take promised benefits away from people who had already earned them. Devising a way of preserving these benefit rights for people who had already earned them, of financing the cost of this preservation, and of placing the railroad program on a sound financial basis was perhaps the major problem facing railway management and labor when they were trying to decide how the Commission's recommendations might be put into operation. The solution they arrived at is not the perfect solution that exists in theory. It is a practical and workable solution, perhaps the best under the circumstances. Unfortunately, the cost of the solution has to be provided, and the bill H.R. 15301 would authorize an appropriation from the general revenues to meet these costs. Given the current condition of our economy, I wish it could be otherwise. But, if the railroad industry were to be asked to pay this cost—which came about because Congress provided underfinanced benefits—railway shipping costs would have to be increased, and these costs would in turn be passed on to the consumer. Therefore, because this legislation has the less inflationary effect, I will vote for it.

Mr. Speaker, If we do not pass H.R. 15301, the situation of the program will worsen. We must protect the rights of present workers and annuitants. Enactment of the bill would finance the program in a sound way, and, without further delay, I urge that enactment.

REPORT OF THE REPUBLICAN TASK FORCE ON PRIVACY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. GOLDWATER) is recognized for 30 minutes.

Mr. GOLDWATER. Mr. Speaker, it is with a good deal of pride and optimism that I take this time to announce to my colleagues that on August 21, 1974, the Republican Task Force on Privacy, of the Republican Research Committee, issued its report. It was a day of note for the people of the United States, the Congress, and the Republican Party. This report is the first and most comprehensive statement on the general subject of privacy issued by either party, or by any congressional committee.

Serving on the task force with me—and, I might add, making this task force far more than just another study group—were TENNYSON GUYER and ALAN STEELMAN, who served as cochairmen; JOHN CONLAN, MARGARET HECKLER, ANDREW HINSHAW, FRANK HORTON, JACK KEMP,

covery of capital already committed to productive resources—which constitutes that flow.

While retained earnings have been a major source of capital, with shareholders receiving about 40 percent in the form of dividends on stock owned and with companies keeping the remaining 60 percent for capital reinvestment, there is now a growing pressure from shareholders, as the value of stocks decline, for a greater percentage for themselves. When share values decline, stockholders want a larger percentage of the retained earnings in order to at least maintain the same prior dollar level of dividends. Thus, if share values continue to be depressed, dividend payouts will be a substantially higher percentage of profits, thereby reducing the amount available for reinvestment. Plant expansion and equipment replacement will suffer.

Although some of our capital requirements come from borrowing, many companies have already reached their maximum debt capacity. The debt-to-equity ratio for industrial companies has increased from 25 to over 40 percent in the last decade—a dangerous overextension of credit. High interest rates—combined with a high level of debt—create fixed charges that cannot be easily absorbed, especially in an economic turndown. Additionally, there is growing reluctance on the part of buyers of industrial bonds to make long-term commitments during these inflationary times, even at the current record high interest rates.

Lastly, the balance of needed capital funds has customarily been raised through the issue of new equity securities—principally, issuing more stock. Yet, there has been a substantial decline in the amount of new equity capital raised during the past few years. It is difficult today to float large issues of equity, except at levels that are not acceptable either to management or to the existing shareholders of the company. Again, capital investment suffers.

Let us examine the capital supply side for a moment. We find that the rate of savings in the United States has dropped to the lowest rate of savings of any developed country in the free world. Billions have flowed from savings institutions and banks, and the number of individual shareholders has decreased by some 1.6 million in the last 2 years alone. The purchases and sales of individual investors now represent less than 30 percent of the daily trading on the New York Stock Exchange, with a disturbing concentration of shareholder power in institutions—university endowments, charities, mutual funds, and so forth.

THE PROVISIONS OF THE BILL

Public and private action is now needed to reward individuals willing to save and invest and shift resources into construction of new productive capacity. Our tax policy must be redirected to remove onerous burdens from the producer, which in the long run is the most effective way to benefit consumers—and we are all consumers. We must recognize that a major surge of capital investment in new and more productive capacity is absolutely essential if we are to bring demand-pull inflation under control.

The proposed Saving and Investment Act is designed to do this.

What are its principal provisions?

Section 2 increases the current investment tax credit from 7 to 15 percent. The 7 percent investment credit has spurred capital investment over the last decade despite its on-again off-again history. An incentive to increase investment in new plants and equipment will encourage productivity and dampen the inflationary spiral by encouraging increases in supplies of scarce commodities. It is estimated that increasing the investment tax credit to 15 percent would increase capital outlays above current estimates by $30 billion.

Section 3 increases the allowable range of useful lives of the asset depreciation range—ADR—from 20 to 40 percent.

Each dollar of today's capital recovery allowances based on the original cost of the existing stock of production facilities is worth only 83 cents in terms of the current cost of these facilities. This underdepreciation has led to an overstatement of profits and an overpayment of taxes based on those profits. When replacement is necessary, the cost of replacement has greatly increased due to inflation. This increased cost of replacement must be paid for primarily from earnings. The class life system—ADR—has helped to overcome the repressive nature of our depreciation policy. In order to lessen the effects of inflation on replacement costs, a shorter period for computing depreciation should be permitted.

It is estimated that if the ADR is increased to 40 percent, the increase in capital outlays might well total $76 billion in additional saving and investment over 3 years.

Section 4 permits taxpayers to write off the cost of pollution control facilities in the year in which the outlays are made. Stringent environmental standards requiring new abatement equipment have cut into capital investment. Abatement equipment generally does not directly increase productivity or efficiency of operations nor can the cost of such facilities be partially recovered by business from higher sales revenues.

Spending for pollution control equipment increased by almost 200 percent from $1.1 billion in 1968 to over $3 billion in 1971. It has been estimated that as much as $300 billion may be needed for pollution control facilities alone in the next decade.

A special tax allowance for these costs is essential if we are to meet the new demands to clean up the environment.

Section 5 would permit the exclusion from capital gain taxes the first $1,000 of gain each from the sale of securities. Investment capital traditionally has come from the savings that individuals invest in American business by buying securities. However, because of low stock prices, unstable economic conditions, and a Federal tax policy of bias against saving, investors are staying out of the stock market.

It is estimated that over the last 2 years 1.6 million individual shareholders have left the securities market, taking with them some $12 billion in potential growth capital. Unless our tax laws are liberalized to encourage investments, the Nation could fall short of its capital requirements. An annual capital gain exclusion would increase the demand for equities resulting in a larger volume of transactions in stocks by individuals and a larger volume of capital gain realization.

Section 6 allows individual taxpayers a tax credit of 10 percent of up to $2,000 of increases in their savings held in specified assets with a limit of $200 per return—$100 for married taxpayers filing separate returns. The credit is limited to saving in the form of savings accounts in commercial banks, mutual savings banks, savings and loan institutions, credit unions, corporate equities, and Federal Government debt instruments.

The credit for savings has many advantages:

It would, for a great many individuals, reduce the cost of maintaining or increasing their savings, while increasing the cost—by the amount of the foregone tax credit—of reducing their savings to finance consumption outlays.

It would certainly increase the total amount of personal saving compared to the amount which would otherwise be undertaken.

It would clearly provide some buffer for individuals against the erosion of their savings by inflation.

It would funnel additional funds into financial intermediaries and reduce pressures on yields in the capital markets. It would bolster the stock market and provide support to the bond market. It would significantly ease the situation of mortgage lenders.

It would serve as a first step toward placing saving on a more nearly equal footing with consumption under the income tax and contribute to reducing the cost of capital, hence to increasing the rate of private capital formation, productivity, and real wage rates.

THE BILL SHOULD BECOME LAW

It is clear that our future needs for savings and investment represent an enormous challenge far beyond what is normal for the American economy.

