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long term, as well, those saved units of energy increase our energy supplies absolutely. Whether they come through new energy, or savings on old energy, those btus are indistinguishable. We cannot accept this level of funding for conservation.

I am concerned about what assumptions may have been made regarding the availability of water for use in connection with development of synthetic fuels from coal and oil shale on the Great Plains. I would like to know what those assumptions are before acting on money for research or development of these projects.

I have two basic recommendations concerning this budget:

1. To delete \$500 millions for the development of the breeder reactor—

I am opposed to spending any more money on this program. There is no hope for any power from this program until 1985. Since 1945, we have spent between \$30 and \$40 billion developing nuclear power. After 29 years, nuclear generating plants produce only 7.5% of our electricity. Estimated total cost of the breeder program has tripled since 1971. In recent months, more than half of the approximately 180 reactors planned for completion by 1985 have been postponed or cancelled by utility companies for economic reasons. The breeder reactor produces more plutonium than it burns as uranium—which presents as yet unsurmounted problems of waste disposal. The GAO is preparing a study of cost-over-runs in the breeder program, and ERDA itself has a cost benefit analysis which shows the fast breeder reactor exceeding original projected costs of around \$2-billion by about \$6 billion, with no end in sight.<sup>2</sup>

This past year, because of a fault in the cooling system of one of these plants, 23 plants had to be shut down. Not only do we have to subsidize research and development of these plants, we subsidize the fuel for them disposing of the waste and the insurance in case of disaster. There are simply too many unanswered questions to proceed any further with nuclear development by spending billions more on the breeder program. The time has come to end it.

2. Authorize \$1 billion for a 4-year program for research and development of solar energy to carry out the congressional commitment to develop this renewable, clean, and safe source of energy—

When the Congress passed the Solar Energy Research and Development Act of 1974, it declared that "the urgency of the Nation's critical energy shortages and the need to make clean and renewable energy alternatives commercially viable require that the nation undertake an intensive research, development and demonstration program with an estimated federal investment which may reach or exceed \$1 billion." (P.L. 93-473, Sec. 2)

Congress has already authorized at least \$93 million, as has been pointed out previously. So that planning of solar research and development is removed from this year-by-year cost budget process and that there is an unmistakable declaration of congressional commitment to solar research and development, I proposed that the Congress authorize this year a \$1 billion, 4-year program, for solar r&d. As I was remarked in other testimony before the Interior Committee, "It is very important to ask just how much can be spent on a given technology over a specified period of time. That is, the state of the art, in most cases dictates the maximum amount of money that can be spent usefully before additional funding is wasted. That same 'state of the art' also

dictates the minimum amount of money that can be spent on a technology to avoid wasting the amounts previously spent."

By approving this authorization, we would provide ERDA with a firm basis upon which to make its plans for this 4-year period. Each year we have the responsibility and opportunity of oversight hearings, as provided by the authorization and appropriation process. Authorizing such a program would restore confidence of thousands of people who have grown disillusioned with their government, especially those concerned with development of our future energy supply.

#### INDIAN HEALTH SERVICE

Mr. FANNIN. Mr. President, Arizona taxpayers are threatened with a heavy and unjust burden to provide health care for reservation Indians.

At the present the Federal Government pays the full cost of the Indian Health Service which serves some 100,000 reservation Indians in my State.

When a State Medicaid program begins this fall, the reservation Indians will be able to choose between IHS and Medicaid. Estimates are that as many as 20,000 Indians may choose Medicaid.

The problem is that Medicaid is a matching program, and Arizona taxpayers could end up paying a substantial part of the cost for the health care of reservation Indians who previously were served by IHS.

Mr. President, I have introduced S. 403 which would provide 100 percent Federal payment for the services rendered to reservation Indians under the Medicaid program. I would hope that the Congress will act soon on this matter to rectify the situation.

It should be pointed out that this bill does not apply to Arizona alone, but to all States which have reservations. Reservation Indian health care historically has been a Federal rather than State responsibility and my bill would simply reaffirm this.

Mr. President, two Arizona newspapers have published editorials on this issue and the problems we face. I ask unanimous consent that these editorials be printed in the RECORD for the information of my colleagues.

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

[From the Tucson Daily Citizen]

#### FANNIN HAS GOOD INDIAN HEALTH PLAN

Sen. Paul Fannin has introduced a bill that seeks to protect Arizona taxpayers from what could become an unfair financial burden in the health field.

