with subsection (a) contains medical information relating to a consumer, the person who procures or causes to be prepared that report may not furnish any such medical information to any other person unless the consumer to whom such information relates has given a specific, dated, and separately signed affirmative written indication of his authorization of such action after receiving clear and conspicuous written disclosure of the name of any other person to whom, and any other purpose for which, such information may be furnished. Such disclosure shall clearly and conspicuously state that his authorization is optional and that his refusal to give such authorization is not grounds for denial of credit or insurance."

(c) A health or welfare program, health or welfare agency, or public or private health or welfare program, health or welfare agency, or other person, unless that agency first discloses to the physician, practitioner, hospital, clinic, or other facility, or other person, as the case may be, the purpose for which and person to whom such information will be furnished and the possible other purposes for which and other persons to whom such information may be furnished."

CONGRESSIONAL BUDGET CONTROL AND REFORM ACT OF 1973—AMENDMENT

AMENDMENT NO. 601

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

Mr. MONDALE. Mr. President, I am pleased to submit today, on behalf of myself and the Senator from New York (Mr. JAVITS) the Congressional Budget Control Amendment No. 601.

There will be few questions before the 93d Congress as important to the Nation as the question of congressional control of the budget process. This is not because the Congress has proven irresponsible with the taxpayer's dollar, but on the contrary, the opposite is true. As the report of the Joint Committee on Budget Control observes, over the past 5 years the Congress has cut the administration's requests for appropriated funds by approximately 30 percent, and has increased funding for so-called "back door" spending by only a little more.

And a major share of these back door increases have come in the social security and medicare programs which are self-funded through the payroll tax and will not add to the national debt. The opposite is true. As the report of the Joint Committee on Budget Control observes, over the past 5 years the Congress has cut the administration's requests for appropriated funds by approximately 30 percent, and has increased funding for so-called "back door" spending by only a little more.

And a major share of these back door increases have come in the social security and medicare programs which are self-funded through the payroll tax and will not add to the national debt.

But strengthened congressional participation in the budget process is crucial to the health of our system of government because it goes to the heart of the relationship between Congress and the executive branch.

"If it is becoming increasingly clear that, in both domestic and foreign policy, the commitment of our Government to traditional American values—and above all its ability to respond to the wishes and hopes of the American people—depend on a strong congressional voice in public policymaking.

Through the device of impoundment, the executive branch has moved to assume the same power to decide questions affecting the domestic health of our society that it has assumed in the area of foreign affairs.

A report prepared at my request by the Legislative Reference Service of the Library of Congress indicates that during the last fiscal year, the executive branch has impounded an incredible 29 percent of controllable nondefense expenditures. And this figure does not include other executive actions which do not fall within the purview of the impoundment strategy is unlawful. But, except that agencies first disclose to the consumer the purpose for which and person to whom such information may be furnished."

The Congress has recognized the danger. Last May 10, the Senate adopted S. 373, the Federal Impoundment Control Procedure Act, to establish congressional control over Executive impoundments. This measure was accompanied by a procedure to reduce spending approval by the Congress—on a pro rata basis—to the level of $268 billion. The Impoundment Control Procedures Act guarantees that priorities established through the appropriations process will be maintained for the next year within a noninflationary spending ceiling.

Similar legislation was adopted by the House last July 25. No legislation which we enact this year will be more important than this bill, developed through the leadership of the distinguished senior Senator from North Carolina (Mr. ERVIN). I hope very much that the President will reconsider his opposition and support this landmark proposal.

The Congress is taking responsible short-term action with respect to the crucial problem of budget control.

But the Congress now faces legislation designed to establish a permanent procedure, S. 1541 and H.R. 7130, modeled after the Joint Committee on Budget Control, which issued its final report last April 18.

Both the Government Operations Committee of the Senate and the Rules Committee in the House are considering these important bills and variations on their general approach.

In my view, enactment of this legislation would be a tragic mistake. Far from increasing the effectiveness of the Congress, these bills would place unprece-
tions items should be reduced pro rata, so that congressionally established priorities would be preserved. It would provide for a second budget resolution, before the end of each session, to make any departures from the impact of pro rata cuts of changes in the overall spending limitation list and permit a reasoned debate over priorities, against the backdrop of appropriations actions and after full hearings.