But, this additional savings and investment is requisite to needed, additional capital formation. It will help solve a great share of our economic problems, for it deals with their root causes. I suggest it is far better than trying makeshift policies and laws which address themselves only to the ever-changing results of our basic economic problems.

FEDERAL EMPLOYEES SHOULD HAVE PAY INCREASE

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

Mr. WHALEN. Mr. Speaker, the Director of the Office of Management and Budget and the Chairman of the Civil Service Commission have recommended that Federal workers receive a 5.5-percent pay increase, effective October 1.

ROBERT LAGOMARSINO, JOHN ROUSSELOT, KEITH SEBELIUS, and CHARLES THONE.

Each Member contributed fully and directly to the preparation of a specific section of the report, and had a hand in the report's total preparation. My fellow Republican colleagues and the entire House can be proud of their efforts and of their product. They have made a valuable contribution to our legislative process, and if the recommendations are implemented, to our quality of life.

I commend the report to my colleagues, and include its covering letter from Congressman LOU FREY, chairman of the Republican Research Committee, for your attention and consideration.

REPUBLICAN RESEARCH COMMITTEE,
Republican Conference, U.S. House of Representatives, Washington, D.C., August 21, 1974.

DEAR REPUBLICAN COLLEAGUE: Attached are the recommendations of the Task Force on Privacy, chaired by Barry M. Goldwater, Jr., and Vice-chaired by Alan Steelman and Tennyson Guyer. Other Members of the Task Force are John Conlan, Charles Thone, Jack Kemp, Peggy Heckler, Andrew Hinshaw, Frank Horton, Charles Mosher, Bob Lagomarsino, John Rousselot, and Keith Sebelius.

These recommendations are a landmark in the area of individual rights. Nowhere has the total question of privacy been so well or thoughtfully covered. Nowhere has the human equation in our technological society been so strongly expressed.

The Research Committee is proud to have approved this report. These recommendations and the follow-up legislative efforts will ensure that the 1984 envisioned by George Orwell will remain only fictional.

The Task Force and its staff, especially Joe Overton, are to be commended for the time, effort an excellence of the product.

Most sincerely,

LOU FREY, Jr.

HOUSE REPUBLICAN RESEARCH COMMITTEE: RECOMMENDATIONS OF PRIVACY TASK FORCE, AUGUST 21, 1974

The House Republican Research Committee has approved the following recommendations of the Task Force on Privacy which deal with the following areas:

Government surveillance, Federal information collection, social security numbers/standard universal identifiers, census information, financial information, consumer reporting, school records, juvenile records, arrest records, medical records, computer data banks, and code of ethics.

The House Republican Task Force on Privacy believes that the right to privacy is an issue of paramount concern to the nation, the public and the Congress. Recently publicized incidents of abuses have begun to focus attention on this long neglected area. Public awareness must be heightened and the legislative process geared up to address the full range of problems posed by the issue.

Modern technology has greatly increased the quantity and detail of personal information collection, maintenance, storage, utilization and dissemination. The individual has been physically by-passed in the modern information process. An atmosphere exists in which the individual, in exchange for the benefit or service he obtained, is assumed to waive any and all interest and control over the information collected about him. On the technical and managerial levels, the basic criteria in many decisions relating to personal information practices are considerations of technological feasibility, cost-benefit and conveniences. The right to privacy has been made subservient to concerns for expediency, utility and pragmatism.

The trend in personal information practices shows no signs of abating. Twice as many computer systems and seven times as many terminals—particularly remote terminals—will be in use by 1984 as are in use today. And, with each federal service program that is initiated or expanded, there is a geometrically proportionate increase in the quantity and detail of personal information sought by the bureaucracy. The theory is that the broader the information base, the more efficient and successful the administration of the program.

Such a situation demands the attention of Congress and of the American public. The computer does not by definition mean injury to individuals. Its presence has greatly contributed to the American economy and the ability of government to serve the people. Under present procedures, however, the American citizen does not have a clearly defined right to find out what information is being collected, to see such information, to correct errors contained in it, or to seek legal redress for its misuse. Simply put, the citizen must continue to give out large quantities of information but cannot protect himself or herself from its misappropriation, misapplication or misuse. Both government and private enterprise need direction, because many of their practices and policies have developed on an isolated, ad hoc basis.

The House Republican Task Force on Privacy has investigated the following general areas involving the investigation and recording of personal activities and information: government surveillance, federal information collection, social security numbers and universal identifiers, census information, bank secrecy, consumer reporting, school records, juvenile records, arrest records, medical records, and computer data banks. These inquiries have resulted in the development of general suggestions for legislative remedies. Each statement is accompanied by a set of findings.

All findings and recommendations are presented with the intent of being consistent with these general principles:

1. there should be no personal information system whose existence is secret;

2. information should not be collected unless the need for it has been clearly established in advance;

3. information should be appropriate and relevant to the purpose for which it has been collected;

4. information should not be obtained by illegal, fraudulent, or unfair means;

5. information should not be used unless it is accurate and current;

6. procedures should be established so that an individual knows what information is stored, the purpose for which it has been recorded, particulars about its use and dissemination, and has the right to examine that information;

7. there should be a clearly prescribed procedure for an individual to correct, erase or amend inaccurate, obsolete, or irrelevant information;

8. any organization collecting, maintaining, using, or disseminating personal information should assure its reliability and take precautions to prevent its misuse;

9. there should be a clearly prescribed procedure for an individual to prevent personal information collected for one purpose from being used for another purpose without his consent;

10. the Federal Government should not collect personal information except as expressly authorized by law; and

11. that these basic principles apply to both governmental and non-governmental activities.

Each recommendation of the Task Force seeks to contribute to a broader, more intelligent, viable understanding of the need for a renewed concern for personal privacy. An awareness of personal privacy must be merged with the traditional activities of the free marketplace, the role of government as a public servant, and the need for national security, national defense, and foreign affairs.

SURVEILLANCE

The Task Force is deeply disturbed by the increasing incidence of unregulated, clandestine government surveillance based solely on administrative or executive authority. Examples of such abuses include wiretapping, bugging, photographing, opening mail, examining confidential records and otherwise intercepting private communications and monitoring private activities. Surveillance at the federal level receives the most publicity. However, state and local government, military intelligence and police activities also must be regulated.

The Fourth Amendment of the Constitution clearly specifies "the right of the people to be secure in their persons, houses, papers and effects, against unreasonable searches and seizures." The First Amendment guards against abridgement of the rights of free speech, free press, and assembly for political purposes. The Fourteenth Amendment states that none of a citizen's rights may be taken from him by governmental action without the due process of law.

The direct threat to individual civil liberties is obvious in those cases in which a person is actually being monitored, but even more alarming is the "chilling effect" such activities have on all citizens. A person who fears that he will be monitored may, either subconsciously or consciously, fail to fully exercise his constitutionally guaranteed liberties. The mere existence of such fear erodes basic freedoms and cannot be accepted in a democratic society.

The various abuses of discretionary authority in the conduct of surveillance provide ample evidence that current safeguard mechanisms do not work. Procedures allowing the executive branch to determine whether a surveillance activity is proper or not pose certain conflict of interest questions.

A degree of controversy surrounds the question of the authority of the President to initiate electronic surveillance without the safeguards afforded by court review. Present law is clear on this point: the Omnibus Crime Control and Safe Streets Act of 1968 lists those specific crimes in connection with which electronic monitoring may be instituted and requires that court approval be obtained in these cases. However, dispute has arisen over Executive claims of Constitutional prerogatives to implement wiretaps for national security purposes. The Supreme Court has ruled that, if such prerogative exists, it does not apply to cases of domestic surveillance unrelated to national security. The Court has not yet ruled on the constitutionality of national security wiretaps unauthorized by a court. Cases are pending before the courts at this time which raise this issue. The Task Force agrees with the movement of the Judiciary to circumscribe unauthorized wiretaps and hopes it will proceed in this direction.