The bill concerns Arizona's new Medicaid program and the fact that the state's reservation Indians later this year will have the option of health care either under Medicaid or the existing program of the Indian Health Service.

Medicaid was approved by the state legislature last spring, and will become effective in October. Basically, it will provide free health care for the indigent, as distinguished from the Medicare program under which senior citizens who join the plan pay for part of their hospital or other medical expenses.

Sen. Fannin's bill focuses on the fact that

states and counties are required by the federal government to pay 40 per cent of Medicaid costs whereas, in the specific case of the Indian population, the federal IHS program pays all costs.

Sen. Fannin and senators from other states with large reservation Indian populations want states to be reimbursed 100 per cent by the federal government for any medical costs incurred for treating Indians on the reservations. Sen. Fannin and others rightfully believe there should be no change in the 100 per cent federal funding whether or not reservation Indians receive their medical care through a state-county directed Medicaid program or through the Indian Health Service.

The goal should be the best medical care possible for reservation Indians, but without state taxpayers having to pay for the care of federal wards.

Sen. Fannin's bill makes sense and should be supported in Congress.

[From the Phoenix Gazette]

#### FEDERAL BURDEN FOR ARIZONA?

When the federal Medicaid program (health care for the poor) becomes effective in Arizona on Oct. 1, the state could be saddled with the cost of providing health care for reservation Indians. This cost has always been borne by the federal government, and Indians have been provided free care by the Indian Health Service.

The U.S. Department of Health, Education, and Welfare has issued a policy statement designed to prevent discrimination against the Indians and other native Americans in health and medical services. That is, Indians will have the same access as other citizens to receipt of medical services under a state plan approved under any of the public assistance titles of the Social Security Act—including Medicaid.

In this policy statement, worked out by HEW's Office for Civil Rights, Indian Health Service and Social and Rehabilitation Service, "... the state agency is responsible for meeting the cost of services to native Americans to the same extent as provided other eligible individuals."

Thus, under the law, the "native" American becomes more equal than just plain Americans. The Indians can use the Indian Health Service free, or the state-supported Medicaid facilities, but the non-Indian cannot use the Indian Health Service.

Arizona's Indian population should receive the best possible health care, but the state should not be asked to assume a cost that has always been in the federal domain. It is estimated that as many as 20,000 reservation Indians may use the state Medicaid program which will cost about \$500 per person. The state will pay more than one-third of the cost, and the federal government will pay the remainder.

Sen. Paul Fannin, R-Ariz., is introducing a bill proposing that services provided to reservation Indians under Medicaid be reimbursed totally by the federal government. The effect would be to provide a reimbursement rate for services on the same basis as the Indian Health Service. It is an equitable proposal, both for the Indians and the Arizona taxpayers.

#### EMERGENCY SCHOOL AID

Mr. MONDALE. Mr. President, the emergency school aid program is currently operating according to House Joint Resolution 219. These programs include a wide scope of activities intended to facilitate the desegregation process in a

<sup>2</sup> Proposed Final Environmental Impact Statement, ERDA. From Table 11.2-2, page 11.2-33, Sec. 11.

way which will also improve the opportunities for those who need special assistance to overcome the additional handicaps of racial and ethnic discrimination, cultural isolation, and poverty.

The fiscal year 1975 budget recommendations of the administration include a reduction of funding for ESAA of about 67 percent. Clearly such action can only mean the elimination of these worthy programs in areas of our Nation which have made significant strides in expanding educational opportunities.

I recently had the opportunity to testify before the Senate Appropriations Subcommittee on Labor-HEW with regard to the impact of such a budget cut on a number of our major cities and States.

Shortly I shall be introducing with other Senators an amendment to the supplemental appropriations bill which will insure the continuation of funds for ESAA at a level necessary to achieve its intended effects. I ask unanimous consent to have printed in the RECORD my statement before the Senate Appropriations Committee.

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

#### TESTIMONY

(By Senator WALTER F. MONDALE)

Mr. Chairman and members of the Subcommittee: Since 1970, the Federal Government has made significant strides to assist school districts involved in the pressing educational and other needs associated with school desegregation. The Emergency School Aid Act (ESAA), successor to the 1970 Emergency School Assistance Program (ESAP), was signed into law on June 23, 1972, and has provided important resources and assistance to local school districts undergoing school desegregation.

In FY 73, a total of \$228 million was made available for expenditures through ESAA, followed by a boost to \$236.5 million in FY 74. These funds were distributed through a number of components including basic grants, pilot projects, bilingual and special projects such as reading and mathematics, and Educational TV.