It would provide for the establishment of a Congressional Office of the Budget, both to assist the Budget Committees and Members of Congress in dealing with budget questions and to provide assistance in assessing the social impact of the budget and the success of social programs.

And it would provide for conversion to congressional adoption of budgets on a 2-year basis so that the long-term consequences of initial commitments may be better understood and debated.

Mr. President, establishment of procedures for improved congressional budget control would call for a complex task. It involves fundamental changes in congressional procedures developed over nearly 200 years.

Other thoughtful proposals—such as amendment No. 559 sponsored by Senators Mathias, Magnuson, and Brock—to deserve the attention of the Senate. And many worthwhile features are included in the bill now before the Government Operations Committee.

It is my profound hope that the committee charged with this task will look long and hard at how it can impact their proposals on the ability of individual Congressmen and Senators to effectively represent their States and districts, and the national interest.

Mr. President, I ask unanimous consent that the text of our amendment may appear at this point in the Record.

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

AMENDMENT No. 601 (IN THE NATURE OF A SUBSTITUTE)
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 "Congressional Budget Control and Reform Act of 1973."

DEFINITIONS
Sec. 2. For purposes of this Act—
(1) The terms "budget outlays" and "outlays" mean, with respect to any fiscal year, expenditures and other budget authority for budget purposes during the fiscal year.
(2) The term "budget authority" means authority provided by law to enter into obligations which will result in immediate or future outlays.
(3) The term "permanent budget authority" means budget authority which becomes available for obligation without further action by the Congress.

TITLE I—ESTABLISHMENT OF SENATE AND HOUSE BUDGET COMMITTEES

BUDGET COMMITTEE OF THE SENATE
Sec. 101. (a) Paragraph 1 of Rule XXV of the Standing Rules of the Senate is amended by striking out subparagraphs (e) through (k) thereof and inserting the following new subparagraph:

"(e) Committee on the Budget, to consist of twenty-five members.
(b) Rule X of the Rules of the House of Representatives is amended by adding at the end thereof the following new clause:

"(e) Committee on the Budget, to consist of twenty-five members.
(c) For carrying out the purposes set forth in clause 8 of rule XI, the Committee on the Budget or any subcommittee thereof shall be authorized to receive the attendance of such witnesses and the production of such books of papers or documents or vouchers by subpoena or otherwise, and to take such testimony and records, as it deems necessary. Subpoenas may be served by the signature of the chairman of the committee or of any member thereof, and may be served by any person designated by such chairman or member. The chairman of the committee, or any member thereof, may administer oaths to witnesses.

(c) Rule XI of the Rules of the House of Representatives is amended by redescribing clauses 5 through 33, inclusive, as clauses 6 through 34, respectively, and by inserting after clause 4 the following new clause:

"(e) Committee on the Budget

"(a) The establishment of limitations on the total amount of outlays to be made during each fiscal year and on the total amount of new budget authority which is to be available for each fiscal year.
(b) If any reservations of outlays or new budget authority are necessary in order to meet the limitation on the total amount of outlays or the total amount of new budget authority for a fiscal year, the determination of the programs or activities from which such reservations should be made.
(c) The determination of the amount, if any, by which budget outlays should exceed revenues, or revenues should exceed budget outlays, for each fiscal year, and the effect on budget outlays of existing and proposed legislation and to report the results of such studies to the House on a recurring basis.

CONFIRMING AMENDMENTS TO STANDING RULES OF THE HOUSE
Sec. 103. Paragraph 1 of rule XXV of the Standing Rules of the Senate is amended—

(1) by inserting after "Governing Committee" in subparagraph (c) "as provided in subparagraph (a)(1)",
(2) by striking out "Revenue" in sub-
(h) (1) and inserting in lieu thereof "Except as provided in subparagraph (r) (1), revenue estimates and reports and changing revenue conditions may be determined by the Committee on the Budget of either House. At the request of any other committees of either House, any joint committee of the Congress, or any Member of the Senate or House, the Office shall provide to such committee, joint committee, or any Member any information concerning the budget that the Director may deem appropriate, and the schedule of the Congress. At the request of the Committee on the Budget of either House, the Director shall assign, on a temporary basis, personnel of the Office to assist such committee.