The Task Force feels that surveillance is so repugnant to the right to individual privacy and due process that its use should be confined to exceptional circumstances. The Task Force further feels that no agent of federal, state, or local government should be permitted to conduct any form of surveillance, including wiretapping of U.S. citizens in national security cases, without having demonstrated probable cause and without having obtained the approval of a court of competent jurisdiction. The Task Force recommends enactment of new legislation to prohibit the unauthorized surveillance by any means, and further recommends that existing laws be clarified to the extent this may be necessary to ensure that no agent of the government, for any reason, shall have the authority to

conduct any surveillance on any American citizen for any reason without first obtaining a court order.

The Task Force believes that this proposal would not lessen the capability of the government to protect and defend the American people, but would go a long way toward assuring the individual citizen that his constitutional rights will not be abridged by government without due process of law.

FEDERAL INFORMATION COLLECTION

Recently, there has been a pronounced increase in federal data and information collection. Over 11.5 million cubic feet of records were stored in Federal Records Centers at the beginning of FY 1973. Accompanying this increase has been a rise in the potential for abuse of federal information collection systems.

The Federal Reports Act of 1942 was enacted to protect individuals from overly burdensome and repetitive reporting requirements. The agency entrusted with the responsibility for implementing the Act has ignored the legislative mandate and failed to hold a single hearing or conduct any investigations. With the exception of the Bureau of the Census and the Internal Revenue Service, there are few restrictions on the collection or dissemination of confidential information compiled by federal agencies.

The Task Force recommends that the Office of Management and Budget immediately begin a thorough review and examination of all approved government forms and eliminate all repetitive and unnecessary information requirements.

Legislation setting down clear guidelines and spelling out restrictions is needed to protect the individual from unrestricted and uncontrolled information collection. Individuals asked to provide information must be apprised of its intended uses. Individuals supplying information which will be made public must be notified of that fact at the time the information is collected or requested. Public disclosure (including dissemination on an intra- or inter-agency basis) of financial or other personal information must be prohibited to protect the privacy of respondents.

SSN/SUI

Returning the use of the Social Security Number (SSN) to its intended purpose (i.e. operation of old-age, survivors, and disability insurance programs) is a necessary corollary to safeguarding the right of privacy and curtailing illegal or excessive information collection.

The use of the Social Security Number has proliferated to many general items including state driver licenses, Congressional, school and employment identification cards, credit cards and credit investigation reports, taxpayer identification, military service numbers, welfare and social services program recipients, state voter registration, insurance policies and records and group health records.

There are serious problems associated with the use of the SSN as a standard uiversal number to identify individuals. A standard universal identifier (SUI) will relegate individuals to a number; thereby, increasing feelings of alienation. The SSN's growing use as an identifier and filing number is already having a negative, dehumanizing effect upon many citizens. In addition, the use of a SUI by all types of organizations enables the linking of records and the tracking of an individual from cradle to grave. This possibility would negate the right to make a "fresh start", the right of anonymity, and the right to be left alone, with no compensating benefit.

A well-developed SUI system would require a huge, complex bureaucratic apparatus to control it and demand a strict system of professional ethics for information technicians. The technology needed to protect against unauthorized use has not yet been adequately researched and developed. A loss, leak or theft would seriously compromize a system and official misappropriation could become a political threat. The following Congressional action is needed:

1. legislation should be enacted that sets guidelines for use of the SSN by limiting it to the operation of old-age, survivors, and disability insurance programs or as required by federal law;

2. any Executive Orders authorizing federal agencies to use SSN's should be repealed, or alternatively, reevaluated and modified;

3. legislation should be enacted restricting the use of the SSN to well-defined uses, and prohibiting the development and use of any type of SUI until the technical state of the computer can ensure the security of such a system. At that time, a SUI system should have limited applicability and should be developed only after a full congressional investigation and mandate; and

4. new government programs should be prohibited from incorporating the use of the SSN or other possible SUI. Existing programs using the SSN without specific authorization by law must be required to phase out their use of the SSN. State and local governmental agencies, as well as the private sector, should follow this same course of action.

A review should be conducted of the Internal Revenue Service in both its collection and dissemination policies. Leaks must be ended. The need for stricter penalties for unauthorized activities should be reviewed.

CENSUS BUREAU

The greatest personal data collection agency is the Bureau of Census. Created to count the people in order to determine congressional districts, this agency has mushroomed into a vast information center which generates about 500,000 pages of numbers and charts each year.

Under penalty of law, the citizen is forced to divulge intimate, personal facts surrounding his public and private life and that of the entire family. These answers provide a substantial personal dossier on each American citizen. The strictest care must be taken to protect the confidentiality of these records and ensure that the in * * *.

The Census Bureau sells parts of its collected data to anyone who wishes to purchase such information. Included are all types of statistical data tha are available on population and housing characteristics. As the questions become more detailed and extensive, broad-scale dissemination becomes more threatening, and frightening. When used in combination with phone directories, drivers' licenses and street directories, census data may enable any one interested to identify an individual. Therefore, it is vitally important that rules and regulations governing the access to and dissemination of this collected data be reviewed, clarified and strengthened.

Legislation is needed to guarantee the confidentiality of individual information by expanding the scope of confidentiality under existing law and by increasing the severity of punishment for divulging confidential information. These provisions should be specifically directed at the officers and employees of the Bureau of Census, all officers and employees of the Federal government and private citizens who wrongfully acquire such information. In addition, the Bureau of the Census must use all available technological sophistication to assure that individuals cannot be inductively identified.

FINANCIAL INFORMATION

On October 26, 1970, sweeping legislation known as the Bank Secrecy Act became law. The Act's intention was to reduce white collar crime by making records more accessible to law enforcement officials. However, in accomplishing its purpose, it allowed federal agencies to seize and secure certain financial papers and effects of bank customers without serving a warrant or showing probable cause. The Act's compulsory recordkeeping requirements, by allowing the recording of almost all significant transactions, convert private financial dealings into the personal property of the banks. The banks become the collectors and custodians of financial records which, when improperly used, enable an individual's entire life style to be tracked down.

The general language of the Act allowed bureaucrats to ignore the intent of the law and neglect to institute adequate privacy safeguards. The Supreme Court affirmed this approach by upholding the constitutionality of both the law and the bureaucratic misinterpretation of it.

Congress must now take action to prevent the unwarranted invasion of privacy by prescribing specific procedures and standards governing the disclosure of financial information by financial institutions to Federal officials or agencies. Congress must enact legislation to assure that the disclosure of a customer's records will occur only if the customer specifically authorizes a disclosure or if the financial institution is served with a court order directing it to comply. Legislation must specify that legal safeguards be provided requiring that the customer be properly notified and be provided legal means of challenging the subpoena or summons.

Passage of such legislation would be an important step forward in reaffirming the individual's right to privacy.

CONSUMER REPORTING

The consumer reporting industry, through its network of credit bureaus, investigative agencies, and other reporting entities is in growing conflict with individual privacy. Most Americans eventually will be the subject of a consumer report as a result of applying for credit, insurance, or employment. The problem is one of balancing the legitimate needs of business with the basic rights of the individual.

Consumer reports fall into two categoires. First, there are the familiar which contain "factual" information on an individual's credit record such as where accounts are held and how promptly bills are paid. 100 million consumer reports are produced each year by some 2600 credit bureaus.

The second ones go beyond factual information to include subjective opinions of the individual's chacater, general reputation, personal characteristics, and mode of living. These are often obtained through interviews with neighbors, friends, ex-spouses and former employers or employees. An estimated 30 to 40 million such reports are produced annually.