What has the opportunity for ESAA funds meant for individual States? Arkansas was able to implement special reading projects at a cost of roughly \$100,000; Florida was able to establish bilingual grants projects at a cost of nearly \$2 million; Georgia could implement 14 pilot projects at nearly \$2½ million; Mississippi could use nearly \$4 million for basic grants; Texas commanding the greatest total dollars at a figure of \$25 million, was able to implement 88 basic grant projects, 20 pilot programs, 17 bilingual projects, and Educational TV project; and in my own State of Minnesota, ESAA funds have meant the establishment of basic grant projects at a level of \$1½ million. At the same time grants for special projects totalling roughly \$3 million were awarded to Guam, Puerto Rico, the Pacific Trust Territories and the Virgin Islands.

Clearly these grants have meant that the American system of education has done much to improve opportunities for those who need special help to overcome the additional handicaps of poverty, racial and ethnic discrimination, and cultural isolation.

Now the Administration's budget recommends that the figure of \$236.5 million be reduced to \$75 million, a cut of about 67%. In my own State of Minnesota this would mean

a reduction to 4,090 students from 12,875 currently being served through ESAA funds. Teachers and aides would also be cut back to ½ the number carrying out the undeniably important task of helping cultivated educationally adept and emotionally healthy youngsters. As Larry Harris, Special Assistant to the Superintendent of Schools for Urban Affairs, of Minneapolis so aptly reported to me recently in a telephone conversation, incorporation of President Ford's 67% cut in ESAA funds would be interpreted by our citizens as a "break in faith" of the interests of the government to improve the quality of education for their children, at a time when inflation and unemployment are already shaking their confidence in their country's priorities.

Mr. Chairman, the Emergency School Aid Act is only one of several important education programs we offer to Americans to help reduce inequities where they exist in our society. However small this effort may seem when we assess the total needs, it is of the utmost importance that we do all that we can to continue to support this promising program.

I would encourage the Subcommittee to assess the FY 75 proposal offered by President Ford in light of the current educational needs and reject any effort to reduce ESAA funding below the current level of \$236.5 million.

In conclusion I should like to offer a review of the impact of the proposed 67% cut throughout a number of major cities of this nation. At my request, this evaluation was provided by Mr. Sam Husk, of The Council of Great City Schools, and, in my estimation, succinctly depicts the devastation which would occur should the Federal Government appropriate only \$75 million for ESAA efforts.

Thank you Mr. Chairman and members of the Subcommittee for this opportunity to present my views on this vital program.

#### THE COUNCIL OF THE GREAT CITY SCHOOLS,

Washington, D.C., February 27, 1975.

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

DEAR SENATOR MONDALE: As you know there are several hundred school systems in this nation which are faced with the prospect of losing support for their equal educational opportunity programs. This has been created by the fact that the same administration which recommended one billion five hundred million dollars for Title VII of the Education Amendments of 1972, several years ago, is now saying that the emergency is over after the expenditure of \$470 million and two years of program support. This is especially ironic since, when Office of Education Officials were questioned on Wednesday, February 26th before the House Appropriations Subcommittee, the OE spokesman stated that they anticipated they would need \$125 million just to meet the needs of newly desegregating school districts in 1975-76. With that level of demand, what will happen to school districts which are currently receiving funds in the second year of operation and to those school systems, especially in the South, who are trying to hold on to the gains they have made?

The original intent of this legislation was to encourage a broad range of programs to reduce the incidents related to the desegregation process and to reverse adverse effects of racial isolation through prevention and intervention techniques. Once again, a funding level of \$75 million will fall far short of the mark in trying to meet those challenges. Districts whose minority student

populations exceeded 50% would be virtually cut out from the program. Therefore, the major urban population centers where the majority of minorities are found, would be denied the funds they need.

To give you some concrete ideas of how \$75 million would affect a number of cities, we cite the following:

#### BUFFALO

The Buffalo Public Schools are presently in the first year of a \$1.5 million E.S.A.A. Basic Grant supported program. One of the three components of the project, directly involves more than 550 of the system's professional staff and hundreds of students in intensive inservice activities centered on sensitizing participants to the implications of racial isolation and exploring individual, group, and/or organizational methods of alleviating it. Another, is an open education/individualized instruction program in a predominantly Black, but racially mixed neighborhood school, which has been developed and operated under the E.S.A.A. grant. Lastly, an audio-visual presentation exhibiting the accomplishments of minority groups and the importance of ethnic and cultural diversities in society has been created and presented to the secondary school professional personnel, with most favorable reactions. This city is at present awaiting the determination of the court in a desegregation case. At the same time, as with all large urban school districts, Buffalo is faced with a fiscal crisis, unmatched in its history. Should E.S.A.A. funds be cut at such a critical time, crucial programs such as those mentioned above, will be all but eliminated when they need to be expanded.