(b) NATIONAL GOALS AND PRIORITIES REPORT.—The Office shall submit to the Congress on March 1 of each year a national goals and priorities report and copies of such report shall be furnished to the Committee on the Budget of the Senate and of the House of Representatives, the Joint Economic Committee, and other interested committees. The report shall include, but not be limited to—

(1) an analysis, in terms of national goals and priorities, of the programs in the annual budget submitted by the President, the Economic Report of the President, and the Social Security and the President;

(2) an examination of resources available to the Nation, the foreseeable costs and expected benefits of existing and proposed Federal programs and the resources and cost implications of alternative sets of national goals and priorities;

(3) recommendations concerning spending policy and the costs, benefits, and courses of action, including the identification of those programs and courses of action which should be given greater priority and those of lesser priority.

In addition to the national goals and priorities report and other reports and studies which the Office submits to the Congress, the Office may make recommendations to any Member of the Congress further information, data, or analysis relevant to an informed determination of national goals and priorities.

(b) TRANSFER OF FUNCTIONS OF JOINT COMMITTEE ON REDUCTION OF FEDERAL EXPENDITURES.—The duties and functions of the Joint Committee on Reduction of Federal Expenditures are transferred to the Office, and the Joint Committee is hereby abolished.

(A) REVENUE ESTIMATES.—The Office shall make revenue estimates for the fiscal year, or the amount, if any, by

(b) PROJECTIONS OF BUDGET OUTLAYS.—The Office shall develop information with respect to existing and proposed legislation which will form the basis of the estimate of such legislation on budget outlays during the current fiscal year and the ensuing four fiscal years.
USE OF COMPUTERS AND OTHER TECHNIQUES

Sec. 203. The Director may equip the Office with up-to-date computer capability, obtain the services of experts and consultants in computer technology, and develop techniques for the evaluation of budgetary requirements.

ADDITIONAL POWERS TO OBTAIN DATA

Sec. 204. (a) Securing of Data.—The Director, with the approval of the chairman of the Committee on the Budget of the House, is authorized to secure directly from any executive department, office, board, bureau, agency, independent establishment, or instrumentality, in the order of the Director, information, data, estimates, and statistics relating to the functions of the Office.

(b) Furnishing of Data.—Executive departments, offices, boards, agencies, independent establishments, and instrumentalities are authorized and directed to furnish such information, data, estimates, and statistics directly to the Director, upon request made pursuant to this section.

TITLE III—CHANGE OF FISCAL YEAR

Sec. 301. Section 327 of the Revised Statutes (31 U.S.C. 1020) is amended to read as follows:

"(a) The fiscal year of the Treasury of the United States, in all matters of account, receipts, expenditures, and appropriations, shall begin on January 1 of each year and end on December 31 of that year.

(b) The provisions of this section shall be construed as referring to that fiscal year.

(c) In accordance with subsection (b), any authorized appropriation shall be available for obligation during the fiscal year ending June 30, 1974, and ending on December 31, 1974. Appropriations made under this section shall be available to the extent and in the manner appropriated and made available for any project or activity during the fiscal year ending on June 30, 1974.

TRANSMITTAL OF BUDGET AND EXPENDITURE MESSAGES

Sec. 302. Section 201 of the Budget and Accounting Act, 1921 (31 U.S.C. 11), is amended—

(1) by striking out of that matter of subsection (a) preceding clause (1) the phrase "during the fiscal year" and inserting in lieu thereof "at the time specified in subsection (e)";

(2) by striking out in subsection (a) (5) "on or before January 1 of each fiscal year" and inserting in lieu thereof "at the time specified in subsection (e)";

(3) by striking out in subsection (b) "on or before January 15 of the year preceding that fiscal year" and inserting in lieu thereof "at the time specified in subsection (e)";

(4) by striking out in subsection (c) "on or before January 15 of the year preceding that fiscal year" and inserting in lieu thereof "at the time specified in subsection (e)"; and

(5) by adding at the end thereof the following new subsections:

"(d) In addition to the information required by subsection (a), the budget shall contain a statement, in such form and detail as the President may determine, of the expected receipts and disbursements of the Government, and their value, as of the end of the last completed fiscal year.