The first Federal attempt at regulating the collection and reporting of information on consumers by third-party agencies came in 1970 with the enactment of the Fair Credit Reporting Act (FCRA). In theory, the Act had three main objectives: to enable consumers to correct inaccurate and misleading reports; to preserve the confidentiality of the information; and to protect the individual's right to privacy.

The specific safeguards provided by the FCRA are: A consumer adversely affected because of information contained in a consumer report must be so notified and given the identity of the reporting agency. The consumer is entitled to an oral disclosure of the information contained in his file and the identity of its recipients. Items disputed by the consumer must be deleted if the information cannnot be reconfirmed. The consumer may have his version of any disputed item entered in his file and included in subsequent reports.

The FCRA needs to be strengthened in two major areas: disclosure requirements and investigative reports. The individual should be entitled to actually see and inspect his file, rather than rely on an oral presentation. Further, he should be allowed

to obtain a copy of it by mail (the consumer is often geographically distant from the source of the file). Users of consumer reports should be required to specifically identify the information which triggered any adverse action.

The FCRA protects the sources used in investigative reports. The Task Force believes that this is contrary to the basic tenets of our system of justice and that the information source must be revealed upon the subject's request. Furthermore, the Task Force recommends that advance written authorization be required from any individual who is the subject of an investigative report for any purpose.

SCHOOL RECORDS

The recent increase in popular awareness of the seriousness of the privacy issue has been accompanied by an increase in the general concern over loose, unstructured and unsupervised school recordkeeping systems and associated administrative practices. There has also been general discussion about what information should be kept on a child and considered part of his or her "record". Parents are frequently denied access to their own child's record, or are prohibited from challenging incorrect or misleading information contained in his file. At the same time, incidents of highly personal data being indiscriminately disseminated to inquirers unconnected with the school system are not uncommon.

Remedial measures are available to the Congress in the form of legislative actions. The sanctions under which such provisions would operate, however, are the key to their effectiveness. The Task Force proposes the Congress adopts as a general policy the rule that federal funds be withheld from any state or local educational agency or institution which has the policy of preventing parents from inspecting, reviewing, and challenging the content of his or her child's school record. Outside access to these school records must be limited so that protection of the student's right to privacy is ensured. It is recommended that the release of such identifiable personal data outside the school system be contingent upon the written consent of the parents or court order.

All persons, agencies, or organizations desiring access to the records of a student must complete a written form indicating the specific educational need for the information. This information shall be kept permanently with the file of the student for inspection by parents of students only and transferred to a third party only with written consent of the parents. Personal data should be made available for basic or applied research only when adequate safeguards have been established to protect the students' and families' rights of privacy.

Whenever a student has attained eighteen years of age, the permission or consent required of and the rights accorded to the parents should be conferred and passed to the student.

Finally, the Secretary of HEW should establish or designate an office and review board within HEW for the purpose of investigating, processing, reviewing, and adjudicating violations of the provisions set forth by the Congress.

JUVENILE RECORDS

The Task Force supports the basic philosophy underlying the existence of a separate court system for juvenile offenders, which is to avoid the stigmatizing effect of a criminal procedure. The lack of confidentiality of such proceedings and accompanying records subverts this intent and violates the individual's basic right of privacy.

Most states have enacted laws to provide confidentiality. Yet the Task Force finds that due to a lack of specific legislation, and contrary to the intent of the juvenile justice system, the individual's right of privacy is often routinely violated. Juvenile records are routinely released to the military, civil service, and often to private employers as well. This occurs in cases in which the hearing involves non-criminal charges, in cases of arrest but no court action, in cases in which the individual is no longer under the jurisdiction of the juvenile court, and in cases where his file has been administratively closed.

Legislation governing the confidentiality of juvenile court and police records varies widely from state to state. Only 24 states control and limit access to police records, therefore enabling a potential employer who is refused access to court records to obtain the information from the police. Only 16 states have expungment laws providing for the destruction of such records after a specified period of good behavior. Only 6 states make it a crime to improperly disclose juvenile record information. And, one state, Iowa, in fact provides that juvenile records must be open to the public for inspection. The Task Force finds that even in those states whose laws provide adequate protection, actual practices are often inconsistent with legislation.

Many new questions about confidentiality, privacy and juvenile rights are being raised, and the Task Force finds that the establishment of safeguards has lagged significantly behind technological developments. For example, presently no state has enacted legislation regulating the use of computers in juvenile court; as a rule, each system establishes its own guidelines for data collection, retention, and distribution.

The Task Force finds that with the use of computers, the juvenile's right to privacy is additionally threatened by the increased accessibility to his record and therefore increased possibility of misuse. Staff carelessness, less than strict adherence to rules of limited access, and electronic sabotage must now be added to the existing threats to the juvenile's right to privacy.

The Task Force recommends the establishment of minimum federal standards for state laws to include the following provisions:

1. all records of the juvenile court and all police records concerning a juvenile shall be considered confidential and shall not be made public. Access to these records shall be limited to those officials directly connected with the child's treatment, welfare, and rehabilitation;

2. dissemination of juvenile records, or divulgence of that information for employment, licensing, or any other purpose in violation of statutory provisions shall be subject to a criminal penalty;

3. to protect the reformed delinquent from stigma continuing into his adult life, provisions should specify a procedure for either the total destruction or the sealing of all juvenile court and police investigative and offender records at the time the youth reaches his majority, or when two years have elapsed since he has been discharged from the custody or supervision of the court. Subsequent to this expungement, all proceedings and records should be treated as though they had never occurred and the youth should reply as such to any inquiry concerning his juvenile record; and

4. all police records on juveniles arrested but where no court action was taken should be systematically destroyed when the incident is no longer under active investigation.

The Task Force recommends the enactment of legislation specifically prohibiting federal agencies from requesting information relating to juvenile record expungement from employment applicants or from requesting such information from the courts or the police.

The Task Force further recommends the cessation of all federal funding for computerized systems which contain juvenile records unless it can be demonstrated that these systems provide adequate safeguards for the protection of the juvenile's right of privacy. These standards must fulfill all the requirements of the minimum standards for state legislation previously enumerated, including special provisions to strictly limit data accessibility.

ARREST RECORDS

A large percentage of arrests never result in conviction. Yet, in over half the states, individual's arrest records are open to public inspection, subjecting innocent parties to undue stigma, harassment, and discrimination.

Persons with arrest records often find it difficult, if not impossible to secure employment or licenses. A study of employment agencies in the New York City area found that seventy-five percent would not make a referral for any applicant with an arrest record. This was true even in cases in which the arrest was not followed by a trial and conviction. This is just one example of the widespread practice of "presumption of guilt" based on the existence of an arrest record.

The Task Force holds that release of information about arrests not followed by conviction is a direct violation of the individual's right of privacy. It therefore recommends that legislative efforts be directed toward:

1. establishing minimum standards for state laws calling for the automatic sealing of all individual arrest records which were not followed by conviction and which are no longer under active investigation;

2. requiring the FBI to seal arrest records not followed by conviction; and

3. prohibiting inclusion of arrest records not followed by conviction on computerized systems involving more than one state or using federal funds.

MEDICAL RECORDS

Medical records, which contain sensitive and personal information, are especially in need of privacy safeguards to maintain basic trust in the doctor-patient relationship. Yet, development of automated data processing systems has enhanced the ability of government and private organizations to store, analyze and transfer medical records. Increasingly, this occurs without the individual's knowledge or consent. Abuse of such information systems can have a deleterious effect on doctor-patient relations.

To guarantee the privacy of medical records, the Task Force recommends that:

1. the Federal government provide dollar grants and incentives to States for the voluntary adoption and execution of State plans to insure the right to privacy for computerized medical information systems. Such a plan would place principal responsibility on the States, giving the federal government the right to set minimum standards;

2. Congress review the recently enacted Professional Standards Reviews Organizations (PSRO) legislation. There are increasing numbers of reports and complaints regarding Review Board uses of medical files and the threat this poses to privileged, confidential doctor-patient relationships; and

3. provisions be included in national health insurance legislation which specifically ensure the individual's privacy. The institution of a national health insurance plan will create a vast medical information network which will require stringent safeguards to prevent abuses of the patients' right to privacy.

