

DERWINSKI and FRANK J. Louie, Jr. WAGGONER, propose to introduce a resolution expressing the sense of the Congress in a manner consistent with these remarks. I intend to cosponsor that resolution and to use my influence in what I truly believe to be the most direct and promising path to peace for this and future generations.

PROVIDING FOR CONSIDERATION OF BILL FOR SUPPLEMENTAL APPROPRIATIONS, 1972

Mr. MAHON. Mr. Speaker, I have two unanimous-consent requests to make. The House Appropriations Committee will report on Monday two bills.

First, Mr. Speaker, I ask unanimous consent that it may be in order on any day after Tuesday of next week—and that would be Wednesday or thereafter—to consider a general appropriation bill making supplemental appropriations for the fiscal year ending June 30, 1972, and for other purposes.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, may I ask the gentleman how it is proposed to handle these bills, in the absence of a rule?

Mr. MAHON. Mr. Speaker, if the gentleman from Iowa will yield, this is a general supplemental appropriation bill which would supply funds to many agencies of the Government.

Mr. GROSS. Yes, I understand that.

Mr. MAHON. I understand, but permit me to explain further. It covers many agencies of Government. Most of the additional money is the result of pay increases which have been accorded by or pursuant to law. It will be the plan of the committee to call the bill up for general debate with 2 hours of debate, to be divided equally, and then under the 5-minute rule, as we usually do on appropriation bills.

This request is for the purpose of bringing the bill up on Wednesday, if possible.

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

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

Mr. RYAN. Mr. Speaker, reserving the right to object, would the distinguished chairman of the Appropriations Committee inform us as to whether or not it is contemplated that the supplemental appropriation bill will include any money for the military?

Mr. MAHON. Mr. Speaker, if the gentleman will yield, the bill will include several hundreds of millions of dollars for pay increases for civilian and military personnel, based on laws heretofore enacted.

It is now a matter of providing the additional funds with which to make the payments so authorized.

Mr. RYAN. For personnel?

Mr. MAHON. Yes.

Mr. RYAN. Will it include any money Southeast Asia?

Mr. MAHON. No; this is not related to Southeast Asia. Of course, in a sense the

Southwest Asia and areas all over the world. But the supplemental amounts are not related directly to Southeast Asia.

It does provide for pay of military personnel, of course.

Mr. RYAN. Does the bill itself, in addition to pay increases for civilian and military personnel, contain any money for military operations in Southeast Asia?

Mr. MAHON. Not as such at all; no. The whole objective here is to bring the bill up on Wednesday rather than Thursday in order to expedite the business of the House.

Mr. RYAN. But there is no military money involved, except for pay increases?

Mr. MAHON. Generally speaking, that is correct. I would be perfectly happy for the gentleman to look at the report which is not in final form, but which is available in draft form.

Mr. RYAN. I am concerned about the chairman's statement "generally speaking." Is there some other money, other than for pay increases?

Mr. MAHON. No; not at all.

Of course, the House can work its will on whatever it wishes to do with the bill which will be before us next week.

I would say to the gentleman from New York that it provides for the Department of Defense—military, retirement pay, and increased pay and retirement. In respect to the Defense Department and to a large extent otherwise, it is a routine appropriation to supply supplemental funds for pay cost increases heretofore put into effect.

Mr. RYAN. In other words, the only military funding is for the payment of personnel, either pay increases or increases in retirement pay?

Mr. MAHON. The gentleman is correct.

Mr. RYAN. And there is no money for procurement of weapons, or for conducting military operations?

Mr. MAHON. This did not provide for the procurement of weapons or ammunition.

Mr. RYAN. I thank the gentleman.

Mr. Speaker, I withdraw by reservation of objection.

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

Mr. PICKLE. Mr. Speaker, reserving the right to object, do I understand the chairman to say that there will be a report available on this supplemental?

Mr. MAHON. Yes, when the bill is reported. It will be reported on Monday.

Mr. PICKLE. Would we be able to have a copy of the report by Monday?

Mr. MAHON. Yes; just as soon as the committee reports it Monday afternoon.

Mr. PICKLE. And not before?

Mr. MAHON. Not before, because the bill will not be approved before. The report, in fact, is not yet finalized. If the gentleman needs to know what is tentatively in the bill, it can be provided; we have a draft of the bill and report, but the point is the whole committee has not yet considered and voted on it. There could be changes next Monday.

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

objection to the request of the gentleman from Texas (Mr. MAHON)?

There was no objection.

PROVIDING FOR CONSIDERATION OF A JOINT RESOLUTION MAKING A SPECIAL APPROPRIATION IN RESPECT TO DOLLAR DEVALUATION

Mr. MAHON. Mr. Speaker, I ask unanimous consent that it may be in order on any day after Tuesday of next week to consider a House joint resolution making a special appropriation for the purpose of carrying out the Par Value Modification Act (Public Law 92-263) the dollar devaluation bill.

This is a bill to provide for funds necessary as the result of the devaluation of the dollar.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, I assume this is commonly known as the maintenance of value bill?

Mr. MAHON. That is correct.

Mr. GROSS. And will the same provision for debate and consideration of this bill apply as to the previous bill, with 2 hours of general debate?

Mr. MAHON. This would be a special measure, but we would ask for ample time—an hour to each side, and then the 5-minute rule.

Mr. GROSS. With that understanding, Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas (Mr. MAHON)?

There was no objection.

PUBLIC BUILDINGS AMENDMENTS OF 1972

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 931 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 931

Resolved, That upon the adoption of this resolution it shall be in order to move, clause 27(d)(4) of rule XI to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10488) to amend the Public Buildings Act of 1959, as amended, to provide for financing the acquisition, construction, alteration, maintenance, operation, and protection of public buildings, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Public Works now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, and all points of order against said substitute for failure to comply with the provisions of clause 7, rule XVI, and clause 4, rule XXI, are hereby waived. At the conclusion of such consideration, the

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Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. After the passage of H.R. 10488, the Committee on Public Works shall be discharged from the further consideration of the bill, S. 1736, and it shall then be in order in the House to move to strike out all after the enacting clause of the said Senate bill and insert in lieu thereof the provisions contained in H.R. 10488 as passed by the House.

The SPEAKER. The gentleman from Missouri (Mr. BOLLING) is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. LATTA), pending which I yield myself such time as I may consume.

Mr. Speaker, this is a rule that proves how complicated a simple open rule providing for 1 hour of general debate can be. It makes in order the committee substitute for consideration as an original bill for the purpose of amendment. It waives points of order for failure to comply with the 3-day rule, but copies of the report are available.

There are three sections of the bill which are, in effect, reappropriations of funds and, therefore, points of order had to be waived against them for failure to comply with clause 4 of rule XXI which makes it against the rules to have appropriations in authorizing bills.

Sections 7 and 9 of the substitute which we make in order for consideration as an original bill were not in the original bill and there is some question of germaneness. Therefore, points of order are waived against that in order to comply with clause 7 of rule XVI.

Then less unusual, we provide that after the passage of the House bill, the Committee on Public Works shall be discharged from further consideration of Senate 1736 and it shall be in order to move to strike out all after the enacting clause of the Senate bill and amend it with the House passed language.

I believe that describes all the unusual features of the rule.

I will say that there was no opposition to the rule among witnesses before the committee. I do understand there is some controversy in the matter that will be made in order by the rule and if my friend from Iowa would like me to yield, I will attempt to answer his questions.

Mr. GROSS. Mr. Speaker, I thank the gentleman for yielding.

I am not at all surprised that there was no opposition to this rule from members of the committee because this certainly accommodates them. I do not see how they could ask for more—they got all outdoors right along with the protective provisions they have in the bill.

Mr. BOLLING. The only thing I can say to the gentleman is that we could have waived all points of order without pointing out what they were in detail.

Mr. GROSS. I understand that.

The SPEAKER. The gentleman from Ohio (Mr. LATTA) is recognized.

(Mr. LATTA asked and was given permission to revise and extend his remarks.)

Mr. LATTA. Mr. Speaker, I agree with the statement just made by the gentleman from Missouri (Mr. BOLLING) concerning the rule. I think it is a good rule. I think it is the only thing the Committee on Rules could do in this case.

H.R. 10488 amends both the Public Buildings Act of 1959 and the Federal Property and Administrative Services Act of 1949 in numerous respects.

A major purpose of the bill is to require Government agencies using public buildings to budget and pay for the use of the space they occupy. The receipts would then be used by the General Services Administration to finance its public buildings construction and operations, but only after these funds have been appropriated by Congress.

A second major purpose of the bill is to authorize the Administrator to enter into purchase contracts with independent contractors for the purchase of buildings, with payments to be made over a period of from 10 to 30 years. This authority would be valid for 3 years, and would make it possible to construct some of the 63 public buildings already authorized by the House and Senate Committees on Public Works, but not yet funded. The committee report refers to this provision as a "stop-gap expedient, an attempt to reconcile the urgent need for new Federal facilities with present economic conditions." The bill would also, in limited situations, permit the lease-construction of Federal buildings authorized but not funded. The committee report describes lease construction as a "remote alternative, available only when direct Federal construction and purchase contracts are not feasible."

A third provision in the bill authorizes \$1,500,000 in fiscal year 1972 for payment of costs of the publicly related functions of the memorial aspects of the John F. Kennedy Center for the Performing Arts. I oppose the inclusion of this section to this bill.

In addition to the \$1,500,000 for the Kennedy Center, the committee report shows the cost of this bill over the next 6 years as \$1,430,800,000. However, the cost figures in the committee report do not take into consideration the fact that the purchase contract arrangement, assuming 30-year contracts, will continue to cost the taxpayers approximately \$100,000,000 per year until the contract expires. These additional cost estimates were provided by the GSA Office of the Budget.

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

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. GRAY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10488) to amend the Public Buildings Act of 1959, as amended, to provide for financing the acquisition, construction, alteration, maintenance, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Illinois.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 10488, with Mr. ASPINALL in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Illinois (Mr. GRAY) will be recognized for 30 minutes, and the gentleman from Ohio (Mr. HARSHA) will be recognized for 30 minutes. The gentleman from Illinois (Mr. GRAY) is recognized.

Mr. GRAY. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, members of the committee, your House Committee on Public Works is privileged to bring before you today for consideration the bill H.R. 10488 that would amend the Public Buildings Act of 1959 to provide for financing the acquisition, construction, alteration, maintenance, operation and protection of public buildings in the United States, Puerto Rico, and the Virgin Islands.

Mr. Chairman, I can assure you that this legislation is in the public interest and in the long run will save many millions of dollars of the taxpayers funds. There are five main provisions of the bill before you.

First, H.R. 10488 would substitute a private entrepreneur method of financing public buildings known as purchase-contracts for a short period of 3 years only in place of direct Federal funding in order to immediately construct 63 much needed Federal buildings in 37 States, Puerto Rico, and the Virgin Islands. Mr. Chairman, most of these buildings have been authorized for many years with no funds to construct them. While these much needed facilities have been on the shelf, inflation has increased their aggregate cost by approximately \$100 million per year. In addition, the Federal Government has been leasing space from private individuals with no equity accruing to the taxpayers other than the space used. The General Services Administration estimates that by owning these buildings and paying into equity we can save a minimum of \$71 millions per year.

Mr. Chairman, the second provision I would like to explain will also affect great savings to the taxpayers. It would authorize establishment of a public buildings fund into which will be deposited user charges or rents collected from all Federal departments and agencies using space in GSA operated buildings and from which will be drawn the funds to finance the construction and operation of the new Government buildings. Under present law, any agency of Government can request as much space as they want without having to request 1 cent in their budget.

We know for a fact that indiscriminate requests have been made for space that is now costing the taxpayers millions of dollars. Requiring every agency to pay for the space they use in

all Government-owned or leased buildings for the first time in our history we will know exactly what it is costing us to provide this space. Second, we know that agencies will be prone to consolidate some of their far-flung operations and to save millions of dollars by requesting smaller amounts of money in their budgets. The Appropriations Committees of the House and Senate will approve these appropriations which will continue to give Congress full control over this new revolving fund. The moneys collected in the revolving fund then can go to pay the purchase contract payments for the 63 new buildings and others that may be approved later.

Third, this legislation would preserve basic congressional controls over the building authorization and spending process while permitting necessary administrative flexibility. The bill contemplates no change in the past requirement that the House and Senate Public Works Committees approve building prospectuses. In addition, the General Services Administration would be required, as at present, to submit annual budget requests to the House and Senate Appropriations Committees and such requests would have to be approved by both Houses before GSA could make any expenditures from the fund. Thus, the Congress would continue to approve construction on a building-by-building basis and to impose spending limitations.

Fourth, the bill would require the Administrator of GSA to submit a prospectus for approval by the House and Senate Public Works Committees wherever he proposes to secure leased space for which he pays an average annual rental in excess of \$500,000. This is a tightening of congressional control over present leasing laws. At the present time, Congress has no control over leasing of public buildings. We feel this should be brought under control so we can monitor the amount spent for leased space where it is not feasible to construct a new building.

Fifth, lastly, the bill would authorize \$1.5 million for the nonperforming arts functions at the John F. Kennedy Center. Mr. Chairman, I want to make it crystal clear that these funds are for the security, maintenance, and other necessary expenses in connection with the memorial and not the performing arts functions of the Center. Your committee on public works was requested to provide several million dollars to pay for cost overruns due to labor disputes, inflation, and other factors. Those funds are not in this bill. The \$1.5 million is to pay the National Park Service for guard protection, to pay for electrical and air-conditioning bills and other expenses in connection with keeping the Kennedy Center open to the general public during daytime hours when the performing arts part of the Center is not in operation. This authorization expires at the end of this fiscal year with no continuing authorization and it will be our intention under the 5-minute rule to offer an amendment giving the responsibility of providing security and Maintenance at the Kennedy Center to the National Park Service which is

charged with the responsibility of maintaining all monuments in the Nation's Capital. This is where this responsibility rightfully belongs. I am sure the Members of the House and the other body do not want to be saddled with this obligation as the years go by. The Park Service has agreed to accept the responsibility and I again want to reiterate it is only the responsibility and expense connected with the daytime operation of the nonperforming arts functions of the Kennedy Memorial.

Mr. Chairman, at the present time, there is an average of 8,000 to 10,000 persons per day visiting the Kennedy Center, some holidays produce even more. It is the second highest visitation point at the present time of any monument or facility in Washington. It is second only to the Capitol Building. The monument was closed for more than 3 months which brought public clamor from all over the United States. It was reopened recently and if the authorization you are being asked to support is not adopted, the Board of Trustees will have no alternative but to once again close the Center during daylight hours. To me, Mr. Chairman, this would be a national disgrace. Since the bill before you will save the taxpayers many millions of dollars, I am sure every Member can justify voting for the entire bill including this Kennedy Center amendment, since the \$1.5 million will be offset by savings affected in other sections of the bill.

Mr. Chairman, in closing let me tell you that the American public deserves good service from their Government whether it be in the adjudication of a social security claim or help from the many other Federal agencies. This bill will bring together all of these dispersed offices under one roof in 63 communities, catch up the 10-year backlog of public building construction and make in order the consideration of other projects in other congressional districts as the need arises. If we are to maintain a good court system and provide good public service, we can do no less than send this bill on to the White House immediately in its present form since it has already passed the other body overwhelmingly.

In closing, I have been asked by the gentleman from California (Mr. BURTON) whether or not the Social Security Building in San Francisco could be moved from that city under the terms of this bill; the answer is "No."

I shall be delighted now to yield to any Member who might have any questions concerning this measure.

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

Mr. GRAY. I am delighted to yield to my friend from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

What is the total cost of this bill?

Mr. GRAY. In the present estimate of the cost of the 63 buildings, it aggregates approximately \$1.4 billion. As I pointed out in my statement earlier, many of these projects have been authorized for many years, and it has cost the American taxpayer about \$100 million per year in inflation for these 63 projects.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. GRAY. Mr. Chairman, I yield myself 2 additional minutes.

Putting it very simply, what we could build today for \$1.4 billion, if we waited another year, would have a cost of \$1.5 billion, and, at the present rate of inflation, would have a cost of \$1.7 billion 2 years from now, and so on.

Mr. GROSS. Is the total, as set forth in the report, \$1,430,800,000? Is that the total cost of the bill, and does that take into account the cost of the 61 buildings?

Mr. GRAY. The 63 buildings. That is not the total cost.

We must remember that many of these projects were approved as long as 9 years ago. This is the best figure we could get now from the General Services Administration.

I certainly want to be fair and candid for the Members, as I have always tried to be. I believe we can say by going the private entrepreneur route, a \$10 million building over a period of 30 years would cost approximately double that, or \$20 million. So we are really talking about a cost of close to \$2 billion over the next 10 years to 30 years.

There is a \$71 million per year saving by moving out of rented space, where the taxpayer is getting no return for his investment, and by going into Government-owned buildings.

Add that up, and subtract it from the \$2 billion.

The best estimate I can give my friend is to look at page 30, and to say that when those buildings are finally owned by the taxpayer they will cost us double.

Mr. GROSS. Is the figure of \$1,430 million limited to the 63 buildings?

Mr. GRAY. Yes, this is limited to the 63 buildings.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. GRAY. Mr. Chairman, I yield myself 2 additional minutes.

In some cases it may be advantageous to the Government to take as short as a 10-year contract. We allow an escalation of between 10 and 30 years for contracts.

Putting it very simply, the figures are what the building will cost. You have to add what the costs of other goods and services are, such as architectural and engineering costs, and so forth. That is why I am being candid in saying that it will cost double.

The General Services Administration is spending millions a year now for leased space, and I think you have to add that in, with nothing in return to the taxpayer.

Mr. GROSS. Are there no other costs expenditures other than \$1.5 million for that monstrosity down on the Potomac?

Mr. GRAY. That is the entire cost. I understand the gentleman now. There is no cost in here except the cost for the 63 buildings plus the \$1.5 million for the Kennedy Center. I am sorry I did not understand the gentleman's question before.

Mr. LENNON. Will the gentleman yield?

Mr. GRAY. I yield to the gentleman,

Mr. LENNON. On page 25 of the com-

mittee report, as you describe the term "public buildings," beginning on line 13, where it describes it as "any other building or construction project, the inclusion of which the President may deem, from time to time hereafter, to be justified in the public interest." For the purpose of precedent, is the annual authorization bill or such authorization bill as has been brought out by the Committee on Public Works relating to public buildings giving the President of the United States the authority to make the selection of the site and then Congress will fund whatever he says should be built, whether it is a center in the District of Columbia for a sports arena or not? Have we done this before?

Mr. GRAY. The gentleman has raised a very important question. If you will refer to the report, you will see the bill you are being asked to vote on here today does not authorize a single project beyond the 63 line items put in this report on page 30.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. GRAY. Mr. Chairman, I yield myself 5 additional minutes in order to answer questions.

It does not authorize one single project beyond the 63 enumerated in the report. If any additional buildings are required any place in the country, whether in the gentleman's congressional district or mine or anyone else, you would have to go through the regular procedure of the General Services Administration making a survey of the space needs and working up what is known as a prospectus and submitting this prospectus to the House Committee on Public Works. It would then have to be approved by the Senate Committee on Public Works before any money could be spent from the revolving fund for any purpose for any type of building.

Mr. LENNON. I very much appreciate the gentleman's explicit and definitive explanation, but I am concerned as to why in your report you state as it is used this term: "Public buildings," and then it goes on to say that a public building is any building or construction project the inclusion of which the President may deem from time to time hereafter to be in public interest.

Why is that language used if you get to stand in the well of the House and say you are now authorized to build any building the President may decide he wants to build?

Mr. GRAY. Let me say, you may have a parking facility or a warehouse or something that does not fit into the general category of a Federal office building. Therefore we have given him that flexibility. But let me remind you it only allows the President the authority to request the Congress to do this. We will still have to approve it by line item, as any project that he deems to be in the public interest.

Mr. LENNON. Let me call my distinguished friend's attention in the same paragraph to the place where you define a public building as record centers, appraiser's stores, courthouses, water inspection facilities, warehouses, and all of these other things.

Then, you conclude the definition of a public building as any building that the President decides should be built in the public interest.

Are you saying to this House today, sir, that there is nothing in here that would authorize the construction of a sports center or recreational center here in the District of Columbia?

Mr. GRAY. I am stating emphatically that any such request by the President would have to be submitted to the House and Senate Committees on Public Works and approved by it on a line item request.

Mr. LENNON. I say this because some members of the Public Works Committee, although I am not a member of that committee, are concerned about this language.

Mr. GRAY. I am sure that any request would have to be approved by the House and Senate Committees on Public Works on a line item basis.

Mr. HECHLER of West Virginia. Mr. Chairman, will the gentleman yield?

Mr. GRAY. I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. I notice on page 30 there is included some 30 States and 54,000 square feet of buildings in the Virgin Islands.

Am I to assume that there are no approved projects in the State of West Virginia contained in this bill?

Mr. GRAY. I would remind my friend from West Virginia that the projects that are contained in this bill are projects that have been authorized by the House and Senate Committees on Public Works for as long as 9 years ago.

The purpose of getting this bill passed and getting these 63 projects out of the way is in order that we can build additional facilities in West Virginia and in other places instead of renting that space for the use of social security offices, draft boards and others which are now operating in rented space where the private investigator gets the equity and it never accrues to the benefit of the taxpayers.

I think it is time that we consolidated these operations in West Virginia and in other States in Federal buildings.

Mr. HECHLER of West Virginia. Mr. Chairman, if the gentleman will yield further, I certainly hope that the gentleman and his committee would be sympathetic next year toward the space needs of our State.

Mr. GRAY. We are always sympathetic.

Mr. Chairman, I reserve the balance of my time.

Mr. HARSHA. Mr. Chairman, I yield myself 10 minutes.

(Mr. HARSHA asked and was given permission to revise and extend his remarks.)

Mr. HARSHA. Mr. Chairman, the principal aim of any sound Government building program is to assure that space authorizations are attuned to space needs. Thus, when the appropriate committees of Congress find that a Government building is needed, it should be constructed. If this is done, a building which meets the space requirements and Government can oper-

ate more efficiently and effectively in the public interest.

Unfortunately, the Federal building program in recent years has not kept abreast of agency requirements. Because of funding limitations, much-needed buildings located in 37 States throughout the Nation, although authorized as long as 9 years ago, have not been built. This is not to be critical of anyone or any committee because we have had priority problems and only so much money with which to meet those problems. However, this has posed a severe hardship on those agencies whose space needs have not been met. And it has proven extremely costly to American taxpayers. The inflation toll alone caused by construction delays amounts to over \$100 million annually.

Presently, there is a backlog of 63 public buildings which have been authorized but not built. Clearly, the time has come to eliminate the backlog and to put the Federal building program on a sound budgetary basis.

H.R. 10488 is fashioned with this objective in mind. First, it would authorize GSA to contract, over a 3-year period, for the construction of the 63 backlog buildings. The device used would be purchase contract authority. Such authority would enable GSA to enter into agreements with independent contractors for the purchase of buildings through payments spaced over a period of time up to 30 years. At the conclusion of the contract term, title would vest in the United States. Throughout the contract term, however, the buildings in question would remain in private ownership, subject to State and local taxation. This would mean that the Federal presence in an area would constitute a tax benefit rather than a tax burden.

But I wish to stress that the lease purchase authorization is a stopgap measure. It is not our intention that this type of funding arrangement become permanent. What we are simply doing is providing a mechanism which will enable us to place the Federal building program on a sound and financially responsible basis in the future.

A logical first step is the elimination of the backlog which the lease-purchase or contract purchase authorization over the next 3 years would accomplish. Additionally this legislation establishes a Federal building fund into which user charges would be paid by agencies occupying Federal office space. Each Federal agency would be required to pay into the fund user charges equivalent to commercial rates for the space and related services received.

Since the user charges made would be set at commercial equivalents, sufficient funds would be generated to finance future construction needs.

The General Services Administration strongly endorses establishment of the building fund. In a letter to the Speaker, Assistant Administrator Harold S. Timmer, Jr., declared:

Requiring all agencies to finance the cost of the space they occupy is consistent with the performance budgeting concept under which total program costs are reflected in the budget of each agency. Review of agency budgets internally by review au-

thorities in the Executive Branch and by the Congress would be more realistic. This would be a significant change in the method of funding building operating and capital costs, but would be both practical and businesslike.

The new budgeting approach would enhance the ability of General Services Administration to provide faster and better service with respect to space needs of agencies, both by new construction and lease. Provision of funds for space would be directly related to the programs involved. Authorization would be based on better information and costs estimates. Funds for specific projects would be provided at one time in lieu of the present two or more budget requests for the same project, each involving a full cycle.

Let me make this clear, however. In authorizing the establishment of a public building fund, the Congress would not be surrendering congressional control over the building authorization and spending process. The Committees on Public Works of both House and Senate would still approve individual building prospectuses. What is more, GSA would continue to submit annual budget requests to the Appropriations Committees. Such requests would have to be approved by both Houses before any expenditures could be made by GSA from the building fund. Thus, Congress would maintain present authorization and spending control over Federal construction.

As an additional safeguard, H.R. 10488 would require the submission of a prospectus to the Public Works Committees whenever annual rentals for leased space exceed \$500,000.

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

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

Mr. STRATTON. Mr. Chairman, I support this legislation.

(Mr. STRATTON asked and was given permission to revise and extend his remarks.)

Mr. STRATTON. Mr. Chairman, I rise in support of H.R. 10488, the Public Buildings and Grounds amendments.

This bill allows the Federal Government to authorize construction of Federal office buildings by private contractor, with the General Services Administration leasing the building for a specified period and applying the rent toward the final purchase price. The effect would be to allow the construction of at least 63 public buildings already authorized by the House and Senate Committee on Public Works, but which have been thus far unfunded and hence unconstructed.

Included among these 63 proposals is a new Federal Office Building for the city of Albany in my congressional district, the capital of New York State.

The design of this building was completed some time ago and site acquisition will be completed as soon as this legislation is enacted. Although the prospectus for this new Albany Federal Building was approved by both Public Works Committees as far back as 1964, it is estimated that by following present procedures it could be another 10 years before the Capital of New York State had its new Federal office building.

The Administrator of the GSA informs me, however, that when the bill before us today is enacted into law, the GSA is prepared to begin immediately the contract award process for Albany with the building itself to be completed within 2 years.

The purchase contract arrangement provided for in the committee bill is, it appears to me, a far superior method of having Federal buildings constructed than the present piecemeal method of annual appropriations. By funding already authorized buildings on a one-shot basis, the GSA could have the buildings constructed over a relatively short term, and then gradually purchased them by means of the rents collected from the tenant agencies. Until the Federal Government had paid the final purchase price the buildings would be subject to real estate taxes. At the same time a special public building fund would be set up, into which user charges, collected from all Federal agencies using space in GSA buildings, would be deposited. Money from that fund could go toward financing the construction and operation of still other Government buildings.

I urge my colleagues to support this bill so that we will at last have a realistic and financially workable means of constructing new and much needed Federal office buildings, and so we can get going at once on the construction of the new Albany Federal Office Building.