(e) (1) In accordance with subsection (a) of this section, the President shall transmit each budget to the Congress as follows:

"(A) for any fiscal year ending on or before June 30, 1974, not later than September 30 of the fiscal year immediately following the fiscal year; and

"(B) for any fiscal year commencing on or after July 1, 1974, not later than March 1 following the fiscal year, in which the period of availability for obligation expires; and

"(f) No budget, supplementary summary of the budget or estimated expenditures and proposed appropriations for any fiscal year, approved after the beginning of the fiscal year, shall be transmitted to the Congress except as follows:

"(1) a supplemental summary of the budget shall be transmitted to the Congress on or before April 15, 1975, for the fiscal year commencing on or before January 1, 1975, those fiscal years ending on or before June 30, 1974, and December 31, 1974. The fiscal year ending on December 31, 1974, shall not be considered a fiscal year for purposes of subsection (a) (7); and

"(2) the budget shall be transmitted to the Congress on or before January 1, 1975, for the fiscal year commencing on or before January 1, 1975, those fiscal years ending on or before June 30, 1974, and December 31, 1974. The fiscal year ending on December 31, 1974, shall not be considered a fiscal year for purposes of subsection (a) (7); and

"(g) If the Congress is not in session on the date on which the President submits a budget, a supplementary summary of the budget, data, and estimates provided under section 201, such budget or summary shall be transmitted to the Clerk of the House of Representatives and shall be printed as a document of the Clerk of the House of Representatives."
(b) ADDITIONAL PROVISIONS.—A law described in subsection (a) may also contain provisions—
(1) setting forth the amount, if any, by which the limitation should exceed, or outlays or
outlays should exceed revenues for the fiscal year in order to provide the general welfare and
in order to provide maximum employment, production, and purchasing power in reasonable
agreement with national economic stability, and
(2) specifying the manner in which the President may exercise the authority conferred by
such a law with respect to outlays and new budget authority authorized for the fiscal year, and the extent
to which the provisions of sections 501(b) and 502(a) are subject to the application of the Rules
and joint or special committees of Congress.

(c) VIEWS AND RECOMMENDATIONS OF OTHER COMMITTEES.—Before May 15 of each year,
the Appropriations, Ways and Means, and Finance Committees of each House shall submit their
views and recommendations to the Committee on the Budget of the House, and the Joint
Committee on Internal Revenue Taxation shall submit their views and recommendations to the
Committee on the Budget of the Senate. In making its views and recommendations, each Committee
shall be divided equally between the majority and minority parties. A motion further to limit
debate is not debatable. A motion to reconsider the vote by which the motion is agreed to or
disagreed to is not in order.

(d) DECISIONS WITHOUT DEBATE ON MOTION TO POSTPONE OR PROCEED.—
(1) A conference report on a conference report, made with respect to the consideration of any budget
limitation bill, and motions to proceed to the consideration of other business, shall be decided
without debate.

(2) Appeals from the decisions of the Chair relating to the application of the Rules of the
Senate or the House of Representatives, shall be automatic and shall not be debatable.

(f) PROCEDURE AFTER REPORT OF COMMITTEE.—A conference report on any budget limitation bill reported in
either House shall be highly privileged. It shall be in order at any time after the third
day following the day on which such a bill is reported to move to proceed to its con-
sideration. Such a motion shall be highly privileged and shall not be debatable. An amendment to
the motion shall not be in order, and it shall be not in order to move to reconsider the vote by which
the motion is agreed to or disagreed to.

(2) Debate on any conference report shall be limited to ten hours, which shall be divided
equally between those favoring and those opposing the conference report. A motion to
reconsider the conference report shall be in order and shall not be debatable. A motion to
move to reconsider the vote by which the conference report is agreed to or disagreed to
shall not be in order.