COMPUTER DATA BANKS

The use of the computer has brought great commercial and social benefits to modern America. Greater reliance on the computer, however, increases its integration into all aspects of daily life. The result is increased vulnerability to abuse or misuse of computerized information.

The Task Force finds that the individual possesses inadequate remedies for the correction of such abuses. In fact, the Task Force considers it probable that many abuses have gone unreported simply because the individual involved did not know of the data being collected about him.

Even if the individual is aware that data is being collected about him, he faces several obstacles if he wishes to expunge purely private information or to correct erroneous information. Among his obstacles are the following: the lack of statutory support for legal action (except in the credit reporting area), the cost of litigation, and even fear of retaliation by the company or agency being challenged.

Despite their potential for abuse, data banks remain an inescapable fact of life in a society growing more complex and more technological. The Task Force does not oppose data banks as such, but favors strong safeguards against their misuse, and recommends that:

1. Rights under the Fair Credit Reporting Act of 1970 be extended to all data collection. The individual must have and be informed of his right to review information contained in any collection of data about himself (excluding national security and criminal justice files);

2. Congress establish categories (i.e. in-depth biographical, financial, medical, etc.) of information which may not be included in reports on an individual unless the individual knowingly gives his uncoerced consent;

3. limited exceptions be granted for national security and criminal justice investigations;

4. criminal and civil penalties be established for any use of statistical data (collected for collective analysis) to wrongfully acquire information on individuals;

5. transfer of personal information between governmental agencies be strictly limited;

6. the creation of a centralized Federal data bank (except for national security and criminal justice purposes) be prohibited; and

7. a federal "privacy protection agency" be established to enforce the proposed legislation.

CODE OF ETHICS AND STANDARD OF CONDUCT

The Republican Task Force on Privacy believes there to be a definite need for the development of a universal code of ethics and standard of conduct for the technical, managerial and academic personnel involved in the development and use of personal information systems. The Task Force regards this to be essential for the automated and computerized information systems. Personal information systems are becoming an integral aspect of the daily life of every individual in our society. This sensitive relationship demands and merits the development of an attitude of professionalism. It is recognized that some efforts have been made to develop and foster such attitudes. But, the information industry as a whole has not supported such efforts as a matter of policy. The Task Force declares its commitment to the development of a professional standard of conduct and code of ethics for the persons involved in the development, maintenance, management and use of personal information systems.

CONCLUSION

The Task Force is aware that this is a relatively new area of concern. Some recommendations may go too far and some not far enough. Some areas may have been overlooked. But there is no question that now is the time to address ourselves to this important and far reaching issue. If we fail—George Orwell's *1984* may become a reality by 1976.

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PANAMA CANAL: AMERICAN LEGION 1974 CONVENTION ACTIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 10 minutes.

Mr. FLOOD. Mr. Speaker, the stoning attack on the U.S. Embassy in Panama City, Republic of Panama, on August 14, 1974, by a mob of rioting students displaying signs of the National Institution Student Revolutionary Front, followed by the decision of the present Revolutionary Government of Panama to renew its diplomatic relations with Soviet Cuba, has again attracted world attention to the danger zone of the Caribbean, particularly the Panama Canal. In the

surveillance activities related to the defense or national security of the United States conducted within the territorial boundaries of the United States citizens. For purposes of this subsection, lawful investigative or surveillance activities related to the defense or national security of the United States means: investigative or surveillance activities carried on by duly authorized agencies to obtain information concerning unlawful activities directed against the Government of the United States which are substantially financed by, directed by, sponsored by, or otherwise involving the direct collaboration of foreign powers.

(b) Nothing in this title shall give the joint committee, or any subcommittee thereof, jurisdiction to examine any activities of agencies and departments of the United States Government conducted outside the territorial boundaries of the United States.

REPORTS BY AGENCIES

SEC. 403. In carrying out its functions, the joint committee shall, at least once each year, receive the testimony, under oath, of a representative of every department and agency of the Federal government which engages in investigations or surveillance of individuals, such testimony to relate to the full scope and nature of the respective agency's or department's investigations or surveillance of individuals, subject to the exceptions provided for in subsections 402 (a) (3) and 402 (b).

POWERS

SEC. 404. (a) The joint committee, or any subcommittee thereof, is authorized, in its discretion (1) to make expenditures, (2) to employ personnel, (3) to adopt rules respecting its organization and procedures, (4) to hold hearings, (5) to sit and act at any time or place, (6) to subpena witnesses and documents, (7) with the prior consent of the agency concerned, to use on a reimbursable basis the services of personnel, information, and facilities of any such agency, (8) to procure printing and binding, (9) to procure the temporary services (not in excess of one year) or intermittent services of individual consultants, or organizations thereof, and to provide assistance for the training of its professional staff, in the same manner and under the same conditions as a standing committee of the Senate may procure such services and provide such assistance under subsections (i) and (j), respectively, of section 202 of the Legislative Reorganization Act of 1946, and (10) to take depositions and other testimony. No rule shall be adopted by the joint committee under clause (3) providing that a finding, statement, recommendation, or report may be made by other than a majority of the members of the joint committee then holding office.

(b) (1) Subpenas may be issued under the signature of the chairman of the committee or of any subcommittee, or by any member designated by such chairman, when authorized by a majority of the members of such committee, or subcommittee, and may be served by any person designated by any such chairman or member.

(2) Each subpena shall contain a statement of the committee resolution authorizing the particular investigation with respect to which the witness is summoned to testify or to produce papers, and shall contain a statement notifying the witness that if he desires a conference with a representative of the committee prior to the date of the hearing, he may call or write to counsel of the committee.

(3) Witnesses shall be subpenaed at a reasonably sufficient time in advance of any hearing in order to give the witness an opportunity to prepare for the hearing and to employ counsel, should he so desire. The chairman of the joint committee or any member thereof may administer oaths to witnesses.

(c) The expenses of the joint committee shall be paid from the contingent fund of the Senate from funds appropriated for the joint committee, upon vouchers signed by the chairman of the joint committee or by any member of the joint committee authorized by the chairman.

(d) Members of the joint committee, and its personnel, experts, and consultants, while traveling on official business for the joint committee within or outside the United States, may receive either the per diem allowance authorized to be paid to Members of the Congress or its employees, or their actual and necessary expenses if an itemized statement of such expenses is attached to the voucher.

(e) (1) The District Court of the United States for the District of Columbia shall have original jurisdiction, without regard to the sum or value of the matter in controversy, of any civil action heretofore or hereafter brought by the joint committee to enforce or secure a declaration concerning the validity of any subpena heretofore or hereafter issued by such joint committee, and the said District Court shall have jurisdiction to enter any such judgment or decree in any such civil action as may be necessary or appropriate to enforce obedience to any such subpena.

(2) The joint committee shall have authority to prosecute in its own name or in the name of the United States in the District Court of the United States for the District of Columbia any civil action heretofore or hereafter brought by the joint committee to enforce or secure a declaration concerning the validity of any subpena heretofore or hereafter issued by such committee, and pray the said District Court to enter such judgment or decree in said civil action as may be necessary or appropriate to enforce any such subpena.

(3) The joint committee may be represented by such attorneys as it may designate in any action prosecuted by such committee under this title.

On page 3, line 23, after "Act", insert "(other than title IV)".

On page 4, line 6, after "Act", insert "(other than title IV)".

On page 6, line 9, immediately after "of", insert "titles I, II, and III of".

On page 6, line 12, aftr "under", insert "titles I, II, and III of".