Mr. GRAY. Mr. Chairman, I yield such time as he may desire to the gentleman from California (Mr. BURTON).

Mr. BURTON. Mr. Chairman, I thank the distinguished gentleman.

In our city of San Francisco, we have a payment center for the Social Security Administration. They employ some 1,700 people. A number of them are very highly skilled, of course, but there are also a great number of jobs that require somewhat less skill. This employment is very vital to our city. I understand from the remarks of the gentleman from Illinois that there is nothing in this bill that authorizes or encourages the removal of that payment center from San Francisco; is that correct?

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

Mr. BURTON. I yield to the gentleman.

Mr. GRAY. Absolutely nothing—there is absolutely nothing in this bill that would cause the removal of the facility in San Francisco.

Mr. BURTON. I would hope the gentleman from Illinois would agree with me in view of the difficulty of employment in the core cities—that a move of that sort should not be taken without an overwhelming case being made for the removal of this kind of job opportunity for the residents in our central city.

Mr. GRAY. I agree with the gentleman completely.

Mr. BURTON. Mr. Chairman, I yield to my friend, the gentleman from California (Mr. WALDIE).

Mr. WALDIE. Mr. Chairman, I appreciate the gentleman yielding.

I just want to state to the gentleman, he has my full support for this bill. The bill authorizes that we have a new community where we are seeking the lo-

cation of a Federal social security payments facility for many of the same reasons that my good friend and colleague from San Francisco, the gentleman from California (Mr. BURTON) has suggested. We need to alleviate the unemployment problems in the Richmond area. We see this bill as a major help in that direction and we commend the gentleman and the committee for moving in that direction.

Mr. GRAY. I thank the gentleman from California and I assure the gentleman the committee will be sympathetic to any request that is received.

Mr. Chairman, I yield such time as he may require to the gentleman from Texas (Mr. GONZALEZ).

Mr. GONZALEZ. Mr. Chairman, I also rise to say I support fully the gentleman in this legislation.

I just have one question along the line that the first gentleman from California (Mr. BURTON) inquired about, and it has to do with the net impact of this legislation.

My question is simply this. In my home district of San Antonio, we have had authorized and appropriated for a postal facility for several years. This legislation in no way would detrimentally affect those plans; would it?

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

Mr. GONZALEZ. I yield to the gentleman.

Mr. GRAY. I want to make it perfectly clear that there is nothing in this bill that would preclude an ongoing project from continuing whether it is the GSA or the Postal Service.

Mr. GONZALEZ. I thank the gentleman.

Mr. HARSHA. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from New York (Mr. GROVER), the ranking minority member on the subcommittee who has done such outstanding work on this legislation.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. GROVER. I yield to the gentleman.

(Mr. DON H. CLAUSEN asked and was given permission to revise and extend his remarks.)

Mr. DON H. CLAUSEN. Mr. Chairman, I rise in support of this legislation and compliment the committee for the work that they have done.

Mr. Chairman, I rise to express my strong support for H.R. 10488, a bill to eliminate the backlog in the construction of public buildings authorized by Congress.

As a member of the Committee on Public Works, I can assure this body that it is generally the position of our committee to fund the planning and construction of Federal facilities directly through appropriations and that by no means is the committee attempting to create a precedent for fundings these projects.

However, flexibility of policy is urgently required in this instance if the Congress is to be able to meet its commitment to a backlog of over \$1 billion in desperately needed Federal buildings. To do this, it is most certainly would be borrowed funds. This

borrowing would add to an already immense deficit and seriously strain the competition for moneys in the lending markets.

By adopting the course indicated by this legislation, we can move rapidly to complete the construction of these buildings in away that will provide a strong shot-in-the-arm for the economy at a time when the trend toward economic strength is becoming clearer with each passing day.

In addition, a key feature of the measure before us is that it provides a means to construct Federal facilities without depriving local government of vital portions of its tax base. Traditionally, Federal installations do not pay property taxes but H.R. 10488 leaves the property in private hands under the purchase-contract concept. Thus the property will make the Federal presence in the community much easier to accept.

And finally, one of the most important provisions in this bill is the assessment of user charges against the budget of those individual Federal agencies who occupy these buildings. The user fee assessments will require each agency to have to justify its space needs which will permit better congressional oversight both for the authorizing and appropriation committees. These fees will also invite the various agencies to reduce their space needs to the minimum thereby saving tax moneys.

On a national scale this bill will do the job. On the local level it is also excellent legislation as I am aware from the fact that one of the authorized buildings is in Santa Rosa, Calif., in my congressional district.

The bill will escalate the timetable for the construction of the Santa Rosa facility which is already long overdue. This building will effectively meet a need for part of the program of designing the city designed for living.

Mr. GROVER. Mr. Chairman, I wish to join with my colleagues in expressing support for this important bill. Over the past decade, the Committee on Public Works, acting under the Public Buildings Act of 1959, has considered and approved buildings for construction which it felt were vitally needed in the public interest. Because of financial constraints on the appropriation's process, the level of funding necessary to construct all of these much-needed facilities has not been provided.

Although appropriations averaged approximately \$115 million per year, a backlog of 63 buildings has been built up. It is to accelerate construction of these facilities that the purchase contract authority contained in H.R. 10488 is directed.

Members of the committee are agreed that direct Federal construction is desirable. But we are facing a condition here, a state of facts, and not a theory. Approximately a billion dollars in Federal funding would be required to eliminate the construction backlog with which we are now faced. That kind of money is simply not available at the present time. Other spending priorities will not permit the immediate Federal investment that is needed to get it done.

It was to get the Federal building program back on the track again that the purchase contract program was devised.

In fashioning it, we have attempted to overcome the weaknesses that plagued its predecessor—the Lease-Purchase Act of the 1950's. Interest rates determined by market conditions assure that rates will be reasonable. And present financial conditions assure healthy competition in the financing construction of these 63 buildings.

Finally, the legislative authorization will be for a period of only 3 years. Thereafter, the new revolving fund concept will become operative, making lease-purchase types of contracts no longer necessary.

Insofar as the new public building fund is concerned, this new device holds great promise. By imposing user charges on Government agencies for the space they occupy in GSA buildings, each Government agency will have an incentive to make space demands equal space requirements. The tendency would, therefore, be to promote the most efficient and economical use of all Government office and storage space.

The lack of sound business procedures in the operation of Government has long been a bitter refrain among critics. Authorization of a public building fund in which each agency would be charged the equivalent of rent for the space occupied makes sense, particularly since commercial rates will be charged. Moneys generated should be sufficient, not only to operate the Federal Establishment, but also to provide funds for future building needs. In the process, substantial savings in space requirements and the funds needed to provide them will be realized. If for no other reason, the consequent savings to the American taxpayer will, I believe, more than justify passage of this bill.

I, therefore, urge approval of H.R. 10488.

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

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

Mr. WYDLER. I rise in support of this legislation, and I want to commend the gentleman for the work that he has done as a member of the committee considering this legislation. The largest single project in the bill before us is located on Long Island, which the gentleman and myself both represent here in the Congress. It is a Federal office building of a large size, but one which is desperately needed by the Federal Government and by the citizens of that area. I know that the gentleman in the well provided the leadership in the committee which was necessary to see that this particular building was proven necessary for the people in that area and to make it a reality.

Mr. GROVER. If I may return the compliment to the gentleman from New York, I should like to point out that he, himself, was the driving force on Long Island which brought to the committee and to the Congress the desperate need for a center on Mitchell Field on Long Island. The gentleman from New York, Mr. HARSHA. Mr. Chairman, I yield

such time as he may consume to the gentleman from Wisconsin (Mr. THOMSON).

Mr. THOMSON of Wisconsin. Mr. Chairman, I rise in enthusiastic support of this legislation. It is badly needed, not only in the 63 areas that have been mentioned, but in the removal of a backlog. Removal of this backlog will facilitate the orderly development of needed Federal facilities throughout the country.

Mr. Chairman, this bill is badly needed and past overdue. If the other 61 cities besides the one in my district which will have their promised construction proceed under terms of this bill are in the same situation as La Crosse, Wis., I can only say that the Federal Government has done a disservice to the residents of these cities.

The La Crosse Post Office-Federal Building was authorized in 1966, 6 years ago. It is to be the central edifice in an imposing, modern civic center in the heart of downtown La Crosse. To prepare for this civic center, the city of La Crosse razed the existing city hall and built a beautiful new structure. Similarly, the county government tore down the old courthouse building and erected a modern courthouse, architecturally blending with the new city hall.

Amid this well-planned civic center stands the city's worst eyesore, the archaic Post Office Building and an adjacent vacant lot. This space has been acquired for the construction of the new Post Office-Federal Building promised 6 years ago. The architect assures that planning for the building is complete. But the vacant lot remains, a daily reminder to the citizens of La Crosse of the broken promise made to them by the Federal Government.

I cannot believe that anyone in this Chamber can justify keeping people waiting 6 to 10 years before the Federal Government gets around to keeping its promises. For La Crosse and 61 other cities, the bill we are debating today is the answer. Let us resolve to start delivering on these promises made so many years ago, promises which have triggered enormous local investments, and promises which have buoyed the hope of local citizens for years. This year, as political commentators tell us that the people are losing faith in the effectiveness of their Government and as historians tell us that our social problems are rooted in the unfulfilled promises of the decade of the 1960's, let us resolve to move forward to fulfill our promises and demonstrate our resolve to assist these needy and long-postponed projects. Let us pass this bill.

The CHAIRMAN. The gentleman from Illinois (Mr. GRAY) is recognized.

Mr. GRAY. Mr. Chairman, I intended to ask the gentleman from New York (Mr. GROVER) to yield, but he left the well before I had an opportunity to do so. I wish to state publicly for the record that he, as the ranking minority member of the Subcommittee on Public Buildings and Grounds, was of great help in writing this bill over the past several months, as were also the distinguished gentleman from Ohio (Mr. HARSHA) and the distinguished gentleman from Wisconsin who rendered valuable assistance, and I want

publicly to thank them for their support, along with that of all Members on our side of the aisle.

I yield such time as he may consume to the very distinguished gentleman from Illinois (Mr. KLUCZYNSKI).

Mr. KLUCZYNSKI. Mr. Chairman, I thank the gentleman. I wish to compliment the gentleman from Illinois for bringing this much needed legislation to the floor today so that we will be able to vote on projects which have been pending for 8 or 9 years. Members know as well as I do that erecting public buildings is like the construction of highways. If you do not build them this year, they will cost you 10 or 11 percent more next year. I want to thank the gentleman from Illinois for bringing this legislation to the floor today, legislation which will save the taxpayers of this country millions and millions of dollars.

We have already heard a great deal about the staggering backlog of congressionally approved but unfunded Federal building projects. Throughout the Nation, the needs of our health, law enforcement, environmental, and other Federal agencies for efficient, modern facilities, are going unmet. Agencies continue to operate in inefficient and, in some cases, obsolete buildings. To the extent that they do, the taxpayer is penalized many millions of dollars in wasted employee time. He is also short-changed in the delivery to him of the Government services he wants, needs, and pays dearly for. In addition, each passing day erodes the value of \$13.6 million he has invested in the purchase of sites and \$12.4 million he has invested in designs for 50 buildings already approved by the committee.

No city on earth knows the costs of delay in Federal construction like Chicago. At long last, the new Federal building, for years just a big hole in the ground, is underway. Now the delay falls heavily upon the GSA Federal Records Center, which was first approved in 1966. The GSA Records Center is currently located in a leased building which is filled to capacity and does not comply with GSA's fire safety standards. It is necessary to utilize temporary storage space with inadequate cubic footage capacity at another Government-owned location and to ship a considerable volume of records for processing and storage to record centers in other States. These deficiencies result in delay, increased costs, and reduced operating efficiency—to say nothing of inconvenience to Chicagoans and other midwesterners.

The building will be 185,600 square feet. GSA is now leasing more than 102,000 square feet to house Federal records in Chicago alone. So, there will be a healthy saving in rents as soon as the new center is completed. To get the center completed, we need H.R. 10488. Without this bill, that building could wait another 6 years.

The history of GSA's construction appropriations since fiscal year 1959 shows that GSA has been able to average only \$115 million per year for new construction. At that rate, GSA will be able to exclusively on overcoming the present

backlog—giving no attention to new requirements as they arose—it would take 10 years to construct buildings we have already authorized.

We need those buildings now. On the other hand, we are in a period when fiscal restraint is the order of the day, and hope for appropriations in this or the next few fiscal years would indeed be wishful thinking.

The purchase-contract provisions of H.R. 10488 are an attempt to reconcile the urgent need for new Federal facilities with today's economic conditions. We are being asked for purchase-contracting of Federal buildings as a stop-gap expedient. GSA is so convinced that purchase-contracting will help eliminate the backlog in a very short time that we are asking for this authority for only 3 years. GSA has, in fact, pledged that it can and will beat the backlog in that move to full implementation of the public buildings fund.

The purchase-contract authority proposed in H.R. 10488 would permit GSA to make regular payments over a period of from 10 to 30 years to entrepreneurs who would finance and construct buildings that meet GSA specifications. At the end of the contract term, title to the building would vest in the United States. During the contract term, a purchase-contract building would remain on the local tax rolls, helping to ease the burdens of the Federal presence upon the local community.

There can be no doubt that purchase-contracting for Federal construction projects will increase the total dollars GSA pays out for any specific building. Nevertheless, an analysis of purchase-contracting that takes into account the present value of dollars expended, national spending priorities, and the urgency of the need for these facilities convinces me that any additional costs to the Government, spread over a 10- to 30-year period, would be reasonable and warranted.

In weighing the total cost of homeownership under a mortgage, the prospective home buyer considers many factors, including the amount of capital available to him, alternative uses for his capital—including the education of his children, the purchase of health care, transportation and other services, for his family—and the urgency of his housing needs. In the same way, I believe that it is appropriate for the Federal Government to consider its overall needs in finding a way to get our public building projects underway now. I strongly support H.R. 10488 and hope that other Members will join me in voting for this sound approach to getting the job done now.

(Mr. KLUCZYNSKI asked and was given permission to revise and extend his remarks.)

Mr. GRAY. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I take this time in order to have the Record show that we thank my distinguished friend, the gentleman from Illinois (Mr. KLUCZYNSKI) who has just spoken, who has rendered an invaluable service to the House and the Nation. Mr. Chairman, I yield such time as he

may consume to the gentleman from New York (Mr. HANLEY).

Mr. HANLEY. Mr. Chairman, I rise in support of this legislation and commend the chairman and the fine committee for their efforts in regard to this legislation.

Mr. Chairman, I am quite pleased that H.R. 10488 is under consideration today. I earnestly urge its adoption which will provide a procedure through which a backlog of 63 Federal buildings will be constructed. Most of these projects have been on the back burner for quite some time. Their need is great to provide the necessary accommodations to our citizens and the agencies which will occupy them.

My home community Syracuse, N.Y., is the site for one of the projects. A drive need exists in that community as it does in the 62 other locales.

The long run effect will be the convenience of the accommodation as well as the millions of dollars in savings to be enjoyed by the taxpayers.

Again I urge adoption of H.R. 10488. Mr. GUBSER. Mr. Chairman, I thank the gentleman from Ohio for yielding.

I take this time for the purpose of asking a question. The city of San Jose in my congressional district is very much in need of a Federal office building. The General Services Administration has surveyed it. However, the priority is not sufficiently high at this time for it to be included in this list of 63 cities. My question is, if San Jose achieves priority at some time subsequent to the passage of this bill, can the list of 63 cities be expended?

Mr. HARSHA. First, let me say that this period of contract purchase is authorized for 3 years. At any time during that 3 years, any city which establishes the necessary priority with the General Services Administration can be included in this method of obtaining a Federal building for its community.

In addition, I would add for the gentleman's information that the new revolving fund, if this bill becomes law, will, even after the 3-year period, enable GSA to go about its program of providing needed office space on a much quicker basis than in the past.

Mr. GUBSER. Mr. Chairman, I thank the gentleman. I think this is excellent legislation. I shall support it.

Mr. HARSHA. Mr. Chairman, I yield such time as he may consume to the gentleman from Idaho (Mr. McCLURE).

Mr. McCLURE. Mr. Chairman, as a cosponsor of this legislation, I thank the gentleman from Illinois and the gentleman from Ohio for their very great courtesy to me over the months this legislation has been under consideration, and publicly express my appreciation. At last we are getting some House approval on a matter critical to every Member of the Congress—not just to those who happen to have buildings in their districts. As has been pointed out, this removes the backlog and allows an orderly consideration of those construction projects which are not included in the list included in this bill.

(Mr. McCLURE asked and was given permission to revise and extend his remarks.)

Mr. HARSHA. Mr. Chairman, I thank the distinguished gentleman from Idaho for his interest in this matter. He has very effectively pursued the interest of the people of his congressional district. He appeared before the committee in support of this legislation and he has conferred with me on several occasions on this matter. He has most urgently acted in pursuit of this legislation so that the citizens of his district can finally realize the benefits of a Federal office building in his district.

Mr. Chairman, I yield 3 minutes to the gentleman from Nebraska (Mr. THONE), a member of the committee, and I reserve the balance of my time.

(Mr. THONE asked and was given permission to revise and extend his remarks.)

Mr. THONE. Mr. Chairman, I share the interest of many of my colleagues that the design of our public buildings should be the finest examples of American architecture. I am very pleased that the committee has adopted my amendment requiring the Administrator of the General Services Administration to give thorough consideration to the excellence of architecture and design during the development of plans for all public buildings.

In this regard, I am hopeful that the pending legislation will enable architects and engineers to continue to work effectively on public building projects without the possibility that their allegiance might be transferred away from their true client, the General Services Administration and the people of this country. I believe the design professions share this hope. It would be helpful if the distinguished gentleman from Illinois (Mr. GRAY), the subcommittee chairman, would clarify a few points relating to the pending bill.

Under the purchase contract authority of H.R. 10488, will GSA retain title to the drawings and specifications already prepared by the original design architect for the 63 authorized but unfunded projects?

Mr. GRAY. Mr. Chairman, will the distinguished gentleman yield?

Mr. THONE. I yield to the gentleman from Illinois.

Mr. GRAY. I am delighted to answer. I have been informed by the acting GSA Administrator, Mr. Rod Kreger, that the answer is yes, they will retain title to the architect's drawings and specifications.

Mr. THONE. I thank the gentleman.

Will the original design architect be retained for the administration and supervision of construction of projects under the purchase contract authority?

Mr. GRAY. Mr. Chairman, will the gentleman yield further?

Mr. THONE. I yield further.

Mr. GRAY. The General Services Administration has stated categorically that it will establish procedures to have the original architect provide inspection services wherever possible. Although GSA does not anticipate this occurring frequently there may be cases where the architect and the successful offeror are incompatible for some reason; for example, they might not be able to agree on a fee. In those instances, GSA will have

upon approving the architect to inspect the project.

I am sure the gentleman will agree with this. Wherever possible it will be done, but if someone wants to charge an exorbitant fee on a project the GSA is bound by law to seek out and find someone with a more acceptable fee.

Mr. THONE. I understand that, and that is as it should be.

Under this legislation, would GSA be prevented first, from maintaining a direct contractual relationship with and directly compensating the original design architect for any additional design services and supervision services, or second, from being reimbursed for that compensation through a provision in the agency's contract with the successful offeror.

Mr. GRAY. Mr. Chairman, will the gentleman yield further?

Mr. THONE. I yield further.

Mr. GRAY. No. H.R. 10488 would not prohibit GSA from taking either action the gentleman has enumerated.

Mr. THONE. One final question. It is my understanding that GSA has requested the purchase contract authority due to the emergency need to provide long-required Federal office space throughout the country. It is correct that this is an emergency authority only and will automatically go out of existence at the end of 3 years when the Federal buildings fund goes into effect?

Mr. GRAY. Mr. Chairman, will the gentleman yield further?

Mr. THONE. I yield further.

Mr. GRAY. The answer is emphatically "yes." The law provides for the expiration of the purchase contract authority after the 3-year period and reverting back to direct fund appropriations.

Mr. THONE. I thank the distinguished gentleman from Illinois.

Mr. Chairman, accountability is the most important aspect of the legislation we are considering.

At present, various Federal departments and agencies are not held fiscally responsible for the space they occupy. Instead, money to pay for building rentals, maintenance, and service is nearly all appropriated to the General Services Administration. In fiscal 1971, GSA was appropriated \$660 million to provide more than 220 million square feet and necessary services for 820,000 Federal employees.

This proposed legislation, of which I am a cosponsor, will change this situation. It will provide that each agency will be accountable for the space it uses. Each agency will pay user charges for space. Governmental bureaus now may insist to GSA that they need more space than actually necessary. Each agency will be less likely to ask for more space than needed, when the cost of that space will be reflected each year in its annual appropriations request to Congress. Allocation of these costs will also give Congress, the President, and the general public a truer picture of the cost of each function of the Federal Government.

The user charges will provide a solution to a problem that has long troubled the user agencies. It will be used to set up a GSA Building Fund. Operating

costs of buildings will come out of this fund. As time goes by, the fund will have in it sufficient moneys to pay for new Federal buildings as they are needed. Thus, we hope to end the position it is now in, with 63 new Federal buildings authorized without funds being provided for construction.

That brings me to the second important aspect of this proposed legislation. It will allow Congress to keep the promises this body has made to communities all over America. Through authorization acts of Congress, these cities have been promised new Federal buildings. Citizens in these areas are beginning to wonder if Congress will ever keep these promises. Some of the Federal buildings were authorized 9 years ago and still have not been funded for construction.

At the rate appropriations for Federal buildings have been made over the past dozen years, it would take at least until 1982 to fund the 63 buildings authorized in 1969 and earlier.

In this bill, we have our solution. Through purchase contracts the Federal buildings already authorized by Congress would be built. Entrepreneurs would provide the capital to build the buildings to Government-approved plans and specifications. At the end of the contracts, the Government would own all these buildings. Bear in mind that the purchase contract phase of this legislation would only be in effect for 3 years. After that, the user charge fund should contain money to pay for Federal buildings as needed.

The effect of Federal building authorization without construction funding can be devastating for a community. I can speak first hand for a city in my district, Lincoln, Nebr. The Senate approved the prospectus for a new Federal building in Lincoln in 1965 and the House of Representatives gave approval in 1966. The land involved consists of two square blocks in the heart of the central city district of this community of 150,000. For 6 years, the buildings on this land have been allowed to deteriorate. Some of this land, which is valuable enough for much higher use, has been used only for unpaved parking lots.

Much development by private enterprise has not taken place because this land has laid idle. If the Federal building is begun in the near future, I am certain that it will trigger much private development nearby.

The community of Lincoln, Nebr., illustrates another important factor that this body should consider. The Federal Government is now paying about \$1½ million annually for rental space scattered all over Lincoln. Some agencies are trying to conduct business in at least 3 buildings. This payment of rent by the Federal Government in Lincoln will be ended, this scattering of agencies will be ended, if the Lincoln Federal building is constructed.

In Lincoln and in 63 other American cities, we can stimulate employment and business by passing this act. We can end rental payments by constructing buildings that will be federally owned. We can do this all over the Nation. We can make Government agen-

cles accountable for the office space they use. We can provide a permanent solution to the persistent and troublesome problem of funding Federal buildings for construction. I urgently solicit your votes in favor of H.R. 10488, which is a companion bill of one that I introduced in this regard.

Mr. HARSHA. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Ohio (Mr. WHALEN).

Mr. WHALEN. I thank the gentleman for yielding.

I rise in support of this measure. I can testify from personal experience as to the need for the new Federal building for Dayton, Ohio, which is contained in this measure.

At the present time the Federal offices are located in a building which was constructed in 1915. Architecturally, this 57-year-old building is very beautiful. However, it is extremely inefficient, inasmuch as it was built to house a post office rather than Federal offices. Too, maintenance costs are extremely high.

Further, at the present time in the Dayton area the Federal Government rents approximately 41,000 square feet at an annual rental of \$205,000. All of these offices will be consolidated in the new Federal building once it is constructed. The land is available. The architectural plans have been completed. We are ready to go.

Passage of this bill certainly will save at least 10 years in respect to correcting the costly, wasteful Federal office operation which presently exists in the Dayton area. Therefore, I hope my colleagues will support this measure.

Mr. HARSHA. Mr. Chairman, I have no further requests for time, and I reserve the remainder of my time.

Mr. GRAY. Mr. Chairman, I yield such time as he may consume to the gentleman from Wyoming (Mr. RONCALIO).

Mr. RONCALIO. Mr. Chairman, I shall use but a minute.

I want to observe that over the past decade I have waited for the day when I could look at a public works authorization bill and find not 1 cent spent for public office buildings in the District of Columbia. I believe that is a great precedent and a move in the right direction.

And lest some of my colleagues are looking in the direction of the Rocky Mountain States, there is not any item for the great State of Wyoming, either, or for the State of Colorado or Utah. There must be an end to District of Columbia Federal construction—a breathing spell.

I hope this is a landmark and a beginning to that end.

Mr. GRAY. Mr. Chairman, I yield myself the remaining time.

As I stated in my previous remarks, this is an historic bill in many ways, because I think it will save millions of dollars of the taxpayers' money in the long run by requiring Federal agencies to pay for the space they use. We can look at agencies all over the Nation and we can see them sprawling out in all kinds of ways in rented facilities. We think it is time that they be held accountable. This

bill requires that type of accountability, and we will take these savings in order to build much-needed facilities in congressional districts all over the Nation.

I want to thank the members of the House Committee on Public Works on both sides of the aisle, because this is a bipartisan measure which was reported out unanimously. I want to single out especially our very distinguished and able chairman, the gentleman from Minnesota (Mr. BLATNIK) who is always sympathetic and helpful, a man of compassion. This kind of critical legislation that comes from the Committee on Public Works unanimously could not have been brought here without his able assistance. I also want to thank our chief counsel, Mr. Sullivan, my able assistant, Mrs. Nancy Vitali, and the staff for their help.

Mr. BLATNIK. Will the gentleman yield?

Mr. GRAY. Of course I yield to the distinguished gentleman from Minnesota.

Mr. BLATNIK. I appreciate the very generous and certainly thoughtful comments and references to the chairman of the committee.

I would like to make a comment about the work of the subcommittee chairman, Mr. GRAY, and the cooperation received from the minority side in toto and the excellent staff work that has been done there.

Let me say each one of these projects represented a crying need in a given area. Yet it would seem that each one of these projects has some element of justifiable and understandable difference of opinion or judgment in it which could lead to divisiveness. It could either be so because the needs of the local community were opposed to the needs of a State agency or because of a conflict between one or more Federal agencies or because there was a difference of opinion between the members of the subcommittee. Each one of these projects was systematically, patiently, and considerately considered, and each problem was constructively worked out.

I want to commend the chairman of the subcommittee and all of the members of the subcommittee and the staff for the thorough and responsible manner in which they worked out this piece of legislation. It enables us to come out with a good solution to meet the needs of many areas.

I urge that the bill be approved by this full body as presented.

I yield back the balance of my time.