#### DADE COUNTY

Dade County is one of the many Southern school districts who fear that the proposed cut would mean the cessation of advances made over the past years in the fight against racial isolation. Being desegregated and becoming integrated are two different realities. Until the latter is fixed and secure, the need is desperate for funds such as those provided under E.S.A.A. Local and state budget cuts are imminent and the impact of this assures that, if any cuts are made in E.S.A.A. support, many programs initiated under this federal program, could not be picked up by the district from other revenues. More than 12,000 school children would be faced with having human relations, basic skill and bilingual education project involvements stopped; many of the 227 professional, paraprofessional, and auxiliary personnel would be faced with the possibility of unemployment.

#### DENVER

One of the country's major Northern cities, now under court order to desegregate its school system, Denver reconstituted 123 of its schools last year and changed the assignment of more than 36,000 students. Obviously, not able to be accomplished in isolation from the total system, virtually every one of the 80,000 students and full complement of professional, paraprofessional, and support staff has to be positively involved. The \$1.171 million E.S.A.A. allocated to this school system in FY 1975 has allowed for (1) critical orientation programs for all students, staff, parents, and a vitally interested community; (2) the implementation of staff training programs for all staff from superintendent to bus driver; (3) the development of a secondary school program geared to reducing the number of drop-outs among minority students; (4) and the focusing of special multicultural programs on the fourteen elementary schools and two private schools with the highest concentration of Bilingual/Bicultural children. In addition,

under a Special E.S.A.A. Project Grant, the Denver Public Schools were able to provide for (1) the necessary expansion of reading package programs so that those children moved to new locations, might be continued in those same programs they had become accustomed to and succeeded in at their original schools, and (2) the important Bilingual communication instruction required by many children in this culturally diverse urban center. The major decrease in E.S.A.A. support would affect these outstanding programs in drastic ways. If a notable reduction of recent allocations was required to meet a \$75 million appropriation, it would mean (1) a loss of close to \$800,000 worth of support for professional and auxiliary personnel and programs working toward meeting the goals of the E.S.A.A. concept and (2) the plans of a school system desiring to serve children as best as it can while complying fully with the dictates of the court.

#### DISTRICT OF COLUMBIA

The District of Columbia operates two projects under E.S.A.A. grants: a pilot grant supports an outdoor educational experience for all sixth grade students in the D.C. Public Schools, and a basic grant for tens of thousands of the city's students to participate in career education, special math and reading, and remedial programs. The project employs close to 200 professional and support personnel. If the administration's recommendation is agreed to, (1) the outdoor program would be discontinued, (2) two of the three basic grant components would be eliminated, (3) more than 40,000 students would be negatively affected in that their programs would be ceased, and (4) more than 160 staff personnel would be faced with the prospect of unemployment.

#### MINNEAPOLIS

The present \$1.2 million E.S.A.A. program in the Minneapolis Public Schools gives 40 schools, 12,875 students, 30 teachers, and 135 aides the opportunity to participate in vital programs geared to reducing racial isolation and overwhelming problems created by it. That system estimates that even a 50 percent reduction in their present allocation would make it impossible to maintain current program components. The special academic programs, reading and math, which the E.S.A.A. grant supports and which are so critical in making school changes a more positive alternative, would be discontinued. The skill improvement projects which help develop good self-concepts and, thus, more positive interaction possibilities, would face elimination. Should the administration's proposal be accepted, more than 8000 students, 25 teachers and 90 aides would be unable to participate in, at best, a very watered down program.

#### PITTSBURGH

The Pittsburgh Public Schools are in the second year of an educational program operating under E.S.A.A. This educational program includes such important functions as remedial reading and math, career club programs, resident environmental education, classroom aides, and teacher inservice training. A new middle school component is included in this year's program and it is designed to help pupils in the transition from elementary to middle school organization. With the opening of the Reizenstein Middle School in the City's East End area (planned for the 1975-76 school year), additional funds will be needed to insure that current E.S.A.A. Middle School Program can be expanded to include this new facility. Reizenstein School will open as a 1600 pupil Middle School, gaining population by voluntary enrollment of pupils, with an expected ratio of 58 percent White—42 percent Black. These students have been previously racially isolated.