On page 7, line 1, immediately before "this", insert "titles I, II, and III of".

On page 7, line 2, immediately before "this", insert "title I, II, or III of".

On page 12, line 9, immediately before "this", insert "title I, II, or III of".

On page 16, line 13, immediately before "this", insert "titles I, II, and III of".

On page 18, line 3, immediately before "this", insert "title I, II, or III of".

On page 18, line 14, immediately before "this", insert "title I, II, or III of".

On page 18, line 23, immediately before "this", insert "title I, II, or III of".

On page 19, line 1, immediately before "this", insert "title I, II, or III of".

On page 19, line 21, immediately before "this", inser "title I, II, or III of".

On page 20, line 2, immediately after "Act" insert "(other than title IV)".

On page 20, line 6, immediately before "this", insert "titles I, II, and III of".

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 1850

At the request of Mr. ABOUREZK, the Senator from New Hampshire (Mr. MCINTYRE) was added as a cosponsor of amendment No. 1850, cutting off aid to Turkey, intended to be proposed to the bill (S. 3394), the Foreign Assistance Act of 1974.

AMENDMENT NO. 1922

At the request of Mr. ABOUREZK, the Senator from Wisconsin (Mr. PROXMIRE) was added as a cosponsor of amendment No. 1922, prohibiting use of funds by any U.S. agency to violate or encourage the violation of U.S. laws or the laws of the country in which said agency is operating, intended to be proposed to the bill (S. 3394), the Foreign Assistance Act of 1974.

NOTICE OF HEARING

Mr. JACKSON. Mr. President, I wish to announce an open oversight hearing on the Wilderness Act of 1964, relating to various policies which have been and are being formulated to implement its provisions.

The hearing will be held on October 9, beginning at 10 a.m. in Room 3110, Dirksen Senate Office Building.

ADDITIONAL STATEMENTS

CASTRO'S DIATRIBE

Mr. MCCLURE. Mr. President, the United States has been kicked in the teeth again. The dictator of Cuba took the opportunity of a visit by two U.S. Senators to issue a diatribe against this Nation which would have been routine if it had not been showcased by their presence.

Castro undermined the alleged purpose of the visit, which was the exploration of improving relationships between the two countries.

I say alleged because the Cuban dictator could not possibly consider calling a country's actions dirty, illicit, and criminal a prelude to friendship. He could not think that blaming world inflation on our Nation's "deplorable imperialist policies" would be conducive to improving relations, not even if he has read every word of detraction published about this country and its citizens both here and abroad.

His Foreign Minister Raul Roa gave the U.S. Senators the clear idea that Cuba was prepared to work toward a more normal relationship with the United States. The fact that Castro then used the opportunity of their visit to deliver a 45-minute denunciation of our country should give us a good motion of what in the Communist Cuban mind constitutes normal relationships.

I think that one thing has been made clear. Cuba's motion of cooperation is to use the good will of other nations in an effort to undermine them.

I would also like to express my concern to those colleagues in this body. They were badly used.

FOREIGN POLICY: MEN OR MEASURES?

Mr. CHURCH. Mr. President, in the October issue of the Atlantic, Thomas L. Hughes, president of the Carnegie Endowment for International Peace, writes an article worthy of the thoughtful attention of every Member of the Congress.

I ask unanimous consent that the article, entitled "Foreign Policy: Men or Measures?" be printed in the RECORD.

disclosed before Congress recognizes the need for immediate action?

There is no question, however, that those sensitive to civil liberties have long understood the need for congressional action to end the dangers of Government snooping. As early as 1971 I introduced legislation for that purpose. Now the public at large has also awakened to the need for legislation to protect their rights against Government snooping. Numerous opinion polls indicate that the people's principal concern today is the preservation of their freedom—freedom which is too easily and to often taken for granted. These polls, including some conducted by Louis Harris, have made the following findings:

Fifty-two percent of the public believes that "things have become more repressive in this country in the past few years:"

Seventy-five percent of the public believes that "wiretapping and spying under the excuse of national security is a serious threat to people's privacy;"

Seventy-seven percent of the public believes Congress should enact legislation to curb government wiretapping;"

Seventy-three percent of the public believes Congress should make political spying a major offense.

On the basis of these and other findings, pollster Harris drew two basic conclusions. First, "Government secrecy can no longer be excused as an operational necessity, since it can exclude the participation of the people in their own Government, and, indeed, can be used as a screen for subverting their freedom." Second, "the key to any kind of successful future leadership must be iron bound integrity."

The message of these opinion polls is clear: Congress must enact legislation to end abusive government surveillance practices which violate the fundamental rights and liberties guaranteed by our Constitution. The Government should not be able to use wiretaps and other electronic devices to eavesdrop on citizens without first obtaining a judicial warrant based on probable cause. The Government should not be able to use income tax returns and other computerized, confidential information for political purposes. The Government should not be able to conceal its illicit activities by involving "national security" or the need for secrecy. In a word, the Government should not be able to escape its obligation to adhere to the Constitution and the rule of law. Otherwise, we shall find that unrestrained government power has replaced liberty as the hallmark of our society.

By creating a joint committee of Congress to oversee all government surveillance within the United States, this amendment would do much to prevent the erosion of individual liberty. One does not have to attribute malevolent motives to Government officials in order to realize the need for such legislation. Good intentions are not the criteria for judging the lawfulness or propriety of government action. In fact, the best of intentions often produce the greatest dangers to individual liberty. As Supreme Court Justice Brandeis once observed:

Experience should teach us to be most on our guard to protect liberty when the Government's purposes are beneficent. Men born to freedom are naturally alert to repel invasions of their liberty by evil-minded rulers. The greatest dangers to liberty lurk in insidious encroachment by men of zeal, well-meaning but without understanding.

Relying on this historical judgment, the Supreme Court held in the 1972 Keith case that the Government cannot wiretap American citizens for "domestic security" purposes without court authorization. In issuing this decision, the court declared, as a matter of constitutional law, that the Government's self-discipline is inadequate to protect the individual freedoms guaranteed by the fourth amendment. The Court's judgment was not premised on the malicious dispositions of those who inhabit the executive branch. Rather, the judgment flowed from the conflicting interests which the Government is required to serve. Speaking for a unanimous Court, Justice Lewis Powell examined the evolution and contours of the freedoms protected by the fourth amendment. He then stated:

These Fourth Amendment freedoms cannot properly be guaranteed if domestic security surveillances may be conducted solely within the discretion of the executive branch. The Fourth Amendment does not contemplate the executive officers of Government as neutral and disinterested magistrates. Their duty and responsibility is to enforce the laws, to investigate and to prosecute. . . . The historical judgment, which the Fourth Amendment accepts, is that unreviewed executive discretion may yield too readily to pressure to obtain incriminating evidence and overlook potential invasion of privacy and protected speech.

In this context, a congressional oversight committee would be a two-edged sword in the effort to end the abuses of government snooping. On the one hand, this committee could provide assurances to the public that government surveillance activities are limited to those conducted by lawful means and for legitimate purposes. On the other hand, the oversight committee could help the executive branch to insure that government agents do not misuse the public authority entrusted to them. Fulfillment of these two functions by the oversight committee would do much to eliminate illegal and unethical government spying.

The need for this congressional oversight committee, then, should not be underestimated. The individual's right to privacy is one of our most cherished liberties. It is fundamental to the concept of democratic self-government where each individual's private thoughts and beliefs are beyond the reach of government. Without that right to privacy, the individual's freedom to participate in and guide his government is jeopardized. Government then becomes a monster to be feared rather than a servant to be trusted.

As Justice Stephen Field stated in 1888:

Of all the rights of the citizen, few are of greater importance or more essential to his peace and happiness than the right of personal security, and that involves not merely protection of his person from assault, but exemption of his private affairs, books and papers from the scrutiny of others. Without enjoyment of this right, all others would lose half their value.