Mr. McMILLAN. Mr. Chairman, I rise in support of the pending bill and would like to state that in my opinion, it is one of the most important bills that has been considered in the Congress since the Christmas holidays.

I am certain the chairman of the Appropriations Committee and the chairman of the Independent Offices Subcommittee of Appropriations will remember that in 1968, approximately \$5 million was allocated for a Federal building in my hometown of Florence, S.C. The General Services Administration, the Post Office Department officials, and the U.S. district judges in South Carolina had wanted at Florence. The Congress passed

the bill and the President added his signature; however, after the Federal Government had the plans for the new building drawn up, and the structures cleared from the lot which had been purchased for the new building, the President issued a freeze on all Federal buildings that had not actually begun.

I am delighted that the Public Works Committee has authorized this building in the pending bill and I hope the Members of Congress will understand just how badly we need this building since there are approximately 200 postal employees working in a temporary, abandoned, automobile salesroom. There are also approximately 75 social security employees in addition to the Labor Department inspectors and FBI agents who are waiting to use this new building. The court officials tell me that they are in dire need of a new courtroom as the one in the old building is completely outmoded.

I sincerely hope the Members of Congress will understand that this is, in my opinion, emergency legislation which should be enacted into law without further delay.

Mr. MIZELL. Mr. Chairman, I want to express my strong support for this legislation to provide for financing the acquisition, construction, alteration, maintenance operation, and protection of public buildings.

This legislation, which was reported out of the Public Works Subcommittee on Public Buildings and Grounds, of which I am a member, is a badly needed bill and a very sensible one as well.

Under provisions of this legislation, the Federal Government could authorize construction of Federal buildings by private contractors, and then lease the buildings for a specified period, with the rent payments being applied toward final purchase of the buildings by the Government.

When the lease expires, the Government assumes full ownership, but, until that date, the property and the building would be subject to local taxation.

There are currently 63 Federal building projects throughout the country which have been delayed for lack of Government funds. The General Services Administration is now required to provide direct Federal funding for new construction projects. The lack of sufficient funds has resulted in an estimated 16-year backlog of projects.

Of particular interest to the people of North Carolina's Fifth Congressional District, which I represent, is the effect this legislation would have on a proposed new Federal building to be constructed in Winston-Salem.

The Winston-Salem project was approved for construction 3 years ago, but progress beyond the designing stage has been stalled because of insufficient Federal funds. Estimated construction cost for the 287,000-square-foot building is \$13.1 million.

The legislation we offer today will significantly accelerate work on the proposed Federal building in Winston-Salem, possibly pushing the completion date up to 1974. It is permitting similar accelerated construction sched-

ules for other projects throughout the Nation.

I strongly recommend that my colleagues join me in voting for passage of this legislation.

Mr. HARSHA. Mr. Chairman, I have no further requests for time.

Mr. GRAY. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. In accordance with the rule, the committee amendment in the nature of a substitute printed in the bill will be read by the Clerk as an original bill for the purpose of amendment.

Mr. GRAY. Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

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

Mr. GROSS. Mr. Chairman, I would suggest to the gentleman that the bill be read by sections. This would require some eight unanimous-consent requests for the reading of the sections, and I realize this.

Mr. GRAY. Mr. Chairman, I withdraw my unanimous-consent request.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

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 "Public Buildings Amendments of 1972".

Sec. 2. The Public Buildings Act of 1959 (73 Stat. 479), as amended (40 U.S.C. 601 et seq.), is amended as follows:

(1) strike out in subsection (b) of section 4 the figure "\$200,000" and insert the figure "\$500,000" in lieu thereof;

(2) strike out in subsection (a) of section 12 the following: "as he determines necessary";

(3) insert at the end of section 12(c) the following sentence: "In developing plans for such new buildings, the Administrator shall give due consideration to excellence of architecture and design."; and

(4) section 7 is amended to read as follows: "Sec. 7. (a) In order to insure the equitable distribution of public buildings throughout the United States with due regard for the comparative urgency of need for such buildings, except as provided in section 4, no appropriation shall be made to construct, alter, purchase, or to acquire any building to be used as a public building which involves a total expenditure in excess of \$500,000 if such construction, alteration, purchase, or acquisition has not been approved by resolutions adopted by the Committee on Public Works of the Senate and House of Representatives, respectively. No appropriation shall be made to lease any space at an average annual rental in excess of \$500,000 for use for public purposes if such lease has not been approved by resolutions adopted by the Committee on Public Works of the Senate and House of Representatives, respectively. For the purpose of securing consideration for such approval, the Administrator shall transmit to the Congress a prospectus of the proposed facility, including (but not limited to)—

"(1) a brief description of the building to be constructed, altered, purchased, acquired, or the space to be leased under this Act;

"(2) the location of the building or space to be leased and an estimate of the maximum cost to the United States of the facility to be constructed, altered, purchased, acquired, or the space to be leased under this Act;

"(3) a comprehensive plan for providing space for all Government officers and em-

ployees in the locality of the proposed facility or the space to be leased, having due regard for suitable space which may continue to be available in existing Government-owned or occupied buildings;

"(4) with respect to any project for the construction, alteration, purchase, or acquisition of any building, a statement by the Administrator that suitable space owned by the Government is not available and that suitable rental space is not available at a price commensurate with that to be afforded through the proposed action; and

"(5) a statement of rents and other housing costs currently being paid by the Government for Federal agencies to be housed in the building to be constructed, altered, purchased, acquired, or the space to be leased.

"(b) The estimated maximum cost of any project approved under this section as set forth in any prospectus may be increased by an amount equal to the percentage increase, if any, as determined by the Administrator, in construction or alteration costs, as the case may be, from the date of transmittal of such prospectus to Congress, but in no event shall the increase authorized by this subsection exceed 10 per centum of such estimated maximum cost.

"(c) In the case of any project approved for construction, alteration, or acquisition by the Committees on Public Works of the Senate and of the House of Representatives, respectively, in accordance with subsection (a) of this section, for which an appropriation has not been made within one year after the date of such approval, either the Committee on Public Works of the Senate or the Committee on Public Works of the House of Representatives, may rescind, by resolution, its approval of such project at any time thereafter before such an appropriation has been made."

Mr. GRAY (during the reading). Mr. Chairman, I ask unanimous consent that section 2 be considered as read, printed in the RECORD, and open to amendment at any point.

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

There was no objection.

The CHAIRMAN. Are there any amendments to be proposed to section 2? If not, the Clerk will read.

The Clerk read as follows:

Sec. 3. Subsection (f) of section 210 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)), is amended to read as follows:

"(f) (1) There is hereby established in the Treasury of the United States on such date as may be determined by the Administrator, a fund into which there shall be deposited the following revenues and collections:

"(A) User charges made pursuant to subsection (j) of this section payable in advance or otherwise.

"(B) Proceeds with respect to building sites authorized to be leased pursuant to subsection (a) of this section, and proceeds with respect to building sites, plans, and specifications authorized to be sold pursuant to subsection (h) of this section.

"(C) Receipts for carriers and others for loss of, or damage to, property belonging to the fund.

"(2) Moneys deposited into the fund shall be available for expenditure for real property management and related activities in such amounts as are specified in annual appropriations Acts without regard to fiscal year limitations.

"(3) There are hereby merged with the fund established under this subsection, unexpended balances of (A) the Buildings Fund, established pursuant to this subsection prior to its amendment by the Public

Buildings Amendments of 1972; (B) the Construction Services Fund, created by section 9 of the Act of June 14, 1946 (60 Stat. 259), as amended; and (C) any funds appropriated to General Services Administration under the headings 'Repair and Improvement of Public Buildings', 'Construction, Public Buildings Projects', 'Sites and Expenses, Public Buildings Projects', 'Construction, Federal Office Building Numbered 7, Washington, District of Columbia', and 'Additional Court Facilities', in any appropriation Acts for the years prior to the fiscal year in which the fund becomes operational. The fund shall assume all the liabilities, obligations, and commitments of the said (1) Buildings Management Fund, (2) Construction Services Fund, and (3) the appropriations specified in (C) hereof.

"(4) In any fiscal year there may be deposited to miscellaneous receipts in the Treasury of the United States such amount as may be specified in appropriation Acts.

"(5) Nothing in this section shall preclude the Administrator from providing special services not included in the standard level user charge on a reimbursable basis and such reimbursements may be credited to the fund established under this subsection."

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

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa? There was no objection.

The CHAIRMAN. Are there any amendments to be proposed to section 3?

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words.

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, I take this time to ask the gentleman from Illinois, or some other member of the committee, what is proposed to be done specifically in this bill with respect to a sports center in the District of Columbia?

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

Mr. GROSS. I am glad to yield to the gentleman from Illinois.

Mr. GRAY. I would be happy and delighted to answer that question for my friend.

If you will refer to page 30 of the report, you will find a listing of all of the buildings authorized by line item in this bill. Then if you will refer to—

Mr. GROSS. Where on page 30 will I find them?

Mr. GRAY. If the gentleman will bear with me, I shall be glad to answer his question. I know this is an important matter.

Mr. HARSHA. Mr. Chairman, will the gentleman yield to me?

Mr. GROSS. Yes; I yield to the gentleman from Ohio.

Mr. HARSHA. There is nothing contained in the provisions of this bill that actually authorizes a building known as a sports arena or convention center.

Under the purchase contract authority, conceivably such a building could be built. However, first, it would have to meet certain requirements; that is, the President of the United States would have to declare that that building is a public building. If he would have to come before the House and Senate Public Works Committees and have the

prospectus approved by those committees for the construction of the building.

Mr. GROSS. The President would have to come before the committee?

Mr. HARSHA. No.

Mr. GROSS. Who would come before the committee?

Mr. HARSHA. Representatives of the General Services Administration would come before the committee after the President made a finding that that was a public building and in the public interest. Then, there would be an amendment offered—and if it is not offered by anyone else, I shall offer it—that no building under this purchase contract authority can be approved until it, first, has been approved by both the Senate and House Appropriation Committees. So, you would have to get the authorization from the Senate and House Public Works Committees and then you would have to get the funding by resolution from the House and Senate Appropriation Committees. So, there would be three steps that would have to be followed in order to build such a building.

Mr. GROSS. In the matter of the construction of public buildings the gentleman's amendment would make a lot of sense and restore some degree of responsibility to the Congress that it has not had in the matter of authorizing buildings. Here, today, we are asked to vote for 63 buildings.

What do we know about the need and the necessity for them? They do not have to be justified on an individual basis. Complete authority has been delegated to this committee.

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

Mr. GROSS. In just a minute.

And as was explained to me earlier in the day in the matter of the 63 buildings, the Committee on Appropriations will look these things over. And then I heard from a veteran member of the Committee on Appropriations, who said, "We have already taken care of the funds for these buildings. You can start shoveling dirt almost the minute this bill passes, because we have already given our blessing to these 63 buildings."

Now I yield to the gentleman from Illinois.

Mr. GRAY. Mr. Chairman, first, if I could, I now have the precise language, and I will read it to the gentleman, concerning the sports arena and convention center.

On page 18 of the report it says:

Except for previously approved prospectuses—

Meaning these 63 buildings—

referred to in (e) above, no purchase contract shall be entered into pursuant to the authority of this section until a prospectus therefor has been submitted and approved in accordance with section 8 of this Act.

So, I want to lay this perfectly clearly on the table where you can all see it; that, as far as the building of the sports arena and convention center, there is nothing in this bill to build the sports arena and convention center.

Mr. GROSS. We have been duped around here all too often with regard to the sports arena and convention center. We were told we were through

financing that thing, and the gentleman must admit—

Mr. GRAY. If the gentleman will yield further, we are through financing it.

Mr. GROSS. What do you mean we are through financing it? You have \$1.5 million for it in this bill.

Mr. GRAY. For security.

Mr. GROSS. We have been told that before; that we had appropriated the last of the money for the Kennedy Cultural Center.

Mr. GRAY. For the construction. There is nothing in here for the further construction of the Kennedy Center, and there is nothing in this bill for the performing arts function of the Cultural Center. But if you go down to the George Washington Monument you can see that that facility was started, and it went up about 50 feet, and then for 60 years it was allowed to lie dormant. Finally Congress had to go in and finish it. You can see that that is so because of the different color in the stonework, and we have continued to maintain the security of that movement, and that is all we are doing to the monument for our deceased President, is to maintain the monument.

Mr. GROSS. Let me tell you something else about the Washington Monument. It took about 40 years to complete it. That was back in the days when they gave consideration to balanced budgets, and had some consideration for financial sanity in the Federal Government.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

(By unanimous consent, Mr. GROSS was allowed to proceed for 5 additional minutes.)

Mr. GRAY. Mr. Chairman, will the gentleman yield further?

Mr. GROSS. In just a minute. Yes, it took about 40 years to finish the monument to George Washington, and yet today it has to be instant salvation—we have to have these 63 buildings right now to take care of two things, more bureaucrats and forced-draft spending for employment. That is the story. Instead of doing what we ought to do, and that is to cut down on this bureaucracy so that we do not have to go out and put up 63 more buildings. Instead of doing the things that are sane and right and reasonable, we are going to spend money that we do not have for 63 more buildings.

Mr. GRAY. If the gentleman will yield further, I just want to say that when we wrote this bill we had the distinguished gentleman from Iowa in mind.

Mr. GROSS. If you really had me in mind you would not have put \$1.5 million in this bill for that cultural palace in Foggy Bottom.

Mr. GRAY. I am talking about the general provisions of the bill. That amendment was added afterwards, but in the bill itself we did have the gentleman from Iowa in mind. Because this was tightening up of our procedure. But if the gentleman wants to know where the money is coming from, it is out of the money that we are now paying in rents. We think it is time that we should stop paying rents, and build some government-owned buildings so we will save money.

Mr. GROSS. The gentleman is exactly tremendously helpful, and I would like to

see one of these buildings built in the gentleman from Iowa's district, and see the name put on it, the H. R. Gross Building.

Mr. GROSS. Just spare me that, if you will, please; just spare me in that.

Mr. JACOBS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have, of course tremendous affection for the members of the committee. But, I disagree with this bill as deeply as I can disagree with anything. There is a provision in it—you can go and get your chart out—yes, young lady, get the chart out and show them that in Indianapolis, Ind., there is a new Federal building proposed. But save the time of telling me about it because I already know it. I want the building. But I do not want Indianapolis Federal taxpayers to have to pay for it three or four times.

I would like to have it built with some kind of what they used to call fiscal responsibility.

It has already been acknowledged here, by one Member that direct financing is the less expensive way to build. But we cannot afford to do that—there is too big a deficit in the Federal budget.

That is the same kind of shape that a bum is in when he goes to a bank to borrow money and they tell him—"You already owe us \$40 billion—we are not going to lend you any money." So he runs out in the street and deals with sharpies. "How much interest?" "Oh, 25 percent or 30 percent—do not worry about it. Someone else will pay it off anyway. You can pay 25-percent or 30-percent interest and we will let you have \$5 to go out and eat and have a good time this afternoon."

Well, I dub this approach in this bill a "hide the deficit bill." What you are going to do under this bill is take borrowed money and use it to pay rent to private contractors who borrowed money and put that borrowing in the structure of the rent that they charge.

So what you end up doing is borrowing twice and paying interest twice.

We have a truth-in-lending law. Why do we not have a truth-in-borrowing law for the American people and make it apply to the Congress and make it apply to the Federal Government? Under this bill which pretends we are not borrowing to put up the buildings, we end up borrowing more and paying more in interest.

What happens after these private people put up the building and each agency pays its own rent? We stop paying rent to the private facilities in the community that we are occupying now. The only thing I can tell you is, that in connection with this new library over here, the Manson Library, they are paying \$3 million rent now around down to private places, and the interest on the bonds or the interest on the money borrowed to put up that building is going to be \$5 million a year. That is how you save the taxpayers' money. It is costing them a net increase of \$2 million per year. And "them" includes Americans yet unborn.

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

Mr. GROSS. The gentleman is exactly

right. The lease-purchase building arrangement certainly passes on to the generation to come the mortgage debt for these buildings. That is what we are doing; handing on to the children of today and tomorrow the obligations this Government ought to assume today.

Mr. JACOBS. Yes.

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

Mr. JACOBS. I yield to the gentleman.

Mr. GRAY. I know that the gentleman is honest and sincere and I have great respect for him. But let us look at the hard, cold facts of this proposed Federal building in Indianapolis, Ind.

Mr. JACOBS. That is what I was hoping you would do.

Mr. GRAY. Would the gentleman advocate that we eliminate the Federal Social Security Administration and the Department of Agriculture and the Department of the Interior and all of the other agencies in Indianapolis?

Mr. JACOBS. That is irrelevant to what I am talking about. What I am talking about is that if there are needs in this country, I am talking about meeting them responsibly.

Mr. GRAY. All right. I asked the gentleman a question—Do you see any possibility of eliminating them?

Mr. JACOBS. Why do not you ask me what I am going to have for dinner tonight? It is irrelevant. Of course, I do not advocate the elimination of legitimate needs of government in this country.

Mr. GRAY. That is the first part of the question and if the gentleman will yield further, I will answer the question propounded by him.

Mr. JACOBS. I yield further to the gentleman.

Mr. GRAY. This method is not going to cost the taxpayers more money. No. 1, we approved that building for your city in 1964, 8 years ago. There has been a 10-percent, and in some cases a 12-percent, escalation cost per year. That building now is going to cost the taxpayers double.

You will not have to pay an entrepreneur 100-percent interest when you borrow from him. If you wait any longer it will cost your taxpayers much more than the method provided in this bill.

By waiting the taxpayers of Indianapolis have already paid twice for that building and they still do not have it. That is being pennywise and dollar foolish. Every year that these 63 projects remain on the shelf results in another \$100 million extra cost to the taxpayers. So we either eliminate the need for the buildings or we build them now.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

(By unanimous consent, Mr. JACOBS was allowed to proceed for 5 additional minutes.)

Mr. JACOBS. I thank the gentleman for what he said just now, for it leads me into my next point: The escalation in the cost of building in Indianapolis. That is precisely why the building was not put up in 1965. The war in Vietnam was escalated, and \$30 billion was piled on top of the Federal budget without a penny of additional tax being secured

or any fiscal responsibility shown—\$30 billion was piled on top of the Federal budget with no additional taxes at all. After all, we were on a holy crusade and the Lord would provide us with some sort of alchemy through which we would produce that \$30 billion. We would not have to tax for it.

I remember my father said at the time that if they raised the taxes to pay for this venture in the quicksands of Asia, the war in Vietnam, it would stop two things: It would stop the inflation and it would stop the intervention.

Now, there are direct funds available to back up the Penn Central loan and the Lockheed business. There are plenty of direct funds to pay wealthy farmers not to farm. And I have filed a discharge petition here to get rid of the "big shot" limousines the Federal Government pays for. Why, you cannot even walk across the street around the Capitol Building because chauffeurs with their fancy uniforms are leaning up against these limousines after hauling bureaucrats down here to tell us how to run the Government.

There are two signatures on that discharge petition, that of the gentleman from California (Mr. Roussetor) and the gentleman from Indiana (Mr. JACOBS). That is an interesting combination. There are direct funds available for that purpose, but there are not direct funds available for buildings that the gentleman says we need, and in effect must borrow two or three times to buy.

I say again, and I emphasize it: You are passing here a new scheme to hide the deficit, to borrow money twice, to pay two interest rates on it, and to allow the fellow who puts up the building to use a little thing called depreciation that puts him on easy street for the rest of his life, and maybe for his descendants, too. So some descendants are getting something out of this.

Mr. Chairman, I should like to mention the pork barrel end of the proposal. Wonderful. Why, if you talk against this approach, we will go out and tell them you are against a new Federal building.

Go ahead and tell them. It is not true. I am in favor of a Federal building of some kind—with fiscal responsibility. Tell the American people how you are going to give them something they need. But remember that line in the show tune that "If you can give the baby a locket from her daddy's pocket you are a natural in politics."

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

Mr. JACOBS. I yield to the gentleman from Illinois.

Mr. GRAY. I am sure the gentleman would not want to leave the impression that the Congress is losing control and that there will be clever manipulations downtown in this program.

Mr. JACOBS. What do you mean? I just spent 8 minutes trying to leave that impression. I am not implying it; I am saying it directly.

Mr. GRAY. Then the gentleman does not understand the bill. The bill charges Federal agencies in your city for using a revolving fund. That revolving fund is

spent through the actions of the House and the Senate Committees on Appropriation, and if they approve it, as we approve direct appropriations, the money goes to pay the developer of the building. Tell me where there are any hidden charges.

Mr. JACOBS. That revolving fund is being held at the head of every taxpayer and his descendants in this country. That is where the hidden charges are. If you want to find another place where they are trying to do something about inflation I suggest that you will find that by going to a grocery store; they do not even wait until the new stock comes in. They put higher price tags on top of the price tags. They change the prices before they even sell their existing stock. If you do not believe that, go and find out.

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

Mr. JACOBS. I yield to the gentleman from Ohio.

Mr. HARSHA. You talk about irrelevant arguments. The gentleman is now stating an irrelevancy.

Mr. JACOBS. Does the gentleman think the actions of the Federal Government in this particular instance are irrelevant to the inflation that is killing this country?

Mr. HARSHA. If the gentleman wants a compromise, we will accommodate him. The Indianapolis building is included at \$28 million. We will take it out of there.

Mr. JACOBS. Oh, sure, so your farm subsidies can take its place and your limousines can take its place. Throw out the waste in the budget and you can build the Indianapolis facility and still give the American public a tax cut.

I yield back the balance of my time.

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

Mr. Chairman, let me point out here that if we went the direct appropriation route, this \$760 million would be added to the national deficit. Recently the Federal Government borrowed money to take care of the burden of the interest rate and other operating costs on long-term notes, and it paid 5.9 percent interest. So any addition to that national deficit—and the addition of \$760 million, if we went the direct appropriations route, at an interest rate of 5.9 percent, would be to add to that deficit until such time as the national deficit is paid off—and apparently it will not be paid off.

So we are not going out and incurring a great deal of hidden charges. Rather, in the most expeditious way and at the least expense to the Government, we are trying to get Government facilities for needed services which people are demanding, which we are not able to provide under the direct appropriation process. It will cost us only the differential between what we have to pay to borrow money at 5.9 percent and what we are going to have to pay for these purchase contracts. It has been estimated at 7.5 percent. So the true differential in cost that is going to have to be assumed by the taxpayers is the difference between 7.5 percent and 5.9 percent.

They suggest to the House that by this

consolidation of office space throughout the Government, we will save millions of dollars annually. If each agency is charged with the responsibility of financing, funding and defending its budget requests for space before the Appropriations Committee, it will be inclined to conserve space, and that conservation of space will save dollars for the American taxpayer.

In addition to that, the space we are presently renting all over the United States to provide adequate space for Federal agencies, will no longer be needed. We will no longer have to pay for the cost of that space. In addition, the consolidation of agencies into one building will save a great deal of time and lost effort of people going to and from the various buildings and the cost of the transportation of those individuals. That will result in more efficient and effective service to the taxpayer.

So, in the final analysis, this process will in effect save money for the taxpayers, contrary to what the gentleman asserts.

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

Mr. HARSHA. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I will say to my friend, the gentleman from Ohio, that the construction startup costs of a billion dollars in this bill will have to come from somewhere. Does not the gentleman think we ought to reserve something for the day of financial collapse in this country, because it is inevitable the way we are going?

Mr. HARSHA. The startup costs will not be a billion dollars to the Federal Government. It will be considerably less. In the committee's report we showed the startup costs and continuation costs for a number of years.

I would hope the gentleman will still feel we will have a balanced budget at some time.

Mr. GROSS. Not with bills such as this will we have balanced budgets.

Mr. HARSHA. I would hazard the observation that if the gentleman continues his fine work of watchdogging the Treasury, we will have a balanced budget.

Mr. GROSS. Thank you.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

Sec. 4. Section 210 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490), is amended by adding two new subsections reading as follows:

"(j) The Administrator is authorized and directed to charge anyone furnished services, space, quarters maintenance, repair, or other facilities (hereinafter referred to as space and services), at rates to be determined by the Administrator from time to time and provided for in regulations issued by him. Such rates and charges shall approximate commercial charges for comparable space and services, except that with respect to those buildings for which the Administrator of General Services is responsible for alterations only (as the term 'alter' is defined in section 13(5) of the Public Buildings Act of 1959 (73 Stat. 479), as amended (40 U.S.C. 612(5))), the rates charged the occupant for such services shall be fixed by the Administrator at the applicable cost incurred by him in providing such alterations. The Administrator may exempt anyone from the charges required by this subsection. To the extent any such exemption is granted, appropriations to the General Services Administration are authorized to reimburse the fund for any loss of revenue.

"(k) Any executive agency, other than the General Services Administration, which provides to anyone space and services set forth in subsection (j) of this section, is authorized to charge the occupant for such space and services at rates approved by the Administrator and the Director of the Office of Management and Budget. Moneys derived by such executive agency from such rates or fees shall be credited to the appropriation or fund initially charged for providing the service, except that amounts which are in excess of actual operating and maintenance costs of providing the service shall be credited to miscellaneous receipts unless otherwise authorized by law."

Mr. GRAY (during the reading). Mr. Chairman, I ask unanimous consent that section 4 be considered as read, printed in the RECORD, and open to amendment at any point.

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

There was no objection.

The CHAIRMAN. Are there any amendments to be proposed? If not, the Clerk will read.

The Clerk read as follows:

Sec. 5 (a) Whenever the Administrator of General Services determines that the best interests of the United States will be served by taking action hereunder, he is authorized to provide space by entering into purchase contracts, the terms of which shall not be more than thirty years and which shall provide in each case that title to the property shall vest in the United States at or before the expiration of the contract term and upon fulfillment of the terms and conditions stipulated in each of such purchase contracts. Such terms and conditions shall include provision for the application to the purchase price agreed upon therein of installment payments made thereunder. Each purchase contract authorized by this section shall be entered into pursuant to the provisions of title III of the Federal Property and Administrative Services Act of 1949, as amended. If any such contract is negotiated, the determination and findings supporting such negotiation shall be promptly reported in writing to the Committees on Public Works of the Senate and House of Representatives. Proposals for purchase contracts shall be solicited from the maximum number of qualified sources consistent with the nature and requirements of the facility to be procured.

(b) Each such purchase contract shall include such provisions as the Administrator of General Services, in his discretion, shall deem to be in the best interests of the United States and appropriate to secure the performance of the obligations imposed upon the party or parties that shall enter into such agreement with the United States. No such purchase contract shall provide for any payments to be made by the United States in excess of the amount necessary, as determined by the Administrator, to—

(1) amortize the cost of construction of improvements to be constructed plus the fair market value, on the date of the agreement, of the site, if not owned by the United States; and

(2) provide a reasonable rate of interest on the outstanding principal as determined under paragraph (1) above; and

(3) reimburse the contractor for the cost under the contract, including (but not limited to) payment of taxes, costs of carrying appropriate insurance, and costs of repair and maintenance if so required of the contractor.