As a result of E.S.A.A. funds, students from seven participating schools improved their performance in both reading and mathematics to levels equal to or exceeding expected achievement levels; research is currently being done relative to the collaboration between academic achievement in reading and the development of positive self-concepts; and teachers were able, through inservice training to encourage social interaction in educational settings. Results such as these are encouraging, but need continued funding during this initial critical growth period. Appropriate adequate funding is necessary to continue such worthwhile existing programs and allow for reasonable expansion.

For these reasons, we are urging the Senate Appropriations Committee to support the continuing resolution which reflects the rate and level of fiscal year 1974 reductions in program: \$236 million, and to oppose any proposal in a supplemental this Spring for less than \$236 million for anything less will result in needless and harmful reductions in the program.

If there is any way we can help, please let us know.

Sincerely,

SAMUEL B. HUSK,  
Executive Vice President.

#### FOOD STAMP INVESTIGATION

Mr. BUCKLEY. Mr. President, serious questions are being raised, both by concerned nutritionists and by alarmed economists, regarding the Federal food stamp program, which supplements the income of millions of Americans by partially subsidizing their grocery purchases.

In order to explore those questions, I have requested the General Accounting Office to undertake an extensive audit of the program's operations. It is undeniable that the food stamp program has provided necessary help to a great many Americans, and my request that it be audited is in no way intended to discount that achievement. The beneficial effects of food stamps are not at issue. Indeed, the very fact that they have become a vital resource to so many of our countrymen should make us all the more determined to protect the program against abuse of its provisions or threats to its fiscal integrity.

That is why we must now ask some hard questions. Does the present operation of the program provide sufficient safeguards against fraudulent use of the stamps? Does it enable a family which uses them to enjoy a better standard of living than another family which receives no welfare subsidy?

Is former Representative Martha Griffiths accurate—and I believe she is—in her estimate that 25 percent of this country's population will qualify for food stamps by 1977? If so, does this not suggest a need to tighten eligibility standards to restrict the help to the truly needy? More to the point, can we afford the slipshod approach now being followed? The fact that the taxpayers have seen the cost of the food stamp program soar from \$75 million in 1964 to an anticipated \$4 billion in 1974 and \$10 billion in 1977 should shock us all into careful consideration of future expenditures, even in the best of causes.

The present administrative costs of

the food stamp program devour—the word is appropriate, and no pun is intended—approximately 27 per cent of the funds allotted to it. Are there cheaper, more efficient, ways to insure that foodstuffs, especially from surplus commodities, reach those who need them?

I do not pretend to have answers to all those questions. Indeed, I fear that, at the present time, no one does. That is why it is vital for us immediately to take the first step toward answering them: To address these problems, publicly and pointedly, and thereby to assemble both the information and the expertise we will need in developing sensible and humane solutions to them.

I have specifically asked that the review should examine projected cost increases, eligibility requirements, and expected increases in the number of stamp recipients. It should include a case-by-case study or fraud within the program, an analysis of its administrative expenses, and comparisons between the cost to the taxpayers of food stamps and the cost of direct food distribution to those in need of it. It should compare the eating habits of stamp recipients at different income levels with those of nonrecipients to determine the relative importance of various factors—poverty, nutritional ignorance, dietary concern—in causing malnutrition. In addition, it should analyze work incentives either inherent in or absent from both the present food stamp program and its possible alternatives.

I hope all those who are concerned for the food stamp program, and who appreciate the benefits it has brought to so many Americans, will join me in seeking a thorough report on its present operations. For only by defining its problems and eliminating its abuses can we preserve it as an economically sound and socially constructive effort to assist those who most need its aid.

The following communication with Mr. Elmer B. Staats, Comptroller General of the United States, details the potential problems in the food stamp program and suggests specific points of investigation to remedy them. Although there are other, related issues which will require our attention, those discussed herein should alert us all to the gravity of the food stamp situation and the urgency with which we must act upon it.

I, therefore, ask unanimous consent that the text of this letter, requesting from the Government Accounting Office an audit of the food stamp program, be printed in the RECORD.

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

MARCH 6, 1975.

MR. ELMER STAATS,  
General Accounting Office,  
Washington, D.C.

DEAR SIR: I am presently engaged in a survey of the food stamps program. In the course of my study, I became interested in the recent G.A.O. audit of the system. When a member of my staff spoke to Mr. Stan Sargol of the G.A.O., however, I discovered