A right so vital to individual liberty and, indeed, to our constitutional system deserves rigorous protection by Congress—the people's chosen representatives. The amendment being offered today provides a timely opportunity to establish that protection and assure the American public that individual freedom is still the foundation of our political system.

Mr. President, I ask unanimous consent to insert in the RECORD the text of the amendment I submit today.

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

AMENDMENT No. 1945

At the end of the bill, add the following new title:

TITLE IV—JOINT COMMITTEE ON GOVERNMENT SURVEILLANCE AND INDIVIDUAL RIGHTS

ESTABLISHMENT

SEC. 401. (a) There is hereby established a Joint Committee on Government Surveillance and Individual Rights (hereinafter referred to as the "joint committee") which shall be composed of fourteen members appointed as follows:

(1) seven Members of the Senate, four to be appointed by the majority leader of the Senate and three to be appointed by the minority leader of the Senate; and

(2) seven Members of the House of Representatives, four to be appointed by the majority leader of the House of Representatives and three to be appointed by the minority leader of the House of Representatives.

(b) The joint committee shall select a chairman and a vice chairman from among its members.

(c) Vacancies in the membership of the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee and shall be filled in the same manner as in the case of the original appointment.

FUNCTIONS

SEC. 402. (a) It shall be the function of the joint committee—

(1) to make a continuing study of the extent and the method of investigation or surveillance of individuals by any department, agency, or independent establishment of the United States Government as such investigation or surveillance relates to the right to privacy, the authority for, and the need for such investigation or surveillance, and the standards and guidelines used to protect the right to privacy and other constitutional rights of individuals;

(2) to make a continuing study of the intergovernmental relationship between the United States and the States insofar as that relationship involves the area of investigation or surveillance of individuals; and

(3) as a guide to the several committees of the Congress dealing with legislation with respect to the activities of the United States Government involving the area of surveillance, to file reports at least annually and at such other times as the joint committee deems appropriate, with the Senate and the House of Representatives, containing its findings and recommendations with respect to the matters under study by the joint committee, and, from time to time, to make such other reports and recommendations to the Senate and the House of Representatives as it deems advisable; except that nothing in the foregoing provisions shall authorize the joint committee, or any subcommittee thereof, to examine lawful investigative or

Much attention has been directed to the plight of workers and firms injured because of the negative side of their government's trade policies. Adjustment assistance should be made available to communities as well, for the economic dislocation occasioned by imports frequently falls heaviest upon communities, particularly smaller communities. When the Federal Government adopts a trade policy which undermines the economic bases of localities throughout the country, it owes those communities a special duty to repair the damage. My amendment would fulfill that duty by authorizing the executive branch to make available specialized assistance, both technical and financial, to communities whose local economies are dependent upon industries adversely affected by imports. Areas which are certified by the Secretary of Commerce would become eligible for the development assistance of the Economic Development Administration.

In addition, my amendment proposes a loan guarantee program which is linked to general revenue sharing. The program would work as follows: The Secretary of Commerce would be authorized to extend up to $500 million in loan guarantees to qualified applicants to acquire, construct, or modernize plant facilities or for such other purposes as the Secretary determines are likely to attract new investment and create new long-term employment opportunities within the area. The loan guarantees would be made available to qualified applicants upon the approval of the Secretary of Commerce under a joint security agreement with the Governor of the State in whose jurisdiction the affected labor area lies. In order for the loan guarantee to be extended, the Governor of the State would sign a commitment pledging such a portion of the State's next entitlement of general revenue sharing funds as necessary to cover up to 50 percent of the amount defaulted.

In the event of a default, the Secretary of Commerce would certify the amount and circumstances of the deficiency to the Secretary of Treasury; the Secretary of Treasury would reduce the State's entitlement for the subsequent year by an amount equal to 50 percent of the guaranteed amount. The remaining 50 percent of the deficiency would be satisfied out of the general revenues of the Treasury.

Mr. President, as we proceed with trade legislation, it is essential that we take steps to assist the workers, firms, and communities whose livelihoods will be injured. This amendment seeks to provide that assistance to communities. I commend it to the attention of my colleagues in the Senate and on the Finance Committee.

SUSPENSION OF DUTY ON CATALYSTS OF PLATINUM AND CARBON—H.R. 13370

AMENDMENT NO. 1939

(Ordered to be printed and to lie on the table.)

Mr. TUNNEY submitted an amendment intended to be proposed by him to the bill (H.R. 13370) to suspend until June 30, 1976, the duty on catalysts of platinum and carbon used in producing caprolactam.

FOREIGN ASSISTANCE ACT OF 1974—S. 3394

AMENDMENTS NOS. 1940 AND 1941

(Ordered to be printed and to lie on the table.)

Mr. MATHIAS submitted two amendments intended to be proposed by him to the bill (S. 3394) to amend the Foreign Assistance Act of 1961, and for other purposes.

SOCIAL SECURITY RECIPIENTS FAIRNESS ACT OF 1974—S. 3952

AMENDMENT NO. 1942

(Ordered to be printed and referred to the Committee on Finance.)

Mr. SCHWEIKER. Mr. President, I am introducing an amendment to S. 3952, the "Social Security Recipients Fairness Act of 1974," which I cosponsored with Senator PELL, to include black lung benefits among those programs covered by the bill, providing for the speedy replacement of lost, stolen or delayed benefit checks, and for the reform of the disability insurance appeals process.

Delays in processing black lung benefit claims are a national disgrace. Mr. President, the Social Security Administration must speed up processing of black lung benefit cases so the thousands of eligible, needy recipients can receive their long overdue black lung benefits. I have in my office literally hundreds of cases from people who have asked my assistance in expediting the tortuously long process of applying for black lung benefits. It is unusual for a claim to be processed in less than 4 months, and common for a claimant to wait for a full year for a final decision. This is totally unacceptable to me, and highly unfair to miners, their families, and widows who have been burdened by black lung.

The black lung benefit program is one of our Nation's most deserving programs, but it has become a paperwork nightmare. My amendment would speed up black lung benefit procedures so that the average citizen, who desperately needs these benefits, will no longer be the one who gets hurt.

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

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

AMENDMENT NO. 1942

At the end of the bill, add the following new title:

TITLE III—EXPEDITED PAYMENT OF BLACK LUNG BENEFITS; AND EXPEDITED HEARINGS AND DETERMINATIONS RESPECTING SUCH BENEFITS

SEC. 301. (a) Section 413(b) of the Federal Coal Mine Health and Safety Act of 1969 is amended by striking out "and (1)" and inserting in lieu thereof "(q), and (1)".

(1) The amendment made by subsection (a) shall be effective in the case of applications filed and written requests filed, under part B of title IV of the Federal Coal Mine Health and Safety Act of 1969, on and after the first day of the first calendar month which begins more than sixty days after the date of enactment of this Act.

SEC. 302. The Secretary of Health, Education, and Welfare, in the administration of part B of title IV of the Federal Coal Mine Health and Safety Act of 1969, shall, with respect to hearings and determinations on claims thereunder, establish procedures for the expediting of such hearings and determinations which are, to the maximum extent feasible, patterned after and consistent with the objectives of section 1124 of the Social Security Act.

DUTY-FREE ENTRY OF TELESCOPE AT MAUNA KEA, HAWAII—H.R. 11796

AMENDMENT NO. 1943

(Ordered to be printed and referred to the Committee on Finance.)

Mr. BUCKLEY submitted an amendment intended to be proposed by him to the bill (H.R. 11796) to provide for the duty-free entry of a 3.60-meter telescope and associated articles for the use of the Canada-France-Hawaii telescope project at Mauna Kea, Hawaii.

AMENDMENT OF THE JURY SELECTION AND SERVICE ACT—S. 3265

AMENDMENT NO. 1944

(Ordered to be printed and to lie on the table.)