(c) Funds available on the date of enactment of this subsection for the payment of rent and related charges for premises, whether appropriated directly to the General Services Administration or to any other agency of the Government and received by said Administration for such purpose, may be utilized by the Administrator of General Services to make payments becoming due from time to time from the United States as current charges in connection with agreements entered into under authority of this section.

(d) With respect to any interest in real property acquired under the provisions of this section, the same shall be subject to State and local taxes until title to the same shall pass to the Government of the United States.

(e) For the purpose of purchase contracts provided for in this section for the erection by the contractor of buildings and improvements for the use of the United States, the Administrator is authorized to enter into agreements with any person, copartnership, corporation, or other public or private entity, to effectuate any of the purposes of this section; and is further authorized to bring about the development and improvement of any land owned by the United States and under the control of the General Services Administration including the demolition of obsolete and outmoded structures situated thereon, by providing for the construction thereon by others of such structures and facilities as shall be the subject of the applicable purchase contracts, and by making available such plans and specifications for the construction of a public building thereon as the Government may possess. Provisions heretofore approved pursuant to the provisions of the Public Buildings Act of 1959, as amended (40 U.S.C. 601 et seq.), and as constructed under authority of this section without further approval, and the prospectuses submitted to obtain such approval shall for all purposes, be considered as prospectuses for the purchase of space, except that any such project shall be subject to the requirements of section 7(b) of the Public Buildings Act of 1959, as amended, based upon an estimated maximum cost increased by not more than an average of 10 per centum per year, exclusive of financing or other costs attributable to the use of the method of construction authorized by this section.

(f) Except for previously approved prospectuses referred to in (e) above, no purchase contract shall be entered into pursuant to the authority of this section until a prospectus therefor has been submitted and approved in accordance with section 7 of the Public Buildings Act of 1959, as amended, and each such prospectus shall be limited to public buildings generally suitable for office or storage space or both and any other type of public building that is specifically approved by resolution adopted by the Committee on Public Works of the Senate and the House of Representatives for a purchase contract under this section.

(g) No purchase contract shall be entered into under the authority granted under this section after the end of the third fiscal year which begins after the date of enactment of this section.

Mr. GRAY (during the reading). Mr. Chairman, I ask unanimous consent that section 5 be considered as read, printed in the RECORD, and open to amendment at any point.

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

There was no objection.

There was no objection.

AMENDMENT OFFERED BY MR. STEED

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

The Clerk read as follows:

Amendment offered by Mr. STEED: Page 24, after line 13, insert the following:

"(h) No purchase contract shall be entered into under this section until it has been authorized by resolutions adopted by the Committees on Appropriations of the Senate and House of Representatives, respectively."

Mr. STEED. Mr. Chairman, the reason why I offer this amendment is that I believe it is an improvement in the bill and it answers some of the concern which some of the Members have had.

I believe it is fair to point out that there are several stages we go through in the process of construction of Federal buildings. Since our subcommittee is deeply involved in this whole process, it is important that we have this amendment to keep this whole program in an orderly balance.

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

Mr. STEED. I am happy to yield to the gentleman from Ohio.

Mr. BOW. I should like to say to the gentleman that I wholeheartedly support the amendment he has offered. I believe it is a great improvement in the bill and will give us some oversight in the Appropriations Committee.

Mr. STEED. I thank the gentleman.

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

Mr. STEED. I am happy to yield to the gentleman from Illinois.

Mr. GRAY. Certainly the Committee on Public Works wants to continue its cooperation with the Appropriations Committee on the funding of public buildings. This is one additional oversight provision the Appropriations Committee would have, and we on this side are prepared to accept the gentleman's amendment.

Mr. STEED. I thank the gentleman.

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

Mr. STEED. I yield to the gentleman from Ohio.

Mr. HARSHA. I thank the gentleman for yielding. This is precisely the amendment I had at the desk, and I believe it more properly comes from the distinguished chairman of the subcommittee of the Appropriations Committee. I believe it is proper to include oversight for the Appropriations Committee, and we are happy to accept it on this side of the aisle.

Mr. STEED. I thank the gentleman.

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

Mr. STEED. I am happy to yield to the gentleman from Texas.

Mr. WRIGHT. As I heard the gentleman's amendment read, I believe it did not have the same caveat that applies in subsection (f) with respect to Public Works Committee approvals, wherein it says:

Except for previously approved prospectuses referred to in (e) above, no purchase contract shall be entered into

I wonder if the gentleman would agree to that same sort of arrangement with regard to his committee?

Mr. STEED. As I understand it, the gentleman's committee has to act first. They work up a project, and then they bring it to us in final form and we have to act on it. This keeps it in balance with other work in this field our committee has to do.

I believe there would be no delay in the program, and that this ought to be approved.

I shall call attention to the fact that in our bill our subcommittee handles we are charged with the responsibility of enabling the General Services Administration to provide space throughout the country which the Government has to have to carry on its work. Our rent account is quite heavy. It is nearing the half-billion dollar mark. A large part of that rent account is dedicated to getting space in these areas where these buildings are so badly needed. There is a very high criteria on the justification for erecting Federal buildings.

This bill provides a new tool, added to what we have already, to proceed to get the Government in the most economical housing possible to be provided. With this amendment in here I believe any objection I would have to the bill would be eliminated, and I would support the bill wholeheartedly.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield further?

Mr. STEED. I yield further.

Mr. WRIGHT. In order to achieve an understanding between the two committees, I believe the gentleman's amendment by its terms would require these projects already authorized by the Public Works Committee to come to the Appropriations Committee before they could be constructed, for specific authorizing resolutions from the Appropriations Committee. I assume that the gentleman from Oklahoma would be in a position to say that the Appropriations Committee would expect to act with some expedition upon those already approved projects which have been waiting so long.

Mr. STEED. Of course, as the gentleman knows, under the old system the Public Works Committee had to authorize prospectuses before we had any authority over it anyway. Having the rent account and being under this pressure, I can assure the gentleman that my subcommittee is more concerned about getting adequate space for Government agencies, perhaps, than even his committee, because this is something we live with, and it is getting to be a very sizable burden, and we know a large part of this rent is money that ought to be going into paying for these buildings.

Mr. WRIGHT. I thank the gentleman for his comments.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma (Mr. STEED).

The amendment was agreed to.

Mr. VAN DEERLIN. I move to strike the last word, Mr. Chairman.

Mr. Chairman, I take this time to address a request to the chairman of the subcommittee regarding the problem

that our judges have encountered out in San Diego.

San Diego, as you know, Mr. Chairman, is using a Federal building that was built a year before I was born, which gives you an idea of how very old and used up it is at this point. We enjoy high priority for a new building under the terms of this legislation. As a matter of fact, the last 2 years have been spent by a leading firm of San Diego architects, preparing plans for a \$43 million building in which to house the courthouse complex and some 44 Federal agencies at San Diego.

After completion of these plans, Mr. Chairman, the National Judicial Conference ordered a new size courtroom to be the standard courtroom throughout the United States—a smaller, semidepressed courtroom of a size 28 by 40 feet. Completed plans in San Diego provide courtrooms 48 by 40 feet.

The ordered change is going to require redesigning the building—which the architects say must be done with so fundamental a change. This will result in a delay of at least 6 months. That redesign will increase the cost of the building by the amount of architects' fees in a sum of approximately \$200,000.

The five judges of our Southern District Court in California—one Democrat, the presiding judge, and four Republican appointees—all feel strongly about this matter. They told me if they are compelled to take these new, smaller courtrooms, they would prefer to stay right where they are in the old, dilapidated courthouse on F Street.

It seems to me that this could be a very embarrassing thing to the Congress, and to me personally, as well as to the GSA and the National Judicial Conference.

May I inquire of the subcommittee chairman what advice me can give in this regard?

Mr. GRAY. Will the gentleman yield to me?

Mr. VAN DEERLIN. Of course.

Mr. GRAY. I say to my good friend from California that this is a problem attendant on almost all of these buildings where it is a combination Federal building including the courts. Baltimore, Md., is one, and I could name many others in the different cities that have this same problem.

We have authorized a larger building, to which the gentleman alluded, but the Judicial Conference met at the request of Chief Justice Burger, and for some reason they asked them to consider requesting the GSA to have a smaller court facility.

My own personal opinion is that this is a case of being penny wise and dollar foolish and that it will cost a lot more money to redraw these plans and come up with this smaller size than it would be to go ahead and build the larger courtroom in the first place. As the judges point out, they need the larger space. Many of the trials are of national interest, and they need a larger courtroom to hold them.

Mr. VAN DEERLIN. We have many

proximity to the international border with its immigration and narcotics problems.

Mr. GRAY. But in direct answer to your question, the project as presently authorized could be built exactly as the judges want it. The judges should work on the Judicial Conference and get them to request the GSA not to scale down the size because it requires no further legislative action in this bill to build the larger courtroom. So the problem is with the Judicial Conference and the administrative office of the courts, because I understand GSA, being the so-called real estate agent for the Government, only builds space at the request of an agency, in this case the judiciary. So it is the judiciary itself that has asked that it be cut down. We are powerless to say here that you should build the bigger one. The problem rests with the judiciary.

I will be delighted to hold hearings and bring in the people from the General Services Administration as well as the people from the Judicial Conference, if the gentleman requested it, but I think time is of the essence and feel that the judges should be doing their homework on the Judicial Conference.

Mr. VAN DEERLIN. Does the gentleman not agree that the interest of the local community in this matter is very important, and in line with the sentiments expressed by the President in his state of the Union message last year? Mr. Nixon emphasized that, where possible and appropriate, we should leave decisionmaking to people at the local level.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent, Mr. VAN DEERLIN was allowed to proceed for 1 additional minute.)

Mr. GRAY. Mr. Chairman, if the gentleman will yield, the answer is "Yes." I agree with the gentleman implicitly, but I was trying to get the mechanics of the problem of the Judiciary asking the GSA to go ahead with the building plans as authorized in the bill.

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

Mr. VAN DEERLIN. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. I am glad that the gentleman from California has brought this problem up because in Honolulu we are suffering from the same bungling. Plans for our new Federal building had been drawn up and construction ready to begin, pending appropriation of necessary funds. Suddenly the postal department altered its plans and the entire building plans had to be redrawn at more expense to the taxpayer. When the new plans had been drawn and approved, and construction once again ready to commence, pending the appropriation of funds, comes now the Judicial Conference, with its recommendation for a decrease in the size of the courtrooms presumably for economy reasons, and threatens to require the redrawing of plans again, at even greater cost to the taxpayer.

The city of Honolulu, with its ill-housed Federal employees, has a dire need of a new Federal building. Further delays in its construction can only

mean higher costs. Plans which have been drawn and approved should be allowed to proceed without alteration.

If the chairman of the subcommittee will lend his ear, I would like to say that as a representative of one of the cities being affected, I join with the gentleman from California in begging him if begging there must be to exert the influence of his office, as chairman of the Subcommittee on Public Buildings, to cut out the foolishness of costly replanning and delays.

Mr. VAN DEERLIN. I thank the gentleman.

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

(Mr. GRAY asked and was given permission to revise and extend his remarks.)

Mr. GRAY. Mr. Chairman, let me say to my distinguished friend from Hawaii that he never has to beg me for anything. We will hold a hearing and try to help all of the cities to correct similar situations as exists in Honolulu.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

Sec. 6. Section 210 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490), is further amended by renumbering section 210(h) (2) as section 210(h) (3), and adding a new paragraph (2) immediately after section 210(h) (1), as follows:

"(2) In the case of lease agreements providing for the erection by the lessor of buildings and improvements for the use of the United States, the Administrator may enter into any such lease for a period not to exceed thirty years and make the property of the United States to be used as a site for a public building (as defined in section 14(1) of the Public Buildings Act of 1959, as amended) available by sale to the lessor in such manner and upon such terms as the Administrator deems appropriate to the best interest of the United States, together with such plans and specifications for the construction of a public building thereon as the Government may possess. Projects heretofore approved pursuant to the provisions of the Public Buildings Act of 1959, as amended (40 U.S.C. 601 et seq.), may be constructed under the authority of this section 210(h) without further approval, and the prospectuses submitted to obtain such approval shall, for all purposes, be considered as prospectuses for the lease construction of space, except that any such project shall be subject to the requirements of section 7(b) of the Public Buildings Act of 1959, as amended, based upon an estimated maximum cost exclusive of financing or other costs attributable to the use of the method of construction authorized by this section. In order to utilize the authority granted under this paragraph (2) with respect to such previously approved projects, the Administrator must find that direct Federal construction and a purchase contract as provided for in section 5 of the Public Buildings Amendments of 1972 is not a feasible means of providing the required space. Sections 202 and 203 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 483 and 484), shall not be applicable to property made available under this subsection. The authority granted under this paragraph (2) shall be in effect for a period of three full fiscal years from enactment and not thereafter."

Mr. GRAY (during the reading). Mr. Chairman, I ask unanimous consent that the reading of this bill be printed in the RECORD, and open to amendment at any point.

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

There was no objection.

AMENDMENT OFFERED BY MR. HARSHA

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

The Clerk read as follows:

Amendment offered by Mr. HARSHA: On page 24, strike out line 14 and all that follows down through and including line 2 on page 26. Renumber succeeding sections accordingly.

(Mr. HARSHA asked and was given permission to revise and extend his remarks.)

Mr. HARSHA. Mr. Chairman, this is a very simple amendment. It strikes out section 6. That section authorizes GSA to go out and lease public buildings for periods of occupancy up to 30 years.

My objection to this section is that at the end of the lease term, after paying this lease fee, the entrepreneur or private developers will still own the building. In other words, the Federal Government is not obtaining any equity in the building during this 30-year period.

I would hope that the chairman would accept this amendment. It think it tightens up the bill and strengthens it considerably and strengthens congressional oversight on the balance of the bill.

Mr. Chairman, if I might have the attention of the chairman of the subcommittee, the gentleman from Illinois (Mr. GRAY), I would like to ask the gentleman if he is willing to accept the amendment.

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

Mr. HARSHA. I yield to the gentleman from Illinois.

Mr. GRAY. Mr. Chairman, I would be delighted to accept the amendment on this side.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. HARSHA).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

Sec. 7. (a) The following real property, and any improvements located thereon, when no longer required for occupancy by the United States Postal Service, shall be transferred, without cost, to the General Services Administration for disposal pursuant to the provisions of the Federal Property and Administrative Services Act of 1949, as amended:

- (1) Post Office—South Main and East Port Street, Saint Martinville, Louisiana.
- (2) Post Office—1210 Park Street, Commerce, Texas.
- (3) Post Office—34 West Street, Keene, New Hampshire.
- (4) Post Office—230 W. Main Street, Ville Platte, Louisiana.
- (5) Post Office—400 South Olive Avenue, West Palm Beach, Florida.
- (6) Post Office—35 W. Fourth Street, Mansfield, Ohio.
- (7) Post Office—114 N. Loraine Street, Midland, Texas.
- (8) Post Office—Court House—East Ford Street, Augusta, Georgia.

(b) The provisions of section 204(c) of the Federal Property and Administrative Services Act of 1949 shall not preclude disposition of the properties referred to in subsection (a) at a price not less than the estimated fair market value.

(c) The Postmaster General of the United

States Postal Service shall convey to the city of Carbondale, Illinois, all right, title, and interest of the United States and such Postal Service, and in and to the real property (including any improvements thereon) in Carbondale, Illinois, bounded by old West Main Street on the south, Glenview Drive on the west, Illinois Route 13 and access road to Murdale Shopping Center on the north, and by Texaco Service Station and residences on the north, approximately 308 feet on the east, 525 feet on the south, 420 feet on the west and with an irregular boundary on the north, a total area of approximately 191,100 square feet. The exact legal description of the property shall be determined by the Postmaster General, without cost to the city of Carbondale, Illinois. Such conveyance shall be made without payment of monetary consideration and on condition that such property shall be used solely for public park purposes, and if it ever ceases to be used for such purpose, the title thereto shall revert to the United States which shall have the right of immediate reentry thereon.

(d) The Postmaster General of the United States Postal Service shall convey to the city of New York, New York, all right, title, and interest of the United States and such Postal Service, in and to the real property (including all improvements thereon) generally referred to as the Morgan Annex, one block square between Ninth and Tenth Avenues, and Twenty-eighth and Twenty-ninth Streets, New York, New York. Such conveyance shall be made without payment of monetary consideration and on condition that such property shall be used solely for publicly assisted housing and related purposes, and if it ever ceases to be used for such purposes, title thereto shall revert to the United States which shall have the right of immediate reentry thereon.

Mr. GRAY (during the reading). Mr. Chairman, I ask unanimous consent that section 7 be considered as read, printed in the Record, and open to amendment at any point.

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

There was no objection.

AMENDMENT OFFERED BY MR. CLEVELAND

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

The Clerk read as follows:

Amendment offered by Mr. CLEVELAND: Page 26, line 3, after "Sec. 7," strike subsections (a) and (b) through and including line 4 on page 27.

Renumber succeeding subsections accordingly.

(Mr. CLEVELAND asked and was given permission to revise and extend his remarks.)

Mr. CLEVELAND. Mr. Chairman, I offer an amendment to H.R. 10488, as reported which would strike from the bill language which is no longer necessary. The subsections I propose to strike calls for a transfer of excess Postal Service properties to the GSA for disposal pursuant to the Federal Property and Administrative Services Act of 1949, as amended.

Late last year, when the committee was considering this bill, I brought to the committee's attention what I considered to be a very inequitable situation. Through its Reorganization Act, the Postal Service had become a Government corporation and had already gained in the transfer of

1,200 buildings from GSA. In addition to these buildings, new ones were under construction by GSA which were designed to replace some of the older buildings of the 1,200 transferred. Further, the Postal Service was to receive these new buildings at no cost, all the while retaining the buildings which were programmed to be replaced. Such buildings could then have been sold to the highest bidder with all proceeds going to the Postal Service.

This represented to me a windfall to the Postal Service at the taxpayers' expense and one which was not intended under the Reorganization Act. I was particularly concerned about this practice since one community in my own district, long desirous of obtaining for school or library purposes a postal building about to be abandoned for new quarters, suddenly found they were no longer dealing with GSA, but with a government corporation more concerned with the sound management of assets than disposition of some Government property which had

been paid for by the taxpayer in the first place.

A survey of similar new postal buildings underway produced those you find in section 7(a) of the bill before you. I introduced legislation to correct this inequity and the committee modified and adopted it.

Subsequently, the Postal Service saw the light and agreed with my position and administratively offered these buildings to GSA, who in turn accepted, for disposal as surplus under the Federal Property and Administrative Services Act of 1949, as amended. With the administrative transfer of these buildings, sections 7 (a) and (b) of this bill become unnecessary and so I offer an amendment to strike them.

By consent obtained after we have returned to full session of the House, I offer correspondence between the Postal Service and the General Services Administration in support of the fact that these subsections are no longer needed.

(The material referred to follows:)

BUILDINGS DESCRIBED IN H.R. 10488 AS REPORTED

Bill identity and location	Estimated cost	Status of new building		
		Under construction	Funded, contract to be awarded	Notes
(1) Saint Martinville, La.		(1)	?	
(2) Commerce, Tex.		(2)		Occupied.
(3) Keene, N.H.	\$1,600,000	X		Open May 1972.
(4) Ville Platte, La.	408,000	X		Now occupied.
(5) West Palm Beach, Fla.	8,400,000	X		Open July 1972.
(6) Mansfield, Ohio.	7,300,000	X		Open December 1972.
(7) Midland, Tex.	4,800,000	X		Open August 1973.
(8) Augusta, Ga.	5,000,000	X		?

1 Will be acquired by Post Office, and constructed by Corps of Engineers.
 * Acquired by Post Office, and constructed by Corps of Engineers.

SENIOR ASSISTANT POSTMASTER GENERAL.

MAIL PROCESSING GROUP.

Washington, D.C., November 8, 1972.

HON. ROBERT L. KUNZIG, Administrator, General Services Administration, Washington, D.C.

DEAR MR. KUNZIG: Some of the buildings transferred to the Postal Service on July 1, 1971 had been programmed, since before enactment of the Postal Reorganization Act, for donation upon completion of planned and approved new multi-occupancy Federal office buildings and Post Office buildings for use in the States wherein they are located for purposes of education, public health, park and recreation, historic monument, or other purposes, pursuant to the provisions of the Federal Property and Administrative Services Act of 1949, as amended, and related statutes. Such buildings were not required by the Postal Service except as temporary quarters pending completion and occupancy of planned new space. In addition, the Postal Service has a postal facility site which has become excess to the Postal Service needs due to the acquisition of a preferable site.

Accordingly, the Postal Service has determined that the following properties are excess to the needs of the Postal Service:

Carbondale, Illinois, postal facility site, Northeast corner of Old West Main Street and Glenview Drive, Carbondale, Illinois, consisting of approximately 191,900 square feet.

Commerce, Texas, Post Office, 1210 Park Street, Commerce, Texas.

Keene, New Hampshire, Post Office, 34 West

Mansfield, Ohio, Post Office, 53 West Fourth Street, Mansfield, Ohio.

Midland, Texas, Post Office, 114 North Loraine Street, Midland, Texas.

Saint Martinville, Louisiana, Post Office, South Main and East Port Street, Saint Martinville, Louisiana.

Ville Platte, Louisiana, Post Office, 230 West Main Street, Ville Platte, Louisiana.

West Palm Beach, Florida, Post Office, 400 South Olive Avenue, West Palm Beach, Florida.

These properties are hereby offered for immediate transfer to the General Services Administration for disposal as surplus property in accordance with the provisions of the Federal Property and Administrative Services Act of 1949 and related statutes. General Services Administration agrees to permit the Postal Service to continue to occupy the space the Postal Service presently occupies in each building until such time as the Postal Service moves into replacement space in each respective location. The Postal Service shall bear all costs and expenses of these properties so long as they are occupied by the Postal Service. The General Services Administration further agrees to return to the Postal Service the net proceeds, if any, received from the disposal of these properties.

If this transfer is acceptable to you, please so indicate by signing at the foot of this letter.

Respectfully,

H. F. FAUGHN.

Accepted:

ROBERT L. KUNZIG,

Administrator, General Services Administration

SENIOR ASSISTANT POSTMASTER
GENERAL, MAIL PROCESSING GROUP,
Washington, D.C., November 8, 1971.

Hon. ROBERT L. KUNZIG,
Administrator, General Services Administration,
Washington, D.C.

DEAR MR. KUNZIG: This refers to your October 28 letter to Mr. Blount concerning the Postal Service's request for the transfer to the Postal Service, without reimbursement, of a portion of the Federal Center in Bell, California, and also to the several earlier letters written to the Postal Service by the Public Buildings Service requesting the transfer to GSA, without reimbursement, of buildings destined to be vacated by the Postal Service upon completion of new postal facilities in specified locations.

In your October 28 letter, you indicated that you would recommend the reimbursement-free transfer of the Bell property to the Postal Service if a mutual understanding were reached that, in return for transfer of the Bell property, the Postal Service would transfer to GSA excess properties in the Postal Service inventory which would be equal in value to that of the Bell property. You stated that GSA has continuing needs for these properties, either for direct assignment to Federal agencies or as a medium of exchange for other properties.

The Postal Service has determined that the following properties are excess to the needs of the Postal Service:

- Augusta, Georgia, Post Office—court House, East Ford Street, Augusta, Georgia.
- Miami, Florida, Post Office—Court House, 300 N.E. First Avenue, Miami, Florida.
- Rock Hill, South Carolina, Post Office—Customs House, 201 East Main Street, Rock Hill, South Carolina.

These properties are hereby offered for immediate transfer to the General Services Administration. The General Services Administration agrees to permit the Postal Service to continue to occupy the space the Postal Service presently occupies in each building until such time as the Postal Service moves into replacement space in each respective location. The Postal Service shall bear all costs and expenses of these properties so long as they are occupied by the Postal Service. The General Services Administration further agrees to recommend to the Office of Management and Budget that the appraised fair market value at the time of transfer of the properties transferred pursuant to this agreement be allowed as a credit to the Postal Service against any reimbursement that may be required from the Postal Service in return for any lands or buildings transferred to the Postal Service under 39 U.S.C. § 2002(d).

If this transfer is acceptable to you, please so indicate by signing at the foot of this letter.

Respectfully,

H. F. FAUGHT.

Accepted:

ROBERT L. KUNZIG,
Administrator, General
Services Administration.

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

Mr. CLEVELAND. I yield to the gentleman from Illinois.

Mr. GRAY. Mr. Chairman, what we were doing legislatively here has been handled administratively, and we accept the amendment offered by the gentleman from New Hampshire (Mr. CLEVELAND) on this side.

Mr. CLEVELAND. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Hampshire (Mr. CLEVELAND). The amendment was agreed to.

AMENDMENT OFFERED BY MR. UDALL

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

The Clerk read as follows:

Amendment offered by Mr. UDALL: On page 27, beginning with line 24, strike out all of subsection (d) of section 7 down through line 11 on page 28 and insert in lieu thereof the following:

"(d) (1) The United States Postal Service shall grant to the City of New York, without reimbursement, air rights for public housing purposes above the postal facility to be constructed on the real property bounded by Twenty-eighth and Twenty-ninth Streets, Ninth and Tenth Avenues, in the City of New York (the Morgan Annex site), such facility to be designed and constructed in such manner as to permit the building by the City of New York of a high-rise residential tower thereon, provided that—

"(A) The City of New York shall grant to the Postal Service without reimbursement exclusive use of Twenty-ninth Street, between Ninth and Tenth Avenues in the City of New York, such use to be irrevocable unless the Postal Service sells, leases, or otherwise disposes of the Morgan Annex site; and

"(B) The City of New York shall agree to reimburse the Postal Service for the additional cost of designing and constructing the foundations of its facility so as to render them capable of supporting a residential tower above the facility, and shall issue any permits, licenses, easements and other authorizations which may be necessary or incident to the construction of the postal facility.

"(2) If within 24 months after the City of New York has complied with the provisions of paragraphs (A) and (B) of subsection (d) (1) of this section, the United States Postal Service has not awarded a contract for the construction of its facility, the Postal Service shall convey to the City of New York, without reimbursement, all right, title and interest in and to the above-described real property. Such conveyance shall be made on the condition that such property shall be used solely for public housing purposes, and if public housing is not constructed on the property within five years after title is conveyed to the City of New York or if thereafter the property ever ceases to be used for such purposes, title thereto shall revert to the Postal Service, which shall have the right of immediate reentry thereon."

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

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

There was no objection.

(Mr. UDALL asked and was given permission to revise and extend his remarks.)

Mr. UDALL. Mr. Chairman, the U.S. Postal Service owns a square block in Manhattan called the Morgan Annex site. This property was acquired in 1963 for the purpose of building a major new postal facility. There has been a good deal of controversy about the use of this site. The city of New York now wants it for a low-income public housing development.

In the bill as reported by the committee this square block of very expensive land is given to the city of New York, without any reimbursement, for use as a public housing facility.

The Postal Service still wants to build a facility on this block, and now has plans

for a four-story major vehicle maintenance facility.

So that we have this conflict: The Postal Department wants to use it for postal facilities, and the committee has said to give the land to the city of New York, and have a public housing project erected.

The amendment I am offering is a compromise. It would permit the Postal Service to build on the lower four stories a major vehicle maintenance facility. But it would give air rights to the city of New York so that a high-rise public housing project could be built on top of the postal facility.

There would be no reimbursement whatever by the city of New York except that the amendment would require the city to pay the cost of the additional foundations because it would need larger and heavier foundations if the air rights were to be used for a housing facility on top of the post office facility. It is estimated the extra expense would be about \$2.7 million in costs to the city of New York. Other than that, they would get for nothing these very expensive air rights for this housing project.

So, as I say, this is a compromise which would permit substantial help to the city of New York in this public housing project, and still permit the Post Office Department to build their facility on the land it now owns.

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

Mr. UDALL. I am happy to yield to the gentleman from North Carolina.

Mr. HENDERSON. Mr. Chairman, I want to commend the gentleman from Arizona for offering the amendment which, as the gentleman says, is a compromise between the two positions. I believe this is fair and reasonable to the city of New York to meet their needs, and to protect the intent of the Congress in the creation of the Postal Service by giving them the proper ownership to all of the property, and yet at the same time accommodating the needs of the city of New York.

I am indeed happy to join with my colleague, the gentleman from Arizona, in urging support for his amendment.

Mr. UDALL. Mr. Chairman, I thank the gentleman for his remarks.

Mr. GRAY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am always reluctant to oppose the ranking member of the great House Committee on Post Office and Civil Service, my friend Mr. UDALL, in offering this amendment. But if I were to coin an old phrase, I would have to say that the chickens are now coming home to roost. How many of us stood here in the well and dived against giving away congressional authority for this so-called Postal Service to run the Post Office Department as they see fit?

Let me tell you what happened in New York in the district of the gentlemen from New York (Mrs. ASHLEY). We took our subcommittee up there and held public hearings on this matter so I am completely familiar with it. What happened was the Post Office Depart-

ment said to over 300 citizens in Manhattan, "We are going to displace you from your homes. We are going to get rid of 33 business establishments in order to build an annex to the Morgan Street Station project in New York City."

After putting these low-income people out of their homes—over 300 of them—and after displacing over 30 business enterprises, they then abandoned the project and went over to Secaucus, N.J.—and the gentleman from Iowa who is sitting here knows about that project. If you want to talk about boondoggling—that is it. They now have escalated that project up to approximately \$200 million. They could have built a postal facility handling all foreign mail and other postal operations in New York City for about \$50 million. But no—they did not want to do that. They went to New Jersey, as I said, and spent about a quarter of a billion dollars of the taxpayers' money in a swamp.

Now they want to hang on to the old site.

The committee bill before you says that since we displaced the low income people, we ought now to give them the land back for public housing. That is what the bill does.

But the amendment offered by the gentleman from Arizona says no, we do not want to do that. We want to go ahead and build another garage for the post office and then allow the public housing to be used over the air rights so they will have all the fumes coming from those trucks that will be so bad and with all the noise from the garage.

My friends, we had people testify that some of these people have been displaced in Manhattan in New York City—16 to 18 of them are living in one and two room apartments because they cannot find decent housing.

That is what we did when we gave away the congressional control of the Postal Service.

Now here I find my very good friend, the distinguished gentleman from Arizona, offering the last straw trying to break the back of the low income people in New York, and saying OK we took this away from you, but we are not going to give it back. For God's sake and for humanities' sake, I ask you to vote down this amendment. Give these low income people of New York City their land back that we took from them and which we did not use.

Mrs. ABZUG. Mr. Chairman, I move to strike the last word.

The Morgan Annex property was acquired to build the Morgan Annex Post Office nearly 9 years ago. The gentleman from Illinois (Mr. GRAY) has indicated what the extensive hearings revealed—dislocation for tenants and for businesses, and loss of income to the city of New York.

There were statements made time and time again—not only before the Committees on Public Works and Post Office, before and during the time I have been a Member of Congress—but to officials of the New York City Housing and Development Administration and the mayor of New York that this property would be declared excess as soon as the bulk mail

facility had been constructed in Secaucus, N.J.

Two hundred million dollars of the taxpayers' money has been spent to build this New Jersey Post Office bulk facility. All this time, the Post Office authorities were saying that as soon as the New Jersey facility was built the Morgan Annex land, where they originally intended to have the facility, would become excess and would be returned to the city of New York as a site for much-needed housing. Before the Post Office took over this land, there was housing on it. That housing was torn down by them, and many poor and working people were compelled to relocate.

When the Post Office became an independent corporation, it decided that the Morgan Annex site was valuable land which would be able to produce a profit. So, postal officials suddenly decided that they had to park trucks there. They are asking to park trucks instead of allowing the land to be used for desperately needed housing. One thousand units of low and moderate income housing can be built on this site, but, no, the Post Office needs it to park trucks.

The Postal Service proposed a four-story VMF, two floors above ground and two below, with walls and foundations sufficiently reinforced to allow construction of 20 stories of housing above the garage. For the reinforcement, the Postal Service would require \$2.7 million from the city of New York.

This proposal was met with virtually unanimous disapproval from city officials. The Economic Development Administration, the Housing and Development Administration, the City Planning Commission and the Department of Air Resources.

Senator JAVITS expressed concern and telegrams from Borough President Percy E. Sutton and from Community Planning Board No. 4, located in the Chelsea neighborhood, were also sent.

These individuals and organizations gave the following reasons for concern:

The site was promised repeatedly for housing.

The area is residential and so zoned as to forbid such a facility as the Postal Service proposes. It is, however, zoned for housing.

No explanation has been given as to why the Secaucus facility will not remove the trucks from Manhattan as promised.

Trucks of such number and size are a health and safety hazard to residents of the surrounding neighborhood.

Pollution from the trucks will severely damage air quality levels in mid-Manhattan, according to deputy director of the department of air resources of the city of New York.

Traffic patterns in the area would be disrupted and gross congestion would increase in the already crowded garment district.

In response to these objections, Senior Assistant Postmaster General H. F. Faught, testifying before the Subcommittee on Postal Facilities and Mail on promises of the Postal Services between

June of 1970 and July of 1971 were "unfortunate" since they did not tally with the results of a subsequent study of Postal Service future needs. No further defense of the shattered agreements was made.

Mr. Faught further declared that the Army Corps of Engineers feasibility study of the Morgan Annex site as projected by the Postal Service—with housing over the truck facility—would deal more fully with the questions of traffic hazard and congestion, zoning, and reinforcement and insulation costs. As planned, he said, traffic danger would be reduced by provision of separate entrances for people and for trucks on opposite sides of the building.

Mr. Faught stated that in his own personal experience, the sentiment of Chelsea community residents was favorable to the proposal. This was despite the fact that community opposition to anything but housing on the site was expressed in strong terms earlier in the year in telegrams, letters, and public demonstrations at the May 14 hearing.

The most telling objection to the presence of the Postal Service at Morgan Annex, however, is that an eminently satisfactory alternative site for the needed truck facility is available nearby. It is a full block, half owned by the city and half by the Sharp Development Corp., at 30th Street and 12th Avenue. It possesses all the advantages the Postal Service cites for Morgan Annex: A lower Manhattan location, available space, and reasonable financing. In addition, the site would not interfere with existing traffic patterns, would not disrupt a residential area and would aid in revitalizing the 12th Avenue area for commerce.

However, the Post Office initially gave the Sharp site only cursory attention and dismissed it as financially unworkable on grounds a VMF there would cost \$73.5 million while the same facility at the Morgan site would cost only \$5.1 million—a \$68 million difference. The Sharp site was not even included in the feasibility study the Postal Service commissioned from the Army Corps of Engineers.

However, a General Accounting Office report commissioned by Congresswoman Abzug revealed that the Postal Service's cost analysis had been prepared from preliminary data in 1 day. It further showed that according to standard GAO accounting methods, the cost differential between the two sites was not \$68 million but only \$2.1 million.

The Sharp Development Corp., working with the New York Economic Development Administration, has since made another offer to the Postal Service that would provide the full block and would be even less costly, thus tipping the economic balance in favor of the Sharp site.

Senator JAVITS and Senator BUCKLEY, my friends on the other side of the aisle, have been working with me in proving to the Post Office that this alternate site is a place where trucks can be parked without creating traffic congestion, without creating noise pollution, without depriving

The Sharp proposal has been drawn up

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by the city and includes concessions which would make it a cheaper facility than the one they now seek to build in the Morgan area. At Morgan, the Post Office would not only have to pay more but would be depriving people of decent low- and moderate-income housing.

There is no justification for the Post Office to take the Morgan Annex land for the parking of trucks when there is an alternate site available at a lower cost.

Has the Post Office something else in mind? This is a square city block which might be a very valuable piece of property and which could make it appear that the Post Office is in the black instead of in the red. Is it going to be utilized for the purpose of being sold rather than for the purpose they claim here?

There is unanimous disapproval from the people and authorities of the city of New York for the Postal Service proposal. Additionally, it seems incredible that the city is now being asked to pay \$3 million for the site. That is, the Postal Service says it must have \$3.7 million from the city in order to strengthen the foundations of its truck facility so that they will support housing. From the city's point of view this is the same as being asked to pay the Postal Service that money for the land. And if that were to happen, the cost of each apartment would increase by at least \$3,000. That is not the land cost for low- or moderate-income housing; that much money goes for luxury housing sites. It means the city could never build low- and moderate-income housing on the facility. We have a crying need for housing in that area, and for low- and moderate-income housing especially. We have been deprived of this housing by the Post Office for no reason.

Postal authorities now tell us they must have millions of dollars in compensation for the land. First, they ignore the commitment they made to provide the land at no cost, during the time that that sort of action was commonplace. The Postal Service should have fulfilled its commitments when those commitments were made. It is unthinkable that now the city should reward them for breaking those promises. In addition, the Post Office has been incredibly compensated already by being granted the Secaucus, N.J., facility—where it has spent \$200 million in public money. What has the city received in return? Nothing—no land, no revenues, just hardship and broken promises.

It goes against any human logic to pay the Post Office for its shattered commitments, for the suffering of those people who were displaced without cause and for the continual uncertainty the city has experienced because of the Postal Service's bad faith.

There are those who will say that we must be practical, that money is money, that the city has no right to get something for nothing. But let us also consider the precedent such an action would set. If we now reward the Postal Service for breaking its word, what faith can we have in future Postal Service promises? Is not the strength of an agreement the cardinal rule of our law? We must consider the precedent we must set. We must consider the human consequences.

We understand the need for the mails to continue. We are prepared to see that the trucks deliver the mail. We have gone out of our way, working with Senator JAVITS and Senator BUCKLEY, to create a facility where these trucks can be housed. A letter has been sent by both Senator JAVITS and Senator BUCKLEY and my office to the Board of Governors of the Postal Service, which has not yet acted on the truck facility proposal for the Morgan site.

I make a fervent plea to the House that there be an opportunity for us to have this housing, of which the people of the city of New York have long been deprived, and I urge that this amendment be defeated.

AMENDMENT OFFERED BY MR. GROSS TO THE AMENDMENT OFFERED BY MR. UDALL

Mr. GROSS. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS to the amendment offered by Mr. UDALL: on page 2, line 6, strike out the words "without reimbursement" and insert in lieu thereof the following "at the fair market value".

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, let me read the second paragraph of the amendment offered by the gentleman from Arizona (Mr. UDALL). It states:

If within 24 months after the City of New York has complied with the provisions of paragraphs (a) and (b) of subsection (d)(1) of this section, the United States Postal Service has not awarded a contract for the construction of its facility, the Postal Service shall convey to the City of New York without reimbursement—

Without reimbursement— of the right, title and interest to the above-described real property.

And so forth. My amendment would merely strike out "without reimbursement" and insert the words "at the fair market value."

Members of the House, we are dealing with a fair market value, I am told, of approximately \$7 million. This is not exactly chicken feed. It may be even higher than \$7 million, but it is at least that much.

If the Udall amendment is adopted and for some reason the Post Office Department does not come to terms with the city of New York in 24 months or the city does not perform in 5 years, this property could go as a gift to the city of New York.

I have always contended in the House of Representatives that there should be the fair market value for any land that is disposed of by the Federal Government unless that land was a gift to the Government in the first place.

Moreover, the Postal Service in this instance, if and when it should turn this property over to the city of New York as a gift, would be relinquishing \$7 million in capital assets. Let me point out that to replace these capital assets would contribute to the necessity for an increase in postal rates, and I am not about to saddle upon the users of the mails the burden of this property. Now, included, any part of a rate increase to

give New York \$7 million worth of property.

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

Mr. GROSS. I yield to the gentleman from Ohio.

Mr. BOW. Mr. Chairman, I understand that on this property there would be built a 1,000-unit, high-rise apartment. Does the gentleman know who is going to pay for it?

Mr. GROSS. I do not know who is going to pay for it, but I suspect the money will come from the usual source.

Mr. BOW. As I understand, this is public housing under 236, and the Federal Government will pay for it, and in addition to the \$7 million, the land we are providing now, for the building of a 1,000-unit high-rise.

Mr. GROSS. I think the city of New York, if it does obtain title to this property, ought to pay for it just as other States and municipalities would have to do.

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

Mr. GROSS. I yield to the gentleman from Arizona.

Mr. UDALL. To my regret, I cannot support the gentleman's amendment to my amendment, but it does pinpoint the compromise in the nature of the amendment I offered. We are giving away the air rights and the public land the Federal Government bought and paid for in order that this public housing can be built upon it. I simply suggest my amendment was a very generous compromise offered to the people of the city of New York, I thought.

Mr. GRAY. Mr. Chairman, I rise in opposition to the amendment to the amendment. I think something is being overlooked. The Postal Service condemned this property and displaced these low-income people. Most of them did not own their property. In most cases, they got no relocation costs. The Government did not use that property for the purposes intended. Do we not owe those same people something in the way of providing public housing for them? That is number one.

No. 2, we paid only \$3 million when we took it. There have been no improvements made on it. How can it now be worth \$7 million?

Third, the public housing, as the gentleman from Ohio has pointed out, is subsidized by the Federal Government. This committee bill does not authorize the construction of high-rise housing. It merely says when the low rent housing is built, it will be built on that site.

This does not constitute any type of housing authorization. I want to make it perfectly clear.

But in equity, do we owe those people something? We kicked them off their property and did not use it for the purpose intended. That is what the committee bill says. We say they can have it back, but when they want to build public housing, it will be built there. It cannot be taken by the city of New York and sold and the money put in its coffers. It is only for the low cost housing for those displaced and paid for by the Government. So I simply suggest we vote down the

amendment to the amendment and the amendment.

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

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

Mr. WYDLER. Mr. Chairman, there is one thing I do not understand about this whole proposition, which is why we are handling this particular matter in such a unique fashion. We have laws which apply to all surplus Government property matters and which are applied throughout the country to dispose of property the Government no longer needs.

There are surplus property disposal cedures where in the normal course of events the city would get an opportunity to acquire the property. Here we are legislating a special rule for this one parcel of land, and I do not understand why.

Mr. GRAY. I am delighted to answer, in two parts.

No 1, it was our committee which authorized the taking of that property in the first place, in 1966. We were deceived by the Postal Service. They did not use it for the purposes intended. We gave them the authority, and they went over to New Jersey, and instead of spending the \$50 million authorized they went over and bought additional land at the expense of the taxpayers, and spent a quarter billion dollars.

No. 2, as I said earlier, we gave away the committee's authority. We would not be here today if we had not given away that authority.

That is water down the stream. We are back here, because the Postal Service administratively usurped the prerogatives of this committee.

Mr. WYDLER. The point is that we are trying, it seems to me, to punish the Postal authority for not doing what we wanted them to do, but we are not really punishing them much at all. We are really going to punish the whole Federal establishment by making this particular site available for other needs of the Federal Government, which might very well exist and be valid.

What I say is that we have established Government procedures for the disposing of surplus Federal property. That is supposed to give the Federal Government an opportunity to use it, for what it needs, and the localities an opportunity to acquire it if it is surplus to the Government needs.

In this particular case we look at a particular piece of property and say that we are going to legislate it into the hands of one particular person.

Mr. GRAY. I want to make clear to my friend from New York that the surplus Property Act does not now apply to this private corporation downtown. We gave away that authority. We have no control under the Surplus Property Act. There is no criterion for this. We have to legislate it.

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

Mr. Chairman, I rise in support of the committee bill and in opposition to the amendment. I have a great deal of knowledge about this site. It is true it is not directly in my district, but it is

just a block away from my district, and I have worked with the tenants in this area and I know the site well.

It is in an area called Chelsea. It is a marvelous integrated area of low, moderate, middle, and "posh" housing.

It is an area which suffered tremendously when this particular site was taken by the Post Office. If it had been used for the purpose intended—while we did not think the Post Office should actually use a site in that particular area—so be it, if they had built the building we would have accepted it. But they did not do that. People were thrown off their property. The area suffered.

Now we find the Post Office has decided they really cannot use the property. It is going to build elsewhere. We applaud that decision.

The community went to work with the mayor and with the low-income housing authority and with all the people there. I know, for I worked very closely with them. They went to work to get housing built.

I do not have to tell the Members how desperate the housing situation is, and not just in that particular area, though it is an area which requires housing desperately. In the whole city of New York we have slums that are just not describable, where people are living in rat-infested apartments.

Apartments could be built on this site. But if we tack on an expense of, let us say, \$7 million, which the gentleman from Iowa suggests, as the fair market value, if we add an expenditure for this property which could only, under the committee bill, be used to erect low-income housing, we are going to make the low-income housing impossible to build.

That is the problem. There are limitations on low- and moderate-income costs. I serve on the Banking and Currency Committee out of which low-income and moderate-income housing comes. There are limitations on what expenses can be entailed in building low- and moderate-income housing. The building costs in New York have become very high. There are a host of reasons, one of which includes the cost of the land.

What we are asking you to do with this particular piece of property, and what we are asking you to do for the city of New York, is something that we do not ask for very often, but is what you do so often in your own districts. If there are rivers to be channeled, the Congress proved the money for it. If there are farm subsidies that are required in order to help you with your crops, you do not have any hesitation to come here and ask for and get them. Well, we do not grow crops or channel rivers, but we have people to house. We are asking you to do a certain amount of equity. The Public Works Committee did equity, and I hope you will support the bill.

Mr. GROSS. Will the gentleman yield?

Mr. KOCH. Of course. I am delighted to yield.

Mr. GROSS. The Federal Government is in a position to buy a piece of property from the Government. Are you now standing there and saying that the city of New

York ought not to pay the fair market value for this land? On top of that New York will be getting a 235 low-income housing unit to get these people above the rats you are talking about.

Mr. KOCH. The gentleman is incorrect when he refers to 236 money in this bill. There is no housing money in the bill.

Mr. GROSS. Will the gentleman yield further?

Mr. KOCH. I decline to yield further.

What I said to the gentleman and the Members of the House is we have a crying need for housing in the city of New York. We cannot build it because, for one thing, the 236 money and the low-income money is not available, and when it is available the costs of the property on which the structures have to be built are too high for us to build low- and moderate-income housing. We are asking you to do for us what you do so often for your own district's needs—give us a break.

Mr. RUTH. Will the gentleman yield?

Mr. KOCH. I am happy to yield to the gentleman.

Mr. RUTH. Will the gentleman explain to me why you put low-income housing on a \$7 million piece of property?

Mr. KOCH. Why we what?

Mr. RUTH. Why would you put it on a \$7 million piece of property?

Mr. KOCH. I will explain to you why it is. In the city of New York we have problems where property that you would not consider desirable because of its location costs a lot of money. The island of Manhattan is a very small place. Every piece of real property is very expensive. We do not want the island of Manhattan to be a place just for the very rich. We think we have a successful island because it has low-income people and moderate-income people and middle-income and posh people, and we do not want to change that.

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

Mr. Chairman, I rise in support of the committee bill and against the two pending amendments.

Let me say this: when this proposition was brought to the attention of the Committee on Post Office and Civil Service the committee decided that we should turn the matter over to Congressman Nix, the chairman of the Subcommittee on Postal Facilities. He held some independent hearings in connection with this very matter before the committee.

Interestingly enough—and I am sure it was pointed out before—as late as November 1971 Mr. Reynolds, the congressional liaison officer of the Postal Service, indicated that there would be no need for this particular facility and its uses as it relates to the Postal Service organization. Thereafter he flip-flopped and changed his mind, after the city of New York made preparations to use this land for low-income and moderate-income housing.

Also and interestingly enough, as a result of the hearings Mr. Nix had it was usual situation, because eight separate properties were declared excess and turned over to

local governments in separate letters dated November 8, 1971.

And, as a result, postal facilities were turned over to local governments located in Augusta, Ga.; Miami, Fla.; Rock Hill, S.C.; Carbondale, Ill.; Commerce, Tex.; Keene, N.H.; Mansfield, Ohio; Midland, Tex.; Saint Martinville, La.; Ville Platte, La., and West Palm Beach, Fla.

Now, after all of these facilities were turned over to those local governments, we are only asking that the same kind of consideration be given to the city of New York in order for it to cope with a very critical problem. The need for housing.

I am not here, my friends, to recriminate with anyone about some of the observations that have been made about the cost of this property, that in fact that if there is low-income housing to be built here, the Federal Government would have to be involved with the expenditure of 236 funds.

Sometimes I think we talk about this money as if it were our own money. This is taxpayers' money and we use it as Members of Congress for multi purposes all across the land. I have voted for the expenditure of taxpayers' money to be used for many purposes such as irrigation, watersheds, and highways, and, in fact, for all types of purposes related to the needs of citizens across our country.

The city of New York has taxpayers also who contribute to these projects. All we are asking for now is some consideration in this very same manner.

I think some day we really have to learn to swim together or otherwise we will drown together.

Mr. Chairman, this is a problem that we have in New York. I am asking my friends to give it their very serious consideration.

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

Mr. BRASCO. I am glad to yield to the gentleman from New York.

Mr. WYDLER. I am very sympathetic to what the gentleman has said, but I think what you just said supports the point I am trying to make. You are going about this particular case in the wrong way. Whatever happened with reference to the Post Office Department is one thing. However, we are not here today to talk about one department of the Government. We have to consider the entire Federal Government. These other properties that you talk about were not turned over to local governments. They were turned over to the Administrator of the General Services Administration to be disposed of according to law and according to their rules and regulations to whomever should get it.

I agree with the gentleman. I would like to see the same thing done with reference to this property that we are doing with reference to other properties and that is turn this property over to the GSA to dispose of under the surplus property law and rules and regulations.

Mr. BRASCO. As the gentleman knows, we are talking about the opportune time to do something. Those properties, as I understand it, went back to the local governments. Therefore, this is the opportune time to do something. The theory is the same, although the vehicle

may be a little different. I subscribe to what my friend from Illinois indicated, the chairman of the subcommittee (Mr. GRAY). We threshed this business out very thoroughly when we discussed the Postal Reorganization Act and he was very correct in his observations that he made at that time and today in this Chamber.

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

(Mr. BOW asked and was given permission to revise and extend his remarks.)

Mr. BOW. Mr. Chairman, I rise in support of the amendment to the amendment offered by the gentleman from Iowa (Mr. GROSS).

I would like to make inquiry from the distinguished chairman of the subcommittee as to what is the situation with reference to this property. What is going to be built on this property? Am I correct in the assumption that there is a 1,000-unit high rise housing project going to be built on it?

Mr. GRAY. Mr. Chairman, if the gentleman will yield, I would say to my distinguished friend from Ohio that we do not in the legislation now pending before us stipulate what type of building will be put there. We merely limit the use of it to public housing through normal channels, if such a project is authorized. We merely state that it has to be used for the purpose it was primarily used for low-income or medium housing when it was taken. We want merely to try to have equity here. Let us go back to the original use of that property. We are saying that we are giving it to them but it has got to be used for public housing. However, we do not authorize that housing. I hope that answers the question.

Mr. BOW. I thank the gentleman for his answer, but it seems to me very obvious that in addition to the giving back of the piece of property which I am advised is worth something over \$7 million, that if a 1,000-unit high-rise is to be built, the information I have is that it would be built out of 236 funds. So, actually the Federal Government would not only lose \$7 million, but would be called upon to make some payment for this 1,000-unit high-rise.

Also, the argument has been made here that this high-rise is to make a place for the displaced people who have lost housing. I also find here in the files that actually there were 300 families, and not 1,000 families, who were displaced, that you are going to build the high-rise for. So it seems to me we should give real consideration to the amendment offered by the gentleman from Iowa (Mr. GROSS) and not only find the Federal Government giving away \$7 million, but also getting themselves in a position where they are going to have to pay for a 1,000-unit high-rise, and the cost of that high-rise I do not know what it would be—I have no idea, but certainly it will run into millions and millions of dollars.

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

Mr. BOW. I will first yield to the gentleman from Illinois.

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

A letter of November 8, 1971, from the Post Office Department of the Honorable Robert L. Kunzig of the General Services Administration, it lists several post offices that are surplus to the needs of the postal service. One of them is in Carbondale, Ill. I suspect the gentleman from Illinois (Mr. GRAY) understands where Carbondale, Ill., is, and that post office is going to be disposed of.

This letter states among other things that:

The General Services Administration further agrees to return to the Postal Service the net proceeds, if any, received from the disposal of these properties.

So it is the established policy to return these proceeds to the Post Office Department rather than dissipate the capital assets of the Post Office Department, and then insist that those capital assets be restored through increased postal rates that would be loaded on all the citizens of the country.

Mr. BOW. I agree with the gentleman. I think he is absolutely right.

Now I will be happy to yield to the gentleman from Illinois.

Mr. GRAY. Mr. Chairman, I know my friend, the gentleman from Iowa (Mr. GROSS) is laboring under the assumption that this proposed amendment will be helping the Postal Service, but let me remind my friend that in all of the cities alluded to by the gentleman from New York a moment ago in the case of New York and Carbondale, that the gentleman has just mentioned, that money goes to the GSA, and not to the Postal Service if any is collected. When the Postal Service says that property to the GSA, then they kiss it good-bye forever. Not one dime will go in the pocket of the Postal Service, and it will not have any effect upon the postal rates.

I am sure the gentleman does not want to leave the wrong impression with the House.

Mr. GROSS. If the gentleman will yield further, does the gentleman from Illinois deny the authenticity of the letter which states exactly contrary to what the gentleman from Illinois says?

Mr. GRAY. I do. The Postal Service has told us 15 different stories. I can show you three letters from Assistant Postmaster General Lehne stating they are going to give the property back to New York City. I held hearings in New York, and I talked to the regional director, and I said:

Are you not going to uphold the promise given by the Assistant Postmaster General to give this property back?

He said:

I can't answer that question.

He took the fifth amendment before our congressional committee.

Mr. BOW. I think what the gentleman is saying is virtually correct, if the property is sold; that is, property owned by the Post Office Department, the money will go into the Postal Department, into the private corporation. These other items that you have in this surplus, and turned over to the GSA, and for that

reason that would not happen, but if you have property, and it is sold; that is, Postal Service property, and it is sold for \$7 million, that money would go into the Post Office Department, and would not be money that is taken away, as the gentleman has suggested, because—

The CHAIRMAN. The time of the gentleman from Ohio has expired.