Mr. SCHWEIKER. Mr. President, on behalf of Senators METZENBAUM, MONDALE, BIDEN, MCCLURE, and myself, I submit an amendment to S. 3265, to provide for protection for jurors.

My amendment is identical to S. 3776, which I introduced on July 18, and it will guarantee every person serving on a jury in the United States the right to return to his or her prior employment when jury service is completed. S. 3776 is cosponsored by Senators METZENBAUM, MONDALE, BIDEN, and MCCLURE.

My amendment has the following major provisions:

First. Any employee—except a temporary worker—who applies for reemployment within 15 days after completion of jury duty must be rehired with his former seniority, status, and pay, provided he receives a certificate from the court verifying his service.

Second. Any employee so restored to his position shall be considered to have been on furlough or leave of absence during his jury service for purposes of insurance and other employment benefits, and such employee cannot be discharged without cause for a 1-year period thereafter.

Third. Original jurisdiction is created in the Federal district courts to grant money damages under this measure, regardless of the amount of controversy, and the Federal district courts are re-

quired to give precedence to recovery actions filed under this bill.

Fourth. The U.S. attorney is required to act as attorney for any person seeking relief under this measure, and no attorney fees or court costs may be charged.

I commend Senator NELSON and the Judiciary Committee for their prompt action on S. 3265, and I think the inclusion of my amendment would insure that American citizens who accept their civic duty of jury service are not penalized economically.

ESTABLISHMENT OF A FEDERAL PRIVACY BOARD—S. 3418

AMENDMENT NO. 1945

(Ordered to be printed and to lie on the table.)

JOINT COMMITTEE OF CONGRESS ON INDIVIDUAL RIGHTS AND GOVERNMENT SURVEILLANCE

Mr. NELSON. Mr. President, more than 20 years ago, Supreme Court Justice Felix Frankfurter described the evolution of tyrannical power in the executive branch:

> The accretion of dangerous power does not come in a day. It does come, however, slowly, from the generative force of unchecked disregard of the restrictions that fence in even the most disinterested assertion of authority.

Unfortunately, Justice Frankfurter's observation does much to explain why individual liberty has been eroded by an ever expanding web of snooping conducted at all levels of Government. For many years now, the Government has used both simple and sophisticated techniques to exercise almost unlimited power over the individual. The Government installs wiretaps, plants electronic bugs, uses computerized information to assemble dossiers on individuals, and engages in other surveillance activities which make a mockery of the individual freedoms guaranteed by our Constitution.

Such activities make clear the need for congressional controls of Government spying. To this end, Senator JACKSON and I are introducing an amendment to S. 3418 which would establish a bipartisan joint committee of Congress to oversee all Government surveillance activities. At least once each year, representatives of the FBI, the IRS, and every governmental agency that engages in surveillance activities would be required to testify before the joint committee under oath about the full scope and nature of their respective agency's spying activities.

The joint committee, moreover, would be entitled to all relevant information concerning those activities and practices. There is only one narrowly defined exception to the committee's broad jurisdiction over Government surveillance: those cases involving foreign powers who are engaged in unlawful activities which endanger this country's security.

As part of its responsibilities, the joint committee would be obligated to report to the full Congress as often as it deems necessary, but in any event, at least once a year. The report would include the committee's findings as to whether the Government is complying fully with the law, whether the courts are exercising their review powers diligently and whether additional legislation is needed to protect the right to privacy and other fundamental liberties from Government snooping.

The importance of this proposal can be appreciated best by reference to a few recent abuses of Government snooping:

On April 14, 1971, it was revealed that the FBI had conducted general surveillance of those who participated in the Earth Day celebrations in 1970. These celebrations involved tens of thousands of citizens, State officials, representatives of the Nixon administration, and Members of Congress. As the one who planned that first Earth Day, I cannot imagine any valid reason for spying on individuals exercising their constitutional rights of speech and assembly in a peaceable manner. There is still no satisfactory explanation of the surveillance. Nor is there any guarantee it will not be repeated in the future.

A 1973 Senate subcommittee report detailed the extensive spying secretly conducted by 1,500 agents of the U.S. Army on more than 100,000 civilians in the late 1960's. This surveillance was directed principally at those suspected of engaging in political dissent. No one in the Congress knew about this spying. No one in the executive branch would accept responsibility for it. Again, there is no guarantee that this sorry episode will not be repeated. In fact, a Senate committee learned recently that in the last 3 years—after the administration assured the public that the military would no longer spy on individuals—the U.S. Army has maintained numerous surveillance operations on civilians in the United States. And an article in The New Republic magazine of March 30, 1974, detailed the U.S. Army's use of wiretaps, infiltrators, and other surveillance techniques to spy on American citizens living abroad who supported the presidential candidacy of GEORGE MCGOVERN. The Army's spying was reportedly so extensive that it even intercepted a letter from a college librarian in South Carolina who requested information about a German publication.

Innumerable Government officials, including President Lyndon Johnson, Supreme Court Justice William O. Douglas, Congressman Hale Boggs, and Secretary of State Henry Kissinger, believed that their private telephones had been secretly wiretapped. These concerns coincide with known facts regarding other citizens. In May, 1969, for example, the White House secretly authorized wiretaps on 17 Government officials and newspapermen without first obtaining an approving judicial warrant. The purported basis on these "taps" was a concern that these individuals were involved in "leaks" of sensitive information. The Government allegedly believed that publication of this information did or would jeopardize "national security." There is still no public evidence to justify that belief. Indeed, there is no public evidence to demonstrate that all of the individuals tapped even had access to the information leaked.

The Justice Department still maintains a practice of installing warrantless wiretaps on American citizens and others when it feels "national security" is involved. This practice violates the plain language of the 4th amendment—which requires a judicial warrant based on probable cause before the Government can invade an individual's privacy. There is no public information concerning the number of warrantless wiretaps installed in the last year or presently maintained. Incredibly enough, the department has refused to provide this information—even in executive session—to legislative subcommittees of the House and Senate.

The Senate Watergate and Senate Judiciary Committees received evidence that in 1969 the White House established a special unit in the Internal Revenue Service to provide the administration with secret access to the confidential tax records of thousands of its "enemies." The release of these private records was so flagrant and so widespread that one investigating Senator likened the IRS to a public lending library.

These examples are only the tip of the iceberg. And yet they are sufficient to demonstrate what should be clear to everyone: uncontrolled government snooping is a dangerous assault on the constitutional liberties which are the cornerstone of our democratic system. A society cannot remain free and tolerate a government which can invade an individual's privacy at will.

Government snooping is particularly dangerous because often it is executed without the knowledge or approval of those officials who are accountable to the public. This, in turn, increases the probability that government invasions of individual privacy, as well as other fundamental constitutional liberties, will be accomplished by illicit means and for illegitimate purposes.

The break-in of Daniel Ellsberg's psychiatrist's office provides a clear and dramatic illustration of the problem. This illegal act was perpetrated in September 1971 by members of the "plumbers," a special unit established within the White House and ultimately accountable to the President himself. After the break-in was publicly exposed, the "plumbers" claimed that they were acting under the explicit authority of the President in an effort to protect "national security." But available public evidence suggests that Mr. Nixon did not give his approval to the break-in. Indeed, the White House transcripts indicate that President Nixon did not learn of the break-in until March 1973—18 months after it occurred.

He stated on numerous occasions, moreover, that he would have disapproved of the break-in if his prior authorization had been requested. In short, a blatant criminal act—which included the violation of one doctor's privacy—was perpetrated by Government agents because those with ultimate responsibility had no procedure to insure that Government activities be conducted by lawful means and for legitimate purposes.

The central question is how many other incidents of illegal spying by the Government remain undisclosed? And how many more such incidents must be