(By unanimous consent, Mr. Bow was allowed to proceed for 1 additional minute.)

Mr. GRAY. Mr. Chairman, will the gentleman yield to me for a clarification?

Mr. BOW. Certainly I will yield to the gentleman.

Mr. GRAY. I would say to my friend, the gentleman from Iowa (Mr. Gross) that under the Property Disposal Act these properties are given by the Post Office to the GSA, and the first screening is for other Federal agencies to have the right to come in and ask for them. The second screening is that the cities and States have a right to take that property for public use such as housing needs in that city.

Now, do you know of any city that is offered a site that is not going to take it for nothing? So where is the money going to come from?

Mr. BOW. I agree with the gentleman that if it is surplus property it goes back to the GSA. This has not been declared surplus property, it is still Post Office property. If it is sold for \$7 million, then the money will go back to the Post Office Department.

Mr. GRAY. I have two letters stating that they did intend to declare it surplus. Is not the word of an Assistant Postmaster General worth anything?

Mr. RYAN. Mr. Chairman, I rise in support of the committee bill and in opposition to both the Gross amendment and the Udall amendment.

The gentleman from Illinois (Mr. GRAY) stated very ably the equitable case for the committee position.

Section 7(d) of H.R. 10488 provides that the Postmaster General shall convey to New York City the real property known as the Morgan Annex—a square block between Ninth and 10th Avenues, and 28th and 29th Streets—without monetary consideration and upon condition that the real property is used for publicly assisted housing.

The committee adopted this provision after very thorough consideration and after reviewing the history of the U.S. Postal Service's behavior toward the Chelsea community.

This site was acquired and cleared for the construction of a postal facility. Several hundred families were uprooted and displaced from their homes. Then the Postal Service changed its mind and decided not to build the facility.

The land lies vacant; the people have been scattered; and the community has been disrupted. In an effort to make amends, the committee bill would make the site available for housing—housing which the site tenants and neighborhood

people can afford. That is only fair and equitable.

To require New York City to pay the fair market value would be to insure that low- and moderate-income housing could not be built. The cost of the land, in addition to escalating construction costs, would make it economically unfeasible. The effect of adopting the Gross amendment would be to deprive the local community of desperately needed housing.

It is specious and misleading to argue, as the gentleman from Ohio (Mr. Bow) did, that the conveyance of this site will result in the Federal Government paying for 1,000 units of housing which otherwise would not be contracted for.

In the first place, there is no housing money authorized or appropriated in this bill.

Second, Federal money in the form of annual contributions to local public housing agencies and for section 236 interest subsidies is allocated by HUD. HUD determines how much money is to be provided to New York City for new housing starts in each fiscal year.

So whether there are a thousand units at this site or a thousand units at another site, the number of housing units will be the same. The committee bill will not result in the Federal Government financing an additional 1,000 units. However, it will provide a site where new housing can be built without the displacement and relocation of people, and that is critically important to us in New York City where there is a severe shortage of decent housing and some 135,000 families are on the waiting list for public housing.

As far as the Udall amendment is concerned, the Postal Service has played fast and loose with the community on this issue for too long. It has not used the site. It should not be permitted to use it for parking purposes. The community needs it for long promised housing.

Simple justice dictates a return of this land to provide housing for the poor people who have been displaced and others in the Chelsea community which has already suffered through torture for 6 or 7 years.

I urge my colleagues to vote down the amendments and to support the bill as reported out by the committee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa (Mr. Gross) to the amendment offered by the gentleman from Arizona (Mr. UDALL).

The question was taken; and on a division (demanded by Mr. GRAY), there were—ayes 39, noes 32.

TELLER VOTE WITH CLERKS

Mrs. ABZUG. Mr. Chairman, I demand tellers.

Tellers were ordered. Mrs. ABZUG. Mr. Chairman, I demand tellers with clerks.

Tellers with clerks were ordered; and the Chairman appointed as tellers Mrs. ABZUG and Messrs. GROSS, GRAY, and UDALL.

The Committee divided, and the tellers reported that there were—ayes 196, noes 170, not voting 67, as follows:

- [Roll No. 114]
[Recorded Teller Vote]
AYES—196
- | | | |
|------------------|-----------------|----------------|
| Andrews, Ala. | Gibbons | Nichols |
| Andrews, N. Dak. | Goodling | Obey |
| Archer | Gross | O'Hara |
| Arends | Grover | O'Konski |
| Ashbrook | Gubser | Passman |
| Baker | Gude | Pelly |
| Baring | Haley | Pettis |
| Belcher | Hall | Pirnie |
| Bennett | Hamilton | Poff |
| Betts | Hammer- | Powell |
| Bevill | schmidt | Price, Tex. |
| Blester | Hansen, Idaho | Qua |
| Bow | Harvey | Quillen |
| Bray | Hastings | Randsback |
| Brinkley | Hechler, W. Va. | Randall |
| Broomfield | Heckler, Mass. | Barick |
| Brotzman | Heinz | Rhodes |
| Brown, Ohio | Hillis | Robinson, Va. |
| Broyhill, N.C. | Hogan | Roush |
| Broyhill, Va. | Horton | Ruttselot |
| Burke, Fla. | Hosmer | Runnels |
| Burleson, Tex. | Hull | Ruppe |
| Burlison, Mo. | Hunt | Ruth |
| Byrnes, Wis. | Hutchinson | St. Germain |
| Byron | Ichord | Sandman |
| Camp | Jacobs | Satterfield |
| Carlson | Jarman | Scherle |
| Carter | Jonas | Schmitz |
| Cederberg | Jones, N.C. | Schneebeil |
| Chamberlain | Jones, Tenn. | Schwengel |
| Chappell | Keating | Scott |
| Clancy | Keith | Sebelius |
| Clausen, Don H. | Kemp | Shoep |
| Clawson, Del | King | Shriver |
| Cleveland | Kuykendall | Sikes |
| Collier | Kyl | Skubitz |
| Collins, Tex. | Landgrebe | Snyder |
| Conte | Latta | Spence |
| Cotter | Lennon | Steele |
| Coughlin | Lent | Steiger, Ariz. |
| Crane | Lloyd | Steiger, Wis. |
| Daniel, Va. | Lujan | Stuckey |
| Davis, S.C. | McClory | Talbot |
| Davis, Wis. | McClure | Taylor |
| Dellenback | McCollister | Teague, Calif. |
| Dennis | McCulloch | Terry |
| Derwinski | McDade | Thompson, Ga. |
| Devine | McDonald, Mich. | Thomson, Wis. |
| Downing | McEwen | Thone |
| Duncan | McFaulst | Vander Jagt |
| du Pont | Maharar | Vosey |
| Edmondson | Mahary | Wagoner |
| Edwards, Ala. | Mann | Wampler |
| Erlenborn | Martin | Whaley |
| Evans, Colo. | Mathias, Calif. | Whitten |
| Fasell | Mayne | Widnall |
| Findley | Mazzoli | Williams |
| Fisher | Michel | Wilson, Bob |
| Flowers | Miller, Ohio | Winn |
| Flynt | Mills, Md. | Wright |
| Ford, Gerald R. | Minshall | Wulle |
| Forsythe | Mizell | Wozan |
| Frenzel | Montgomery | Young, Fla. |
| Frey | Myers | Zablocki |
| Fuqua | Natcher | Zion |
| | Neisen | Zwach |

- NOES—170
- | | | |
|------------------|-----------------|---------------|
| Abourezk | Caffery | Foley |
| Abzug | Casey, Tex. | Ford. |
| Adams | Celler | William D. |
| Addabbo | Chisholm | Fraser |
| Alexander | Collins, Ill. | Frelinghuysen |
| Anderson, Calif. | Conyers | Fulton |
| Annunzio | Corman | Garmatz |
| Aspin | Danteis, N.J. | Gaydos |
| Aspinall | Danielson | Gianno |
| Badillo | Davis, Ga. | Gonzalez |
| Barrett | de la Garza | Grasso |
| Begich | Delaney | Gray |
| Bell | Deliuma | Green, Oreg. |
| Bergland | Denbaum | Green, Pa. |
| Biaggi | Diggs | Griffiths |
| Blanton | Dingell | Harper |
| Blatnik | Donohue | Hanley |
| Boggs | Dorn | Hansen, Wash. |
| Boland | Dow | Harrington |
| Bolling | Druhan | Harsha |
| Brademas | Dulski | Hathaway |
| Brasco | Eckhardt | Hawkins |
| Buchanan | Edwards, Calif. | Hays |
| Burke, Mass. | Ellberg | Hefloski |
| Burton | Esch | Hicks, Mass. |
| Cabell | Fish | Hicks, Wash. |
| | Flood | Hollifield |

April 19, 1972

Howard	Mosher	Roybal
Hungate	Moss	Ryan
Johnson, Calif.	Murphy, Ill.	Sarbanes
Karih	Murphy, N.Y.	Seiberling
Kastenmeier	Nedzi	ShIPLEY
Kazen	O'Neill	Sisk
Kluczynski	Patten	Slack
Koch	Perkins	Smith, Iowa
Leggett	Peyster	Steed
Link	Pickle	Stratton
Long, Md.	Pike	Sullivan
McCloskey	Podell	Symington
McCormack	Preyer, N.C.	Thompson, N.J.
McFall	Price, Ill.	Tiernan
McKay	Pryor, Ark.	Udall
McKinney	Purcell	Van Deerlin
Madden	Rangel	Vanik
Mahon	Rees	Vigorito
Mathis, Ga.	Reid	Waldie
Matsunaga	Reuss	Whalen
Meeds	Roberts	White
Melcher	Robison, N.Y.	Wiggins
Metcalfe	Rodino	Wilson,
Mikva	Roe	Charles H.
Miller, Calif.	Rogers	Wolf
Minish	Roncallo	Wright
Mink	Rooney, N.Y.	Wydler
Mitchell	Rooney, Pa.	Yates
Monagan	Rosenthal	Yatron
Moorhead	Rostenkowski	Young, Tex.
Morgan	Roy	

NOT VOTING—67

Abbitt	Eshleman	Nix
Abernethy	Evins, Tenn.	Patman
Anderson, Ill.	Fountain	Pepper
Anderson, Tenn.	Califanakis	Poage
Ashley	Gallagher	Pucinski
Bingham	Gettys	Riegle
Blackburn	Goldwater	Saylor
Brooks	Griffin	Scheuer
Brown, Mich.	Hagan	Smith, Calif.
Byrne, Pa.	Hanna	Smith, N.Y.
Carey, N.Y.	Hebert	Springer
Carney	Henderson	Staggers
Clark	Johnson, Pa.	Stanton,
Clay	Jones, Ala.	J. William
Colmer	Kee	Stanton,
Conable	Kyros	James V.
Culver	Landrum	Stephens
Curlin	Long, La.	Stokes
Dent	McMillan	Stubblefield
Dickinson	Macdonald,	Teague, Tex.
Dowdy	Mass.	Ullman
Dwyer	Mills, Ark.	Ware
Edwards, La.	Mollohan	Whitehurst
	Morse	

So the amendment to the amendment was agreed to.

The CHAIRMAN. The question now occurs on the amendment offered by the gentleman from Arizona (Mr. UDALL) as amended.

The amendment, as amended, was agreed to.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

SEC. 8. To carry out the provisions of the Public Buildings Amendments of 1972, the Administrator of General Services shall issue such regulations as he deems necessary. Such regulations shall be coordinated with the Office of Management and Budget, and the rates established by the Administrator of General Services pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended, shall be approved by the Director of the Office of Management and Budget.

AMENDMENT OFFERED BY MR. GRAY

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

The Clerk read as follows:

Amendment offered by Mr. GRAY: Page 28, after line 20, insert the following:

Sec. 9. (a) Notwithstanding any other provision of law, the House Office Building Commission is authorized (1) to use, to such extent as it may deem necessary, for the purpose of providing office and other accommodations for the House of Representatives, the building, known as the Congressional Hotel, acquired by the Government in 1957 as part of Lot 20 in the Congressional Hotel Building, located at 300 New Jersey Avenue SE., District of Columbia under authority of the Additional

House Office Building Act of 1955 and (2) to direct the Architect of the Capitol to lease, for such other use and under such terms and conditions and to such parties as such Commission may authorize, any space in such building not required for the aforesaid purpose.

(b) Any space in such building used for office and other accommodations for the House of Representatives shall be deemed to be a part of the "House Office Buildings" and, as such, shall be subject to the laws, rules, and regulations applicable to those buildings. Renumber succeeding sections accordingly.

Mr. GRAY. Mr. Chairman and Members of the House, I apologize for bringing this amendment up at this late hour, but it is very important.

EXPLANATION OF LEGISLATION RELATING TO THE CONGRESSIONAL HOTEL BUILDING BY MR. GRAY, TO THE FOLLOWING AMENDMENTS

The purpose of this legislation is to grant authority to the House Office Building Commission to use, in whole or in part, for the purpose of providing office and other accommodations for the House of Representatives, the Congressional Hotel, now defined as part of the Capitol Grounds, and to bring any space so used within the purview of the laws, rules, and regulations governing the House Office Buildings and of those provisions of the Capitol Grounds law, such as pertain to security and policing, now applicable to the Capitol Buildings.

The further purpose of the legislation is to authorize the Commission to direct the Architect of the Capitol to lease any space in the hotel building, not required for immediate use by the House, for such other use, including residential use, and under such terms and conditions and to such parties as the Commission may authorize and to render the provisions of sections 431 and 432 of title 18 of the United States Code relating to contracts with Members inapplicable to leases or subleases entered into, so that Members of Congress may not be excluded from occupying any rooms made available for residential occupancy. The language "notwithstanding any other provision of law" has been included in the legislation to cover this objective. Any space so leased will be a source or rental income to the Government, pending Government use of the entire building.

The hotel structure contains a total of eight floors and basement. Excluding the basement—occupied by a garage, storage and similar facilities—the eight floors contain a total of 203 rooms having a gross square foot floor area of approximately 105,000 square feet.

Since 1958, the building has been operated as a hotel by the Knott Hotels Corp., under a lease with the Government. At the direction of the House Office Building Commission, the lease with the Knott Hotels Corp., has been formally terminated, effective at the close of business May 31, 1972.

There is dire need for use of space in the Congressional Hotel building to provide some measure of relief for present needs of the House of Representatives. Following surrender of possession of the premises by the Knott Hotels Corp., on May 31, 1972, the Commission proposes hereafter as feasible, to utilize approxi-

mately 75 percent of the rooms in the building for office and other accommodations for the House of Representatives—floors two through seven—and to temporarily lease the remainder of the rooms in the building—floors one and eight—for residential and other private use, until such time as the House Office Building Commission deems it necessary to take over such rooms for official use by the House.

Long-term use of the hotel building is not contemplated. Its use by the House is proposed as an expedient to provide much-needed additional temporary quarters for House activities.

Need for this legislation is further explained, as follows:

The Congressional Hotel, located at 300 New Jersey Avenue SE., was acquired, as part of lot 20 in square 692 in the District of Columbia, by the Architect of the Capitol in 1957, at the direction of the House Office Building Commission, through condemnation, under authority of the Additional House Office Building Act of 1955. The condemnation complaint stated the purpose of the acquisition to be for the public use "as a site for an additional office building for use by the House of Representatives of the United States and for additions to the U.S. Capitol Grounds."

October 17, 1967, pursuant to the requirements of the 1955 act, the House Office Building Commission promulgated a formal order defining for purposes of law the status of all properties acquired under the 1955 act. Eight squares were acquired in all. The Commission's authority was limited by the 1955 act to defining as "House Office Buildings" only those structures and facilities constructed on such property under authority of the 1955 act. All other areas were required to be defined as "Capitol Grounds."

Accordingly, the Commission's order declared the following properties to be "House Office Buildings," effective October 17, 1967:

The Rayburn House Office Building, the subway connecting such building to the Capitol Building, the pedestrian tunnels connecting such building to the Longworth House Office Building, the underground garages in Squares 637 and 691 and the tunnels connecting these garages to the House Office Buildings, are hereby declared to be House Office Buildings and, as such, are hereby made subject to those provisions of the Act of July 31, 1946 (40 U.S.C., secs. 193a-193m, 212a, and 212b), including any amendments to such Act, which are applicable to the Capitol Buildings, and to the Act of Mar. 4, 1907 (40 U.S.C. 175).

The order further declared the status of all other real property acquired under the 1955 act to be "Capitol Grounds," as follows:

All other real property acquired by the Architect of the Capitol under authority of the Additional House Office Building Act is hereby declared to be part of the United States Capitol Grounds and is hereby made subject to the Act of July 31, 1946 (40 U.S.C., secs. 193a-193m, 212a, and 212b), including any amendments to such Act.

Under the provisions of the October 17, 1967, order, the Congressional Hotel is now a part of the U.S. Capitol Grounds,

and not a part of the House Office Buildings.

In order for the Congressional Hotel, now defined as "Capitol Grounds," to be used, in whole or in part, as part of the "House Office Buildings" complex, subject to laws, rules, and regulations governing the "House Office Buildings," including assignment of rooms, and the security and police provisions of the Capitol Grounds law applicable to the "Capitol Buildings," and subject also to the use of maintenance funds available for maintenance and operation of the House Office Buildings, it is necessary that action be taken to bring the hotel, in whole or in part, within the statutory definition of the term "House Office Buildings."

With respect to the security and police provisions of the Capitol Grounds law applicable to the "Capitol Buildings," Public Law 90-108, approved October 20, 1967, under section 16 (a), has defined the term "Capitol Buildings," as follows:

Sec. 16 (a) As Used in this Act—

(1) The term "Capitol Buildings" means the United States Capitol, the Senate and House Office Buildings and garages, the Capitol Power Plant, all subways and enclosed passages connecting two or more of such structures, and the real property underlying and enclosed by any such structure.

The House Office Building Commission unanimously endorsed enactment of this legislation at its meeting of April 10, 1972.

I am sure Mr. GROSS and Mr. HALL and the others who are always looking for ways to bring in revenue will be in support of this measure.

Mr. HALL. Will the gentleman yield?

Mr. GRAY. I am glad to yield to the gentleman from Missouri.

Mr. HALL. Mr. Chairman, I appreciate the gentleman yielding to me and I appreciate his thoughtful consideration about what my friend from Iowa and I are always seeking insofar as the taxpayers' money is concerned.

I wonder if he would explain the technique just a little bit more, first of all as to history. I understand, of course, we want to take over the Madison Library for additional office buildings.

That was chopped down early in this Congress with the "help" of the Committee on Public Buildings, and I use the word "help" in quotes. But now I also understand—and I am thoroughly in agreement that we ought to grandfather clause in those who have residence at the hotel if, indeed, all the space is not needed and if, indeed, the building will hold up all the things, the machinery and other items that would be placed into it. However, I do not think we ought to have a sweetheart clause in here under some fiduciary organization or other arrangement.

I wonder if the distinguished chairman of the subcommittee would explain to the House just a little bit further what is involved insofar as sweetheart clauses through some group or fiduciary or third party interspersed insofar as its operation is concerned that might yield back in kind, if not in rent, additional benefits to the group?

Mr. GRAY. There will be no sweetheart clauses. There will also be no grandfather clauses.

What we are seeking to do here is to take administrative jurisdiction over the Congressional Hotel, similar to any other public building that is on the Capitol Hill complex which includes the House Office Buildings. However, the Architect of the Capitol does not feel that under present law and regulations he would be allowed to rent space on a monthly or yearly basis and that he needs this legislative authority. However, I assure the gentleman from Missouri that no one will have any separate rights other than on a contract basis.

Mr. HALL. Is it not true, if the gentleman will yield further, that the plan is, according to rumors floating rampant around here, that the Architect not being able to do this and the Building Committee not desiring to do it, intends now to use a fiduciary such as the so-called Democratic Hill Club or whatever the name is, which is at present leasing space over there and they in turn would sublease to individual Members, which would mean in effect that there would be a subsidization to them in the form of equipment and space?

I am simply asking this question for information.

I think we ought to get this out on the table.

I am not sure that there is anything wrong with it, but there is a third party intervening here between the Building Committee, between this subcommittee or the Committee on Public Works as a whole by those who will be renting space.

I think we ought to know what values are going to accrue with reference to the grandfather or sweetheart clauses. I would say to the gentleman that I am in favor of the grandfather part of it but I do not think I am in favor of the sweetheart clause.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

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

(Mr. HALL asked and was given permission to revise and extend his remarks.)

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

Mr. HALL. I yield to the gentleman from Illinois.

Mr. GRAY. First, let me say to the gentleman from Missouri that this request came from the House Office Building Commission. We have the very distinguished dean of the House here who serves with great distinction on that committee and also the ranking minority member of the Committee on Public Works is also a member of that committee.

I would ask the gentleman from Missouri to yield to the distinguished dean to answer that question.

Mr. HALL. I would be glad to yield to the gentleman from New York.

Mr. CELLER. I thank the gentleman for yielding.

The Building Commission unanimously voted for this project upon the strong recommendation of the Architect of the Capitol.

Mr. HALL. I am glad to know that it is unanimous, but what I want to know is

what is the "arrangement" and/or what is the proposed contract involving how it is the third party.

Mr. CELLER. There are no so-called sweetheart, if I may use that term, proposals in this arrangement whatsoever. These Members are older Members, senior Members, and would occupy the top story and at the end of their stay they can be ousted any time by the House or by the Building Commission. They have no preemptive rights whatsoever. They are there at the sufferance of the House and the Commission.

Mr. HALL. Does the gentleman mean to imply to me that they will pay rent to the Architect of the Capitol, or the Building Committee?

Mr. CELLER. I cannot answer the gentleman.

Mr. HARSHA. Will the gentleman yield to me so that I may answer his inquiry?

Mr. HALL. I will be glad to yield to the gentleman from Ohio.

Mr. HARSHA. I can answer the gentleman that unequivocally those Members who are permitted to stay there will pay rent, and they will pay that rent at the going commercial rate.

Mr. HALL. To whom will they pay the rent?

Mr. HARSHA. They will pay it to the lessee, or the people who contract to rent part of this building that we will not use for congressional office space or committee space. We do not know who is going to be the third party as yet. There are negotiations going on, and those negotiations are for a normal commercial rate of around \$4.20 per square foot. So that whoever rents this property from the House Office Building Commission then will have to pay the going commercial rate.

Mr. HALL. Will the gentleman agree that by voting for this amendment we would be giving tacit approval to the fact that there will be a third party between either the House Building Commission or the Architect of the Capitol, and those who occupy the space under this clause?

Mr. HARSHA. That is right, and that is because we cannot now legally contract with Members of Congress.

Mr. HALL. Nor could they pay directly to the Congress, or recoup directly into the Treasury, so there must be a third party.

Mr. HARSHA. That is correct.

Mr. HALL. Do I understand from the gentleman's reply, as cloaked as it is, that there are persons under consideration who might contract to be the third party, or the intervening fiduciary between these two people?

Mr. HARSHA. The Architect of the Capitol is making these negotiations now. Of course, they would have to be approved by the House Building Commission, and just who the third party that would involve would be. I do not know at this stage of the game. But any agreement that is made will have to be approved by the House Building Commission.

Mr. HALL. Under that circumstance I would like to ask either the chairman handling the bill or my

friend, the ranking minority member, if they have that authority, and if they are going to make a contract, why do we have this amendment unless it is to legalize some such action they obviously have the power to do in the first place?

Mr. HARSHA. The gentleman has answered his own question. It is to legalize the occupancy of some of these rooms that are not needed, by Members of Congress who have been living there for a number of years, and who have no other place to go. But as the law now exists the Congress cannot enter into contracts with Members of Congress, either directly or indirectly.

Mr. HALL. Mr. Chairman, I will say, that this should be watched in the future with a great deal of interest. I am aware of bills that have been run up, not by current or extant Members who occupy any portion of the Congressional Hotel, but other Members who have left from there in the past owing great bills to the Knott Hotel Corp., some of which may have been forgiven.

So I think the House should concern itself with how this matter is handled. The CHAIRMAN. The time of the gentleman from Missouri has expired.

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

Mr. Chairman, I would like to say, in view of the colloquy between the gentleman from Missouri (Mr. HALL) and the gentleman from New York (Mr. CELLER) and the gentleman from Ohio (Mr. HARSHA) that this matter came to us on a recommendation from the Architect of the Capitol. There was some question as to whether the Architect had the legal authority to proceed, and in order to make sure of that, this amendment was recommended.

The gentleman understands that we are now in the process of taking over the Congressional Hotel, and for those Members of the Congress who happen to stay there, it is necessary that arrangements be worked out, as the gentleman from Ohio has said. It is our understanding that they will pay the going rent, but not less than what they have been paying to the Knott Hotel Corp., for comparable space and services.

We believe that even though the House starts immediately taking over the floors from between the first floor and the top floor, the Government will still probably receive as much, if not more, net income than it has been getting from the Knott Hotel Corp. The reason for taking over the hotel is that we have found it necessary, because of the pressures from committees, subcommittees, and other groups who have the right to occupy space in the House Office Building for office space. We need the extra space.

Eventually, of course, I am sure we will take over the entire hotel, and will probably have to rebuild at some time down the line, but in the meantime this enables us to take over those parts that we need immediately; to remodel them, or to let the Architect of the Capitol remodel them in the manner that will accommodate the needs of the House of

Representatives. At the same time, there are Members who have been living there, and we do not need all of the space immediately. So the Architect will negotiate and try to find a lessee who can operate a part of the hotel for the various tenants—and a nonprofit organization is contemplated. The total net proceeds will go into the Treasury of the United States as receipts.

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

Mr. ALBERT. I yield to the gentleman from Ohio.

Mr. HARSHA. Mr. Chairman, in addition to what the distinguished Speaker has said, I would like to point out that this is not limited just to Members of Congress, but any space we do not immediately need could be utilized, and the Architect will, because he is involved, have the right to lease that space out so that we can receive reimbursement for it, so that ultimately there will be money going back into the Treasury, because the lessee, is going to have to pay for all the space he uses.

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

Mr. ALBERT. I yield to the gentleman from Missouri.

Mr. HALL. Mr. Chairman, I thank the distinguished Speaker for his statement. I believe we have not yet gotten to the real nitty-gritty of the problem, but perhaps my purpose has been served in alerting the House to the problem.

I am not one of the ones who agrees that if we would eliminate the political groups and the other organizations from the existing Capitol and House Office Buildings that we would need additional space. That is up to the decision being made, unless the Congress wants to recoup that unto itself, but, be that as it may, I repeat, I am in favor of those who live there and have a need to live close to the Capitol, being provided this space if indeed we do not need it, and I doubt that we do.

Additionally, I will be very interested in following the arrangements that will be made, and I am reassured by the Speaker's statement, as Chairman of the Building Committee, of course, that there will be no less income and, indeed, may be enough to defray some of the expenses of the rest of the building. I would hope that the Architect, in his wisdom, and the Building Committee in their approval, search well for an intervener who is going to handle this, and to whom the occupants will pay their rents.

Mr. ALBERT. I hope that what the gentleman suggests will be true. However, I cannot guarantee it, but again I say I hope it will be true.

I think the gentleman from Missouri has served a useful purpose in pointing up these facts.

Mr. HALL. I usually do.

(Mr. ALBERT asked and was given permission to revise and extend his remarks.)

Mr. HARSHA. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I just want to reiterate my support of this amendment and urge its adoption.

AMENDMENT OFFERED BY MR. GROSS TO THE
AMENDMENT OFFERED BY MR. GRAY

Mr. GROSS. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS to the amendment offered by Mr. GRAY: After "the Architect of the Capitol to lease" Insert "at fair market value".

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

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

Mr. GROSS. I yield to the gentleman from Illinois.

Mr. GRAY. It is getting late. In a spirit of friendship and cooperation I accept the amendment.

Mr. GROSS. I was sure that the House, having adopted a "fair market value" provision as applied to New York, would want to regulate its own affairs on that basis. So I am delighted with the statement of the gentleman.

I would like to ask the gentleman a question or two concerning the contract for the operation of this hotel. Are the rentals in the building going to be posted with the Rent Control Agency?

Mr. GRAY. As the gentleman knows, the buildings in the Capitol Hill Complex are not part of the wage and price freeze of the President.

Mr. GROSS. Why not?

Mr. GRAY. Why not?

Mr. GROSS. Yes.

Mr. GRAY. Well, when I went to school, I learned that there were three separate and distinct branches of the Government: Legislative, executive, and judicial. This happens to be the legislative branch, and I do not think we need anyone imposing any restrictions on us.

Mr. GROSS. Do you mean to say that while in Northern Virginia I am getting rent increases every few months, the tenants are not getting them at this Government-owned hotel?

Mr. GRAY. There is certainly a difference. We are not a profit-making agency. We are here to legislate on the Nation's business.

Mr. GROSS. How soon are you going to have an apartment open? I want to move in. If that is a sanctuary against rent increases, I have been missing out on something. I want to move in.

Tell me something else. Who is going to provide the janitorial services and how will they be paid for, and who is going to provide the security, and how is that going to be paid for?

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

Mr. GROSS. Yes, of course.

Mr. GRAY. The House Office Building Commission, as the gentleman knows, is in charge of all the Capitol Hill Complex. This will be handled in the same manner as the other buildings. It will be under contract. That is why the Speaker wants to get back as much money as he can into the Treasury so we can pay some of these costs. When you look at the contract we now have with the hotel, you see it is a sweetheart contract. We are not getting back a fair return. I think we can take care of the janitorial

services and other expenses and still save money.

Mr. GROSS. When the gentleman from Missouri was talking about sweetheart contracts a few minutes ago, I did not understand that he was getting any affirmative responses. Now we have it on the line. This hotel is operated with sweetheart contracts, and I assume the clubs in that building will continue to be treated on the same basis. I wonder if the membership in those clubs will be open to all comers?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa to the amendment offered by the gentleman from Illinois (Mr. GRAY).

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. GRAY) as amended.

The amendment, as amended, was agreed to.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

Sec. 9. Section 8 of the John F. Kennedy Center Act, as amended (72 Stat. 1969) is amended by inserting "(a)" immediately after "Sec. 8" and by adding at the end thereof the following new subsection:

"(b) There is hereby authorized to be appropriated to the Board not to exceed \$1,500,000 for the fiscal year ending June 30, 1972, for the public costs of maintaining and operating the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts."

Mr. GRAY (during the reading). Mr. Chairman, I ask unanimous consent that section 9 be considered as read, printed in the RECORD, and open to amendment at any point.

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

There was no objection.

AMENDMENT OFFERED BY MR. GRAY

Mr. GRAY. Mr. Chairman, I offer an amendment:

The Clerk read as follows:

Amendment offered by Mr. GRAY: On page 29, after line 4, add the following new section:

"Sec. 10. Section 6 of the John F. Kennedy Center Act, as amended (72 Stat. 1968), is amended by adding at the end thereof the following new subsection:

"(e) The Secretary of the Interior, acting through the National Park Service, shall provide maintenance, security, information, interpretation, janitorial and all other services necessary to the non-performing arts function of the John F. Kennedy Center for the Performing Arts. There is hereby authorized to be appropriated for the fiscal year ending June 30, 1973, to the Secretary of the Interior such sums as may be necessary for carrying out this subsection."

Remember the succeeding section accordingly.

Mr. GRAY. Mr. Chairman and colleagues, I assure the Members that this is the last committee amendment. I apologize for the delay. I would like to explain about the John F. Kennedy Center. As you know, this has been a project that has been participated in by several countries around the world. Not only have the people of the United States contributed more than \$38 million of

their own money to build the Kennedy Center, but we have also used taxpayers' money in making this into a national monument to the late President Kennedy and also a theater in memory of former President Eisenhower. We have spoonfed the construction of the Kennedy Center, as it were.

We bottlefed the Kennedy Center, as it were. We hope now it is growing out of its stages of adolescence and becoming a full-grown adult that will provide the services originally intended by the congressional act. For that reason, the Committee on Public Works is offering an amendment that will let us, once and for all, give the maintenance and security of this national monument to the National Park Service where it belongs.

Every year there is some argument taking place on the floor about the further needs of the Kennedy Center. We feel that the National Park Service, since it has jurisdiction over the Washington Monument, the Jefferson Memorial, the Lincoln Memorial, and all other national monuments throughout this city and this country, should rightfully come to the Congress and justify each year, in its line item appropriations request, the money to maintain the nonperforming arts functions of the Kennedy Center.

This amendment will not allow one cent to be spent on the performing arts functions at the Kennedy Center, and it would not allow one cent to be spent on the building construction per se, but merely to be spent for the security and maintenance of keeping the building open to the general public during the daylight hours as a national monument.

If some Members were not here earlier when I spoke in general debate, I pointed out the Kennedy Center is second only to the Capitol Building in the number of visitors. Between 8,000 to 12,000 people a day are going there, including schoolchildren and others, to see this beautiful national monument. We feel it should not be the responsibility of the Congress every year to come up with an authorization bill. All this says is the National Park Service shall assume the responsibility of providing protection and maintenance for this national monument, and then it shall come each year to the Appropriations Committee and justify the amounts needed, as it does for similar memorials.

Mr. Chairman, I ask for a favorable vote.

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

Mr. GRAY. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, has the committee ever given any consideration to charging admission to this palace over on the Potomac River?

Mr. GRAY. I would say to my distinguished friend, the gentleman from Iowa, if anyone has ever gone to the Kennedy Center for an evening performance, he has had to pay an admission of \$3 for some of the performances there. If he goes to some, he pays even more. But the part that is going to be open in the day, the part that is going to be open for the people of the country to see, and I think it would

be highly inappropriate for us to charge people to come in to the Kennedy Center, as it would be if we were to charge them to come into Arlington Cemetery to see Kennedy's grave, or to see the Thomas Jefferson Memorial, or to see the other monuments. This is only to pay the cost of the care and the maintenance and the security of the monument.

Mr. GROSS. Mr. Chairman, will the gentleman yield further?

Mr. GRAY. I yield further to the gentleman from Iowa.

Mr. GROSS. What does the gentleman estimate it is going to cost per annum if administered through the Department of the Interior?

Mr. GRAY. We have not had a full year of operation. We cannot give any more than an estimate, but I can give the figures of what it cost to secure other Washington memorials. It is \$512,000 for the Washington Monument, and \$317,000 for the Lincoln Memorial. It will be a little more here, because it is a bigger building, and there will be a requirement for more people with increased visitors.

Mr. GROSS. Maybe it will be \$2 million or \$2.5 million or \$3 million?

Mr. GRAY. I think that would be a little high. I would say somewhere between \$1 million and \$2 million. It is a guesstimate. As I said, we have not had one full year of operation in order to tell, but let me remind my friend, the gentleman from Iowa, that the gentleman from Washington (Mrs. HANSEN) is handling the budget for the National Park Service, and I can assure the gentleman that the gentleman requires a full justification of all money spent for the National Park Service, and she will carefully consider this matter likewise.

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

Mr. Chairman, this simply is an effort to get the operation and maintenance and security and the guide service of the nonperforming arts section of the Kennedy Center away from the management that has abused that privilege and service up until now. We feel that, with this amendment, we will put that service into the Park Service and the Department of the Interior, and we expect the same kind of exemplary service they have given over the years in other kinds of service, such as at the Washington Monument and the Jefferson Memorial, and so on.

So, Mr. Chairman, I support this amendment and urge its adoption.

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

Mr. HARSHA. I yield to the gentleman from Iowa.

Mr. GROSS. Is it not true that admission is charged to the home of former President Washington at Mount Vernon? Is it not true that there is a charge to ride the elevator to the top of the Washington Monument? Is it not true that there is an admission charge to see the Lee Mansion in Arlington Cemetery?

Mr. HARSHA. The home at Mount Vernon is operated by a historical society.

Mr. GROSS. Still there is a charge. Mr. HARSHA. That is right, but that is not the Park Service operation. There

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is no charge by the Park Service either to the Jefferson Memorial or the Lincoln Memorial that I am aware of.

Mr. GROSS. Let me ask another question. What about the leasing of the parking at this cultural center? Who gets the "gravy" from that? Is that operated by I.T. & T.?

Mr. HARSHA. No. It is operated to pay off bonds issued to finance construction of the garage.

Mr. Chairman, I yield to the gentleman from Illinois (Mr. GRAY) to answer that question.

Mr. GRAY. I would be delighted to answer my friend's question.

First let me state that Mount Vernon is not owned by the Federal Government, but is owned by a group of ladies.

Second the money being collected in parking fees goes to retire the bonds, and as soon as the bonds are amortized the Kennedy Center Board of Trustees—and we have Members of Congress serving on that board—if they want, can have free parking. The fee being charged now is to retire the bonds.

Mr. GROSS. How many hundreds of years of parking will it take to retire the bonds?

Mr. GRAY. I believe they are 20-year bonds, and I am sure the gentleman will agree that the Kennedy Center was built to last several hundred years.

Mr. GROSS. Will that get us our \$56 million back in behalf of the taxpayers of this country?

Mr. GRAY. It will recoup the underwriting of the bonds, yes.

Mr. GROSS. The gentleman will not live long enough to see it.

Mr. GRAY. I hope so.

Mr. PEYSER. Mr. Chairman, I move to strike the requisite number of words. (Mr. PEYSER asked and was given permission to revise and extend his remarks.)

Mr. PEYSER. Mr. Chairman, I will try to be brief.

One thing the chairman of the subcommittee said was that once and for all we will be finished with payments to the Kennedy Center. I was not privileged to be in the Congress at the time the authorization legislation for the Kennedy Center passed, but I know that today there is in excess of \$4.5 million still owed on construction costs on that center.

I have a particular interest in this matter since one of the major industries in my own district in New York is owed a substantial amount of money by the Kennedy Center.

It was my understanding at first—and I must admit it was a misunderstanding—that the legislation today was going to be directed toward paying these contracts off, that were used in the construction, that people entered into in good faith in constructing the Kennedy Center.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. I thank the gentleman.

I was the original author of the legislation which brought about the Kennedy

Center and I served as a trustee, along with the gentleman from New Jersey (Mr. FRELINGHUYSEN) the gentleman from Wyoming (Mr. RONCALIO) and others.

The question of the moneys not owing but in dispute to which the gentleman refers is not at all relevant to this, and nowhere in this legislation is there provision for payment of those disputed contracts. It is highly likely that there might be some litigation with respect to them.

Mr. PEYSER. I thank the gentleman for his comments.

I am aware that this legislation evidently does not speak to this, but when we say we are not going to be putting additional moneys into this it should be noted that there is more than \$1,435,000 owed under the original contracts for the construction of the center.

There are over \$3 million owed in delayed claims under these contracts. All I am saying is that the U.S. Government was involved in this construction and this represents, to many industries who in good faith went ahead with these contracts and completed them, a substantial amount that they are not now being paid.

Mr. THOMPSON of New Jersey. If the gentleman will yield, no one questions the good faith of those contracts the payment for which is in dispute. It is not a question as to whether the contractor is an honest person or not, but it is a question as to whether or not he fulfilled his contract. Those which have been fulfilled have been paid; those which are in dispute are as yet unpaid and are the subject of negotiation and possible litigation.

Mr. PEYSER. I do not mean to disagree with the gentleman, but I am saying the \$1,435,000 is not in dispute in this question. The areas being disputed involve \$3 million. But does the gentleman know where this money will come from if it does not come from the Congress?

Mr. HARSHA. Will the gentleman yield to me?

Mr. PEYSER. I yield to the gentleman.

Mr. HARSHA. Any money in this bill is not—and I repeat "is not"—for the retirement of construction obligations. The only money in this bill is for the reimbursement of expenses incurred in providing guide services, security, and maintenance to that portion of the Kennedy Center that is a national monument; that portion which is related to the nonperforming arts. What anybody has told you or your clients with respect to being paid on a construction contract has no bearing as to what is in this legislation.

Mr. PEYSER. I thank the gentleman. I agree with the gentleman, and I am merely saying that I think the Congress also ought to realize that it should pay off these honest debts that were incurred.

Mr. DON H. CLAUSEN. Will the gentleman yield?

Mr. PEYSER. I yield to the gentleman.

Mr. DON H. CLAUSEN. I would like to thank the gentleman for his comments. I am the author of the legislation, if he could expound just briefly on what he refers

to as possible litigation. As a member of the board of trustees, could he elucidate on this and tell us wherein there are disputes over the payment of obligations and where will they get the money from to pay what might be a contested contract?

Mr. THOMPSON of New Jersey. If the gentleman will yield, that question cannot be answered until the disputes arising out of the contracts are settled. No one questions the good faith of the contractors. There are, however, and there have been, however, poor performances and poor construction and other matters which the trustees have yet to settle. The trustees are represented by counsel. Counsel is negotiating, and I just anticipate in the final analysis that there may be some litigation.

Mr. RONCALIO. Mr. Chairman, I move to strike the penultimate word.

(Mr. RONCALIO asked and was given permission to revise and extend his remarks.)

Mr. RONCALIO. Mr. Chairman, the purpose of the amendment is to provide for the operation of the nonperforming arts aspects of the John F. Kennedy Center. These include maintenance, security, information, interpretation, janitorial and other similar services.

When the Center opened last year, it quickly became apparent that the provisions which had been made for providing the nonperforming arts functions were inadequate. The magnificence of the Center made it a stellar attraction for Americans visiting the Nation's Capitol.

Crowds far exceeded estimates. Not surprisingly, therefore, provisions made for policing and security, as well as for maintenance and other services proved inadequate.

I want to stress that what we are talking about here is those functions of the Center related to its role as a national memorial. Performing arts activities would naturally be paid for by performance admission charges.

As a stopgap measure, H.R. 10488 provides \$1.5 million for the public costs of maintaining and operating the nonperforming arts functions of the Center. The authorization is for fiscal 1972 only, however. Clearly, if the John F. Kennedy Center is to keep its doors open to the visiting public in the future, additional assistance must be provided.

That such financial assistance should be contemplated is not unreasonable. Other memorials located in the Nation's Capitol such as the Washington Monument and the Lincoln and Jefferson Memorials receive aid. The nonperforming arts functions of the John F. Kennedy Center fall into the same category. They are publicly related. They arise from the operation of the Center as a national memorial to President John Fitzgerald Kennedy.

The authorization provided for in this amendment is for a single fiscal year. During that period, it is my understanding, the Committee on Public Works plans an in-depth study of the operations of the Center. From that study, hopefully, we will be able to determine more effective managerial controls and operating efficiencies in the years ahead.

During the intervening period, we must provide the moneys necessary to carry out the nonperforming arts national memorial functions of the Kennedy Center. That is the sole purpose of my amendment.

I urge its approval.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. GRAY).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read. The Clerk started to read section 10.

AMENDMENT OFFERED BY MR. HALL

Mr. HALL. Mr. Chairman, I offer an amendment applicable to the original section 9 as printed in the bill.

The CHAIRMAN. Section 9 has been read. The Clerk will read the amendment. The Clerk read as follows:

Amendment offered by Mr. HALL: On page 28, line 21, strike out all of section 9 through line 4 on page 29 and renumber the following sections accordingly.

POINT OF ORDER

Mr. GRAY. Mr. Chairman, I regretfully rise to make a point of order against the amendment. We have already passed section 9.

The CHAIRMAN. The gentleman from Illinois is correct. The amendment follows section 9. Section 9, accordingly, has been approved.

Mr. HALL. Mr. Chairman, I submit in arguing the point of order that I was on my feet and standing in the well. The amendment has been on the Clerk's desk involving section 9.

Obviously, the Chair recognized the chairman of the committee handling the bill. I am not a member of the committee, but I am an elected Member of this House and I have the right in view of the fact that I was standing to offer an amendment to section 9.

The CHAIRMAN. The Chair does not wish to disagree with his friend from Missouri. The Chair only wishes to state that in accordance with the parliamentary procedures the Gray amendment added a new section 10. Because of that, of course, under the procedures, section 9 has been passed and taken care of.

PARLIAMENTARY INQUIRY

Mr. HALL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HALL. Is it not true that the gentleman from Illinois who is handling the bill asked unanimous consent that the entire bill be considered as read and open for amendment at any point?

The CHAIRMAN. The Chair will state to the gentleman from Missouri that the gentleman from Illinois requested that section 9 be considered as read and open for amendment at any place, and this was done. Then he immediately proposed a new amendment which is section 10 to the bill.

There is only one way that the Chair can honor the request of the gentleman from Missouri and that is if the gentleman can get unanimous consent to offer his amendment. The Chair would be glad to honor a point of order.

Mr. HALL. Mr. Chairman, in view of the fact that I was ready to offer this

amendment which deals with section 9 as printed, I ask unanimous consent that we revert to that position and that my amendment be accepted by the Chair.

Mr. GRAY. Mr. Chairman, I reluctantly object.

The CHAIRMAN. Objection is heard. The Clerk will read.

The Clerk read as follows:

Sec. 10. This Act shall become effective upon enactment. The effective date of applying the rates to be charged pursuant to the regulations to be issued under subsections (j) and (k) of section 210 of the Federal Property and Administrative Services Act of 1949, as amended, shall be as determined by the Administrator of General Services but in any event shall not be later than the beginning of the third full fiscal year subsequent to the enactment thereof.

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

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

PARLIAMENTARY INQUIRY

Mr. HALL. Mr. Chairman, reserving the right to object may I make a parliamentary inquiry as to whether under the chairman's now posed unanimous-consent request it would be in order to submit an amendment to the original section 9, particularly in view of the fact that the gentleman from Illinois' amendment having to do with the Department of the Interior after June 30, 1973, is labeled and was read by the Clerk as section 10 on page 29?

The CHAIRMAN. In answer to the parliamentary inquiry, the Chair reluctantly holds that it would not be in order to go back to section 9.

If the gentleman from Missouri wishes, and if he has a new amendment, it would be in order to propose that to section 11 of the bill. We are now on section 11.

Mr. HALL. I thank the Chairman, and I withdraw my reservation.

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

There was no objection.

The CHAIRMAN. The question now occurs on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. ASPINALL, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 10488) to amend the Public Buildings Act of 1959, as amended, to provide for financing the acquisition, construction, alteration, maintenance, operation, and protection of public buildings, and for other purposes, pursuant to House Resolution 931, he reported the bill back to the House with an amendment adopted by the Committee of the Whole. The SPEAKER: In separate vote demanded on any amendment to the committee amendment in the nature of a

substitute adopted in the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

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

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

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

Mr. GROSS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 331, nays 40, not voting 62, as follows:

[Roll No. 115]

YEAS—331

Abourezk	Denholm	Jarman
Adams	Derwinski	Johnson, Calif.
Addabbo	Devine	Jonas
Alexander	Diggs	Jones, N.C.
Anderson,	Dingell	Jones, Tenn.
Calif.	Donohue	Karsh
Anderson, Ill.	Dorn	Kastenmeier
Anderson,	Dow	Kazen
Tenn.	Downing	Keating
Andrews, Ala.	Drinan	Keith
Andrews,	Dulski	Kemp
N. Dak.	du Pont	King
Annunzio	Eckhardt	Kiuczyński
Arends	Edmondson	Koch
Aspin	Edwards, Ala.	Kuykendall
Aspinall	Edwards, Calif.	Latta
Baker	Ellberg	Leggett
Baring	Erlenborn	Lent
Barrett	Esch	Link
Begich	Evans, Colo.	Lloyd
Belcher	Fascell	Long, Md.
Bell	Findley	Lujan
Bennett	Fish	McCloskey
Bergland	Fisher	McClure
Betts	Flood	McCollister
Biaggi	Flowers	McCormack
Blanton	Flynt	McCulloch
Blatnik	Foley	McDade
Boggs	Ford, Gerald R.	McDonald,
Boland	Ford,	Mich.
Bolling	William D.	McEwen
Bow	Forsythe	McFall
Brademas	Fraser	McKay
Brasco	Frelinghuysen	McKevitt
Broomfield	Frenzel	McKinney
Brotzman	Frey	Madden
Brown, Ohio	Fulton	Mahon
Broyhill, N.C.	Fuqua	Mailhard
Broyhill, Va.	Garmatz	Mallary
Buchanan	Gaiomo	Mann
Burke, Fla.	Goldwater	Mathias, Calif.
Burke, Mass.	Gonzalez	Matsunaga
Burleson, Tex.	Gooding	Mayne
Burlison, Mo.	Grasso	Mazzoli
Burton	Gray	Meeds
Byrnes, Wis.	Green, Oreg.	Melcher
Byron	Green, Pa.	Metcalfe
Cabell	Griffiths	Mikva
Caffery	Grover	Miller, Calif.
Carlson	Gubser	Miller, Ohio
Carter	Gude	Mills, Md.
Casey, Tex.	Hagan	Minish
Cederberg	Haley	Mink
Celler	Halpern	Minshall
Chamberlain	Hamilton	Mitchell
Chappell	Hammer	Mizell
Chisholm	schmidt	Mollohan
Claeney	Hanley	Monahan
Clausen,	Hansen, Idaho	Moorhead
Don H.	Hansen, Wash.	Morgan
Clawson, Del.	Harrington	Morse
Cleveland	Hatch	Moher
Collins, Ill.	Hastings	Moss
Collins, Tex.	Hathaway	Murphy, Ill.
Conable	Hawkins	Murphy, N.Y.
Conte	Hays	Myers
Conyers	Hechler, W. Va.	Natcher
Corman	Heckler, Mass.	Nedzi
Cotter	Heinz	Nelsen
Coughlin	Helstoski	Nichols
Daniel, Va.	Hicks, Mass.	Obay
Daniels, N.J.	Hicks, Wash.	O'Hara
Danielson	Hillis	O'Konski
Davis, Ga.	Hogan	O'Neill
Davis, S.C.	Hollifield	Passman
DeLoach	Holton	Patten
Delaney	Howard	Tupper
Dellenback	Hungate	Perkins
Dellums	Hunt	Pettis
		Peyster

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Pickle	Ruppe	Tiernan
Pike	St Germain	Udall
Pirnie	Sandman	Ullman
Podell	Sarbanes	Van Deerlin
Poif	Satterfield	Vander Jagt
Powell	Schneebell	Vanik
Preyer, N.C.	Schwengel	Veysey
Price, Ill.	Scott	Vigorito
Pryor, Ark.	Seiberling	Waggonner
Purcell	Shipley	Waldie
Quie	Shoup	Wampler
Rallsback	Shriver	Whalen
Randall	Sikes	Whalley
Rangel	Sisk	White
Rees	Skubitz	Whitten
Reid	Slack	Widnall
Reuss	Smith, Iowa	Wiggins
Rhodes	Smith, N.Y.	Williams
Roberts	Snyder	Wilson, Bob
Robinson, Va.	Springer	Winn
Robison, N.Y.	Steed	Wolf
Rodino	Steele	Wright
Roc	Stratton	Wyatt
Rogers	Stuckey	Wylder
Roncalio	Sullivan	Wylie
Rooney, N.Y.	Talcott	Wyman
Rooney, Pa.	Taylor	Yates
Rosenthal	Teague, Tex.	Yatron
Rostenkowski	Terry	Young, Tex.
Roush	Thompson, Ga.	Zablocki
Roy	Thompson, N.J.	Zion
Roybal	Thomson, Wis.	Zwachs
Runnels	Thone	

NAYS—40

Abzug	Hall	Rarick
Archer	Hutchinson	Rousselot
Ashbrook	Jacobs	Ruth
Biester	Kyl	Ryan
Bray	Landgrebe	Scherle
Brinkley	Lennon	Schmitz
Camp	McClory	Sebelius
Collier	Martin	Spence
Crane	Mathis, Ga.	Steiger, Ariz.
Dennis	Michel	Steiger, Wis.
Duncan	Montgomery	Teague, Calif.
Gaydos	Pelly	Young, Fla.
Gibbons	Price, Tex.	
Gross	Quillen	

NOT VOTING—62

Abbitt	Eshleman	Mills, Ark.
Abernethy	Evins, Tenn.	Nix
Ashley	Fountain	Patman
Badillo	Galanakakis	Poage
Bevill	Gallagher	Pucinski
Bingham	Gettys	Riegle
Blackburn	Griffin	Saylor
Brooks	Hanna	Scheuer
Brown, Mich.	Harvey	Smith, Calif.
Byrne, Pa.	Hebert	Stagers
Carey, N.Y.	Henderson	Stanton
Carney	Hull	J. William
Clark	Ichord	Stanton
Clay	Johnson, Pa.	James V.
Colmer	Jones, Ala.	Stephens
Culver	Kee	Stokes
Curlin	Kyros	Stubblefield
Dent	Landrum	Symington
Dickinson	Long, La.	Ware
Dowdy	McMillan	Whitehurst
Dwyer	Macdonald,	Wilson,
Edwards, La.	Mass.	Charles H.

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Dent for, with Mr. Henderson against.
Mr. Evins of Tennessee for, with Mr. Fountain against.

Until further notice:

Mr. Charles H. Wilson with Mr. Smith of California.

Mr. Stagers with Mr. Whitehurst.
Mr. Hebert with Mr. Dickinson.
Mr. Abernethy with Mr. Blackburn.
Mr. Stokes with Mr. Riegle.
Mr. Jones of Alabama with Mr. Galanakis.

Mr. Kyros with Mr. Griffin.
Mr. Macdonald of Massachusetts with Mrs. Dwyer.

Mr. Nix with Mr. Eshleman.
Mr. Pucinski with Mr. Patman.
Mr. Gettys with Mr. Mills of Arkansas.
Mr. Clark with Mr. Steiger of Pennsylvania.
Mr. Byrne of Pennsylvania with Mr. Ware.
Mr. Brooks with Mr. McMillan.

Mr. Bevill with Mr. Johnson of Pennsylvania.

Mr. Hanna with Mr. Hull.
Mr. James V. Stanton with Mr. J. William Stanton.

Mr. Stubblefield with Mr. Ichord.
Mr. Landrum with Mr. Kee.
Mr. Carey with Mr. Colmer.
Mr. Ashley with Mr. Brown of Michigan.
Mr. Culver with Mr. Clay.
Mr. Carney with Mr. Badillo.
Mr. Symington with Mr. Scheuer.
Mr. Long of Louisiana with Mr. Dowdy.
Mr. Gallagher with Mr. Curlin.
Mr. Bingham with Mr. Abbitt.
Mr. Harvey with Mr. Stephens.

Mrs. ABZUG changed her vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. Pursuant to the provisions of House Resolution 931, the Committee on Public Works is discharged from further consideration of the bill S. 1736.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. GRAY

Mr. GRAY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. GRAY moves to strike out all after the enacting clause of S. 1736 and to insert in lieu thereof the provisions of H.R. 10488, as passed, as follows:

That this Act may be cited as the "Public Buildings Amendments of 1972".

Sec. 2. The Public Buildings Act of 1959 (73 Stat. 479), as amended (40 U.S.C. 601 et seq.), is amended as follows:

(1) strike out in subsection (b) of section 4 the figure "\$200,000" and insert the figure "\$500,000" in lieu thereof;

(2) strike out in subsection (a) of section 12 the following: "as he determines necessary";

(3) insert at the end of section 12(c) the following sentence: "In developing plans for such new buildings, the Administrator shall give due consideration to excellence of architecture and design."; and

(4) section 7 is amended to read as follows:

"Sec. 7. (a) In order to insure the equitable distribution of public buildings throughout the United States with due regard for the comparative urgency of need for such buildings, except as provided in section 4, no appropriation shall be made to construct, alter, purchase, or to acquire any building to be used as a public building which involves a total expenditure in excess of \$500,000 if such construction, alteration, purchase, or acquisition has not been approved by resolutions adopted by the Committee on Public Works of the Senate and House of Representatives, respectively. No appropriation shall be made to lease any space at an average annual rental in excess of \$500,000 for use for public purposes if such lease has not been approved by resolutions adopted by the Committee on Public Works of the Senate and House of Representatives, respectively. For the purpose of securing consideration for such approval, the Administrator shall transmit to the Congress a prospectus of the proposed facility, including (but not limited to)—

"(1) a brief description of the building to be constructed, altered, purchased, acquired, or the space to be leased under this Act;

"(2) the location of the building or space to be leased and an estimate of the maximum amount of the cost of the building to be constructed, altered, purchased, acquired, or the space to be leased;

"(3) a comprehensive plan for providing space for all Government officers and employees in the locality of the proposed facility or the space to be leased, having due regard for suitable space which may continue to be available in existing Government-owned or occupied buildings;

"(4) with respect to any project for the construction, alteration, purchase, or acquisition of any building, a statement by the Administrator that suitable space owned by the Government is not available and that suitable rental space is not available at a price commensurate with that to be afforded through the proposed action; and

"(5) a statement of rents and other housing costs currently being paid by the Government for Federal agencies to be housed in the building to be constructed, altered, purchased, acquired, or the space to be leased.

"(b) The estimated maximum cost of any project approved under this section as set forth in any prospectus may be increased by an amount equal to the percentage increase, if any, as determined by the Administrator, in construction or alteration costs, as the case may be, from the date of transmittal of such prospectus to Congress, but in no event shall the increase authorized by this subsection exceed 10 per centum of such estimated maximum cost.

"(c) In the case of any project approved for construction, alteration, or acquisition by the Committees on Public Works of the Senate and of the House of Representatives, respectively, in accordance with subsection (a) of this section, for which an appropriation has not been made within one year after the date of such approval, either the Committee on Public Works of the Senate or the Committee on Public Works of the House of Representatives, may rescind, by resolution, its approval of such project at any time thereafter before such an appropriation has been made."

Sec. 3. Subsection (f) of section 210 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 495 (f)), is amended to read as follows:

"(f) (1) There is hereby established in the Treasury of the United States on such date as may be determined by the Administrator, a fund into which there shall be deposited the following revenues and collections:

"(A) User charges made pursuant to subsection (j) of this section payable in advance or otherwise.

"(B) Proceeds with respect to building sites authorized to be leased pursuant to subsection (a) of this section, and proceeds with respect to building sites, plans, and specifications authorized to be sold pursuant to subsection (h) of this section.

"(C) Receipts from carriers and others for loss of, or damage to, property belonging to the fund.

"(2) Moneys deposited into the fund shall be available for expenditure for real property management and related activities in such amounts as are specified in annual appropriations Acts without regard to fiscal year limitations.

"(3) There are hereby merged with the fund established under this subsection, unexpended balances of (A) the Buildings Management Fund (including any surplus therein), established pursuant to this subsection prior to its amendment by the Public Buildings Amendments of 1972; (B) the Construction Services Fund, created by section 9 of the Act of June 14, 1946 (60 Stat. 259), as amended; and (C) any funds appropriated to General Services Administration under the headings 'Repair and Improvement of Public Buildings', 'Construction, Public Buildings Projects', 'Sites and Expenses, Public Buildings Projects', 'Construction, District of Columbia', and 'Additional Court Facilities', in any appro-

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apropriation Acts for the years prior to the fiscal year in which the fund becomes operational. The fund shall assume all the liabilities, obligations, and commitments of the said (1) Buildings Management Fund, (2) Construction Services Fund, and (3) the appropriations specified in (C) hereof.

"(4) In any fiscal year there may be deposited to miscellaneous receipts in the Treasury of the United States such amount as may be specified in appropriation Acts.

"(5) Nothing in this section shall preclude the Administrator from providing special services not included in the standard level user charge on a reimbursable basis and such reimbursements may be credited to the fund established under this subsection."

SEC. 4. Section 210 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490), is amended by adding two new subsections reading as follows:

"(j) The Administrator is authorized and directed to charge anyone furnished services, space, quarters, maintenance, repair, or other facilities (hereinafter referred to as space and services), at rates to be determined by the Administrator from time to time and provided for in regulations issued by him. Such rates and charges shall approximate commercial charges for comparable space and services, except that with respect to those buildings for which the Administrator of General Services is responsible for alterations only (as the term 'alter' is defined in section 13(5) of the Public Buildings Act of 1959 (73 Stat. 479), as amended (40 U.S.C. 612(5))), the rates charged the occupant for such services shall be fixed by the Administrator so as to recover only the approximate applicable cost incurred by him in providing such alterations. The Administrator may exempt anyone from the charges required by this subsection. To the extent any such exemption is granted, appropriations to the General Services Administration are authorized to reimburse the fund for any loss of revenue.

"(k) Any executive agency, other than the General Services Administration, which provides to anyone space and services set forth in subsection (j) of this section, is authorized to charge the occupant for such space and services at rates approved by the Administrator and the Director of the Office of Management and Budget. Moneys derived by such executive agency from such rates or fees shall be credited to the appropriation or fund initially charged for providing the services, except that amounts which are in excess of actual operating and maintenance costs of providing the service shall be credited to miscellaneous receipts unless otherwise authorized by law."

SEC. 5. (a) Whenever the Administrator of General Services determines that the best interests of the United States will be served by taking action hereunder, he is authorized to provide space by entering into purchase contracts, the terms of which shall not be more than thirty years and which shall provide in each case that title to the property shall vest in the United States at or before the expiration of the contract term and upon fulfillment of the terms and conditions stipulated in each of such purchase contracts. Such terms and conditions shall include provision for the application to the purchase price agreed upon therein of installment payments made thereunder. Each purchase contract authorized by this section shall be entered into pursuant to the provisions of title III of the Federal Property and Administrative Services Act of 1949, as amended. If any such contract is negotiated, the determination and findings supporting such negotiation shall be promptly reported in writing to the Committees on Public Works of the Senate and House of Representatives. (b) The purchase contracts shall be solicited from the maximum number of qualified sources con-

sistent with the nature and requirements of the facility to be procured.

(b) Each such purchase contract shall include such provisions as the Administrator of General Services, in his discretion, shall deem to be in the best interests of the United States and appropriate to secure the performance of the obligations imposed upon the party or parties that shall enter into such agreement with the United States. No such purchase contract shall provide for any payments to be made by the United States in excess of the amount necessary, as determined by the Administrator, to—

(1) amortize the cost of construction of improvements to be constructed plus the fair market value, on the date of the agreement, of the site, if not owned by the United States; and

(2) provide a reasonable rate of interest on the outstanding principal as determined under paragraph (1) above; and

(3) reimburse the contractor for the cost of any other obligations required of him under the contract, including (but not limited to) payment of taxes, costs of carrying appropriate insurance, and costs of repair and maintenance if so required of the contractor.

(c) Funds available on the date of enactment of this subsection for the payment of rent and related charges for premises, whether appropriated directly to the General Services Administration or to any other agency of the Government and received by said Administration for such purpose, may be utilized by the Administrator of General Services to make payments becoming due from time to time from the United States as current charges in connection with agreements entered into under authority of this section.

(d) With respect to any interest in real property acquired under the provisions of this section, the same shall be subject to State and local taxes until title to the same shall pass to the Government of the United States.

(e) For the purpose of purchase contracts provided for in this section for the erection by the contractor of buildings and improvements for the use of the United States, the Administrator is authorized to enter into agreements with any person, copartnership, corporation, or other public or private entity, to effectuate any of the purposes of this section; and it further authorized to bring about the development and improvement of any land owned by the United States and under the control of the General Services Administration including the demolition of obsolete and outmoded structures situated thereon, by providing for the construction thereon by others of such structures and facilities as shall be the subject of the applicable purchase contracts, and by making available such plans and specifications for the construction of a public building thereon as the Government may possess. Projects heretofore approved pursuant to the provisions of the Public Buildings Act of 1959, as amended (40 U.S.C. 601 et seq.), may be constructed under authority of this section without further approval, and the prospectuses submitted to obtain such approval shall for all purposes, be considered as prospectuses for the purchase of space, except that any such project shall be subject to the requirements of section 7(b) of the Public Buildings Act of 1959, as amended, based upon an estimated maximum cost increased by not more than an average of 10 per centum per year, exclusive of financing or other costs attributable to the use of the method of construction authorized by this section.

(f) Except for previously approved prospectuses referred to in (e) above, no purchase contract shall be entered into pursuant to the authority of this section until a prospectus approved in accordance with section 7 of the Public Buildings Act of 1959, as amended,

and each such prospectus shall be limited to public buildings generally suitable for office or storage space or both and any other type of public building that is specifically approved by resolution adopted by the Committee on Public Works of the Senate and the House of Representatives for a purchase contract under this section.

(g) No purchase contract shall be entered into under the authority granted under this section after the end of the third fiscal year which begins after the date of enactment of this section.

(h) No purchase contract shall be entered into under this section until it has been authorized by resolutions adopted by the Committees on Appropriations of the Senate and House of Representatives, respectively.

SEC. 6. (a) The Postmaster General of the United States Postal Service shall convey to the city of Carbondale, Illinois, all right, title, and interest of the United States and such Postal Service, in and to the real property (including any improvements thereon) in Carbondale, Illinois, bounded by old West Main Street on the south, Glenview Drive on the west, Illinois Route 13 and access road to Murdale Shopping Center on the north, and by Texaco Service Station and residences on the north, approximately 308 feet on the east, 525 feet on the south, 420 feet on the west and with an irregular boundary on the north, a total area of approximately 191,100 square feet. The exact legal description of the property shall be determined by the Postmaster General, without cost to the city of Carbondale, Illinois. Such conveyance shall be made without payment of monetary consideration and on condition that such property shall be used solely for public park purposes, and if it ever ceases to be used for such purpose, the title thereto shall revert to the United States which shall have the right of immediate reentry thereon.

(b) (1) The United States Postal Service shall grant the city of New York, without reimbursement, air rights for public housing purposes above the postal facility to be constructed on the real property bounded by Twenty-eighth and Twenty-ninth Streets, Ninth and Tenth Avenues, in the city of New York (the Morgan Annex site), such facility to be designed and constructed in such manner as to permit the building by the city of New York of a high-rise residential tower thereon, provided that—

(A) The city of New York shall grant to the Postal Service without reimbursement exclusive use of Twenty-ninth Street, between Ninth and Tenth Avenues in the city of New York, such use to be irrevocable unless the Postal Service sells, leases, or otherwise disposes of the Morgan Annex site, and

(B) The city of New York shall agree to reimburse the Postal Service for the additional cost of designing and constructing the foundations of its facility so as to render them capable of supporting a residential tower above the facility, and shall issue any permits, licenses, easements, and other authorizations which may be necessary or incident to the construction of the postal facility.

(2) If within 24 months after the city of New York has complied with the provisions of paragraphs (A) and (B) of subsection (b) (1) of this section, the United States Postal Service has not awarded a contract for the construction of its facility, the Postal Service shall convey to the city of New York, at the fair market value, all right, title and interest in and to the above-described real property. Such conveyance shall be made on the condition that such property shall be used solely for public housing purposes, and if public housing is not constructed on the property within five years after title is conveyed to the city of New York or if thereafter the property ever ceases to be used for public housing purposes, the title shall revert to the Postal Service, which shall have the right of immediate reentry thereon.

Sec. 7. To carry out the provisions of the Public Buildings Amendments of 1972, the Administrator of General Services shall issue such regulations as he deems necessary. Such regulations shall be coordinated with the Office of Management and Budget, and the rates established by the Administrator of General Services pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended, shall be approved by the Director of the Office of Management and Budget.

Sec. 8. (a) Notwithstanding any other provision of law, the House Office Building Commission is authorized (1) to use, to such extent as it may deem necessary, for the purpose of providing office and other accommodations for the House of Representatives, the building, known as the Congressional Hotel, acquired by the Government in 1957 as part of Lot 20 in Square 692 in the District of Columbia under authority of the Additional House Office Building Act of 1955 and (2) to direct the Architect of the Capitol to lease, at fair market value, for such other use and under such terms and conditions and to such parties as such Commission may authorize, any space in such building not required for the aforesaid purpose.

(b) Any space in such building used for office and other accommodations for the House of Representatives shall be deemed to be a part of the "House Office Buildings" and, as such, shall be subject to the laws, rules, and regulations applicable to those buildings.

Sec. 9. Section 8 of the John F. Kennedy Center Act, as amended (72 Stat. 1969) is amended by inserting "(a)" immediately after "Sec. 8" and by adding at the end thereof the following new subsection:

"(b) There is hereby authorized to be appropriated to the Board not to exceed \$1,500,000 for the fiscal year ending June 30, 1972, for the public costs of maintaining and operating the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts."

Sec. 10. Section 6 of the John F. Kennedy Center Act, as amended, (72 Stat. 1968) is amended by adding at the end thereof the following new subsection:

"(e) The Secretary of the Interior, acting through the National Park Service, shall provide maintenance, security, information, interpretation, janitorial and all other services necessary to the non-performing arts functions of the John F. Kennedy Center for the Performing Arts. There is hereby authorized to be appropriated for the fiscal year ending June 30, 1973, to the Secretary of the Interior such sums as may be necessary for carrying out this subsection."

Sec. 11. This Act shall become effective upon enactment. The effective date of applying the rates to be charged pursuant to the regulations to be issued under subsections (j) and (k) of section 210 of the Federal Property and Administrative Services Act of 1949, as amended, shall be as determined by the Administrator of General Services but in any event shall not be later than the beginning of the third full fiscal year subsequent to the enactment thereof.

The motion was agreed to.

The Senate bill was ordered to be read a third time, and was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 10488) was laid on the table.

GENERAL LEAVE

Mr. GRAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days during which to extend their absences and introduce extraneous matter on the bill just passed.

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

There was no objection.

PERSONAL EXPLANATION

Mr. PEPPER. Mr. Speaker, I was in my office seeing constituents and missed rollcall 114. Had I been present, I would have voted "nay."

COMMUTER TAX UNDER THE GUISE OF POLLUTION CONTROL

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

Mr. SCOTT. Mr. Speaker, yesterday the District of Columbia City Council proposed another commuter tax under the guise of pollution control. You will recall a few years ago the city proposed a payroll tax. Congress refused to approve it. Then they proposed a similar measure but called it a reciprocal tax. Congress did not approve that either. Now the council proposes to bypass the Congress by using a subterfuge—an alleged air pollution regulation which will cost 50 cents for each car parked for a given period of time on commercial parking lots, with the warning that it will soon be raised to \$1. This is still a commuter tax, meant to tax the persons who live in the suburbs but work in the city. Mr. Speaker, parked cars do not pollute. There is no tax suggested for cars which drive around the city all day polluting the atmosphere but they are taxed when they are parked with the motors turned off. It could be a challenge to the exclusive jurisdiction of the Congress over the District of Columbia or it could be an effort to pressure the Congress into increasing the Federal payment but regardless of the purpose, it raises a question of whether the interest of the city is served by antagonizing the suburban areas rather than attempting to work with suburban Maryland and Virginia. There is no question in my mind that this is a revenue measure rather than a tax for the purpose of regulating air pollution.

In a Washington Star editorial on March 31, retiring Chairman Gilbert Hahn, who apparently is pushing this matter stated: First, it will raise \$38 million a year—this figure apparently was predicated on a \$1-per-day tax; second, it will discourage daily automobile commuting and, third, it will tap some of those pesky suburban commuters who work downtown. The chairman does not appear to be talking about a tax imposed for the purpose of reducing air pollution but a revenue measure and Congress still has exclusive legislative jurisdiction over the District of Columbia.

It is my understanding that the business community of the District of Columbia is opposed to this tax and again, quoting from the Washington Star of April 5, many businessmen have indicated that their leases in the District of Columbia will not be renewed if this tax is imposed. The business community also has indicated that the Council does not have the power to enact such a tax. Of course,

the city council has only approved the matter at its first reading and it may be that final approval will not be given until a new chairman of the city council is confirmed by the Senate.

Mr. Speaker, in my opinion, this is clearly a prerogative of the Congress and the city council is flaunting this prerogative. Anticipating the possibility of such an event occurring, last week I introduced a measure, H.R. 14340—the text of which is inserted in the Record at the conclusion of my remarks—which would remove all doubt regarding the authority of the District of Columbia to levy this tax.

All of us are concerned, Mr. Speaker, about traffic congestion in the District of Columbia. Work has been underway for a period of time to construct a much needed subway system. The use of buses and rail transportation should be encouraged but until some substitute is found, people are going to have to continue to use their automobiles to get to and from work. Whether or not there should be a commuter tax rests with the Congress. Of course, I am strongly opposed to such a measure. The Congress should not permit an assumption of its prerogative by the District of Columbia Council under the guise of reducing pollution in the city. Therefore, I have today talked with the chairman of the District of Columbia Committee and also formally called my bill to his attention and requested a prompt hearing.

All of the Members from Virginia and Maryland have strongly opposed the concept of a commuter tax, because our constituents pay local, State, and Federal taxes where they live. I would hope that this matter can be resolved, however, within the District of Columbia Committee and that the Congress will work to will rather than to permit a decision affecting the Members of this House, its staff, and the employees of the Government to be determined without legislative authorization.

The text of H.R. 14340 follows:

H.R. 14340

A bill to limit the authority of the government of the District of Columbia with respect to the levying and collecting of certain taxes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding any other provision of law, the District of Columbia Council shall not—

- (1) change the rate or application of any existing tax, license, or other fee imposed in the District of Columbia; or
(2) impose any new tax, license, or other fee in the District of Columbia;

if a primary purpose of such tax, license, or other fee is, or the effect of the imposition of such tax, license, or other fee could reasonably have been foreseen to result in, the regulation of the flow or use of motor vehicles in the District of Columbia.

REMOVING BARRIERS TO LOW- AND MODERATE-INCOME HOUSING

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

Mr. Speaker, I am introducing today a bill whose purpose is

to give substance to the promise of equal housing opportunity which has been repeatedly enacted into law by the Congress.

This bill has two main thrusts: it prohibits the use of zoning, subdivision controls, or building codes to prevent development of low- and moderate-income housing outside the core cities, and it directs the Department of Housing and Urban Development and other Federal agencies to give top priority in awarding Federal grants and loans to those communities having comprehensive development plans for such housing.

I offer this legislation as a direct challenge to the administration and to those in the Congress who support its so-called emergency moratorium on school busing. If they really believe in integrated education, and oppose busing on other grounds, then they should support this bill, because it will remove those housing barriers that have prevented the integration of our schools. It is my hope that the leadership of the House and the leadership of the appropriate committees will schedule this bill for action so that we may have a record vote on both bills on the same day.

In this way, Mr. Speaker, we can demonstrate to the American people and to the nations of the world whether or not racism is involved in the busing dispute, whether or not the Congress intends to keep the poor locked into urban ghettos, and whether or not the Congress will live up to its promises for equal housing opportunity.

I am prepared to offer this bill as an amendment to the administration's busing moratorium legislation, should that be brought before the House, and I am also prepared to offer it as an amendment to the omnibus housing bill now before the Committee on Banking and Currency.

Should it become necessary, I am also prepared to seek a direct discharge of this legislation and should that come about, it will be interesting to see whether those who signed the discharge petition on the antibusing constitutional amendment will also sign a discharge petition in behalf of equal housing opportunity.

I present for inclusion in the RECORD the text of my bill, which will be circulated among my colleagues for cosponsorship:

H.R. —

A bill to prohibit States and political subdivisions from discriminating against low and moderate income housing, and to give a priority in determining eligibility for assistance under various Federal programs to political subdivisions which submit plans for the inclusion of low and moderate income housing in their development

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) no State or general or special purpose unit of local government (or other agency having official jurisdiction over one or more regions or subareas within a State or States) shall, in the exercise of powers with respect to planning, zoning, subdivision controls, building codes or permits, or other matters affecting land use, prevent the reasonable provision of low and moderate income housing in undeveloped or predominantly unde-

veloped parts of any community within a metropolitan area as defined in subsection (b), or discriminate in any other way (on the basis of amount, type, location, or otherwise) against low or moderate income housing in any such community.

(b) For purposes of this section, the term "metropolitan area" means any city or municipality having a population of 100,000 or more (as determined on the basis of the most recent decennial census), together with all general or special purpose units of local government located within a 50-mile radius of such city or municipality (whether or not located within the same State).

(c) (1) If the Attorney General of the United States, after consultation with the Secretary of Housing and Urban Development, believes that the provisions of subsection (a) have been or are being violated, he may bring a civil action in any appropriate United States district court to enforce compliance with such provisions.

(2) Any person who would be assisted (financially or otherwise) in obtaining suitable housing, or would derive any other benefit, direct or indirect, by or from the provision of low or moderate income housing (or additional low or moderate income housing) in any community within a metropolitan area as defined in subsection (b), and who believes that the provisions of subsection (a) have been or are being violated with respect to such community in a way which effectively deprives him of such assistance or benefit, may bring a civil action in any appropriate United States district court without regard to the amount in controversy, or in any appropriate State or local court of general jurisdiction, to enforce compliance with such provisions or obtain other equitable or preventive relief under this section, and may request such relief in any court whenever relevant in connection with a defense to any suit or action brought against such person in that court.

Sec. 2. (a) In the administration of any Federal program providing assistance (in the form of loans, grants, or otherwise) to assist in the construction or development of housing, or in carrying out open-space or urban development projects, or for the planning or construction of hospitals, airports, libraries, water supply or distribution facilities, sewerage facilities or waste treatment works, highways, transportation facilities, law enforcement facilities, or water development or land conservation projects, or the planning or carrying out of any other urban or area-wide development programs or projects, with emphasis upon the development of a sufficiently stable neighborhood possessing an adequate level of amenities for all residents of the area or areas involved . . . (c) (1) No plan described in subsection (a) shall be approved by the Secretary unless it is accompanied by satisfactory assurances that all low and moderate income housing constructed in accordance therewith, other than housing which (under applicable State or local law) is specifically exempt from tax or subject to tax only in reduced amounts or at reduced rates, will pay its full share of any local real estates taxes which are generally applicable to housing of the type involved. (2) Where any of the housing involved is low-rent public housing which is exempt from real and personal property taxes levied or imposed by the State, city, county, or other political subdivision in which the project is located, the plan may be approved only if the public housing agency having jurisdiction over the project is required to make payments in lieu of taxes with respect to the project and the amount of such payments is increased by not less than 10 per centum each year until such time (not later than 10 years after the first such increased payment) as the amount of such payments equals the full amount of such taxes which would be paid with respect to the project except for the exemption. Notwithstanding any other provision of law, the Secretary may cause or permit any contract for annual contributions to be amended with respect to the project to be amended in order

any local comprehensive or master planning for such areas; and

(2) providing, with respect to the areas within the jurisdiction of such unit or agency in which little or no vacant land is available for low and moderate income housing because of existing density and land use, for compensatory arrangements with other localities within the same metropolitan area still having available vacant land for the construction of low and moderate income housing in those localities, so that no metropolitan area (as defined in subsection (d)) will be left without a proportionate and well-distributed number of units of low and moderate income housing.

Any plan or compensatory arrangement described in the preceding sentence shall be designed to avoid the concentration of low and moderate income housing within any fixed geographical boundaries in any metropolitan area; and any unit or agency which enters into a compensatory arrangement with another locality or localities for the provision of low and moderate income housing because its current density and land use precludes the construction of additional low and moderate income housing within its boundaries shall, when currently-used sites become vacant, make every effort to include such housing within its boundaries.

(b) Each unit or agency which draws up a plan or enters into an arrangement under subsection (a) shall submit such plan or arrangement to the Secretary of Housing and Urban Development for his approval. Upon such approval, all officers and agencies of the United States shall give priority, including all possible special consideration and preference, to any applications submitted by such unit or agency for assistance under any Federal law or program in connection with the construction or development of housing, the carrying out of open-space or urban development projects, the planning or construction of hospitals, airports, libraries, water supply or distribution facilities, sewerage facilities or waste treatment works, highways, transportation facilities, law enforcement facilities, or water development or land conservation projects, or the planning or carrying out of any other urban or area-wide development programs or projects, with emphasis upon the development of a sufficiently stable neighborhood possessing an adequate level of amenities for all residents of the area or areas involved . . .

(c) (1) No plan described in subsection (a) shall be approved by the Secretary unless it is accompanied by satisfactory assurances that all low and moderate income housing constructed in accordance therewith, other than housing which (under applicable State or local law) is specifically exempt from tax or subject to tax only in reduced amounts or at reduced rates, will pay its full share of any local real estates taxes which are generally applicable to housing of the type involved.

(2) Where any of the housing involved is low-rent public housing which is exempt from real and personal property taxes levied or imposed by the State, city, county, or other political subdivision in which the project is located, the plan may be approved only if the public housing agency having jurisdiction over the project is required to make payments in lieu of taxes with respect to the project and the amount of such payments is increased by not less than 10 per centum each year until such time (not later than 10 years after the first such increased payment) as the amount of such payments equals the full amount of such taxes which would be paid with respect to the project except for the exemption. Notwithstanding any other provision of law, the Secretary may cause or permit any contract for annual contributions to be amended with respect to the project to be amended in order