(3) Motions to postpone, made with respect to the consideration of such conference report
and motions to proceed to the consideration of other business, shall be decided
without debate.

(4) Action from decisions of the Chair relating to the application of the rules of the
Senate or the House of Representatives, as the case may be, to the procedure relating
to such conference report shall be decided without debate.

BUDGET LIMITATION BILL MUST BE ENACTED BEFORE APPROPRIATIONS AND CHANGES IN REVENUE
AND EXPENDITURE PROVISIONS MAY BE CONSIDERED.

Sec. 405. It shall not be in order in either the Senate or the House of Representatives to
consider any bill or resolution (or amendment thereto) which provides—
(1) new budget authority for a fiscal year,
(2) an increase or decrease in revenues to become effective during a fiscal year, or
(3) an increase or decrease in the public debt limit to become effective during a fiscal year,
until the law for such fiscal year referred to in section 401(a) has been enacted.

EXCLUSIVE JURISDICTION OF BUDGET COMMITTEES Sec. 406. No bill or resolution, and no
amendment to any bill or resolution, dealing with any matter which is within the
jurisdiction of the Committee on the Budget of either House shall be considered in that House unless it is
a bill which has been reported by the Committee on the Budget of that House (or from the consideration of
which such committee has been discharged) or unless it is an amendment to a bill so reported or
discharged.

TITLE V—IMPLEMENTATION OF LIMITATION BILL

RESERVATION OF OUTLAYS Sec. 501. (a) PRESIDENTIAL ACTION.—The President shall reserve from outlay, from any
new budget authority or any other available budget authority, such amounts as may be
equivalent, within each functional category, for the fiscal year, for each fiscal year,
except that no reservation shall be made from budget authority for—
(A) interest,
(B) veterans' benefits and services,
(C) payments from social insurance trust funds,
(D) public assistance maintenance grants under title IV of the Social Security Act,
(E) food stamps,
(F) military retirement pay,
(G) medicare, and
(H) justifiable expenses.

(b) PROCEDURE.—In carrying out the provisions of subsection (a) during a fiscal year,
the President shall reserve amounts proportional to the amounts of each functional category,
except that no reservation shall be made from budget authority for—
(A) interest,
(B) veterans' benefits and services,
(C) payments from social insurance trust funds,
(D) public assistance maintenance grants under title IV of the Social Security Act,

RESERVATION OF NEW BUDGET AUTHORITY Sec. 502. (a) PRESIDENTIAL ACTION.—The President shall reserve from new budget
authority such amounts as may be necessary to keep new budget authority for a fiscal year within the limitation on total outlays within the limitation on total outlays in
effect for such fiscal year under laws enacted pursuant to sections 401 and 402 otherwise provide.

(b) PROCEDURE.—In carrying out the provisions of subsection (a) during a fiscal year,
the President shall reserve amounts proportional to the amounts of each functional category,
except that no reservation shall be made from new budget authority in effect for such fiscal year under laws enacted pursuant to sections 401 and 402 otherwise provide.

RESERVATION OF NEW BUDGET AUTHORITY Sec. 502. (a) PRESIDENTIAL ACTION.—The President shall reserve from new budget
authority such amounts as may be necessary to keep new budget authority for a fiscal year within the limitation on total outlays within the limitation on total outlays in
effect for such fiscal year under laws enacted pursuant to sections 401 and 402 otherwise provide.

(b) PROCEDURE.—In carrying out the provisions of subsection (a) during a fiscal year,
the President shall reserve amounts proportional to the amounts of each functional category,
except that no reservation shall be made from new budget authority for—
(A) interest,
(B) veterans' benefits and services,
(C) payments from social insurance trust funds,
(D) public assistance maintenance grants under title IV of the Social Security Act,
The nature, extent, and direction of just about all our legislative efforts are determined by the aggregate impact of this process. During the last year, both Houses of Congress have devoted great efforts to analyzing and reforming the process by which Congress makes its annual decisions relating to our Federal budget. The impact and effects of Executive impoundment and upon the appropriations and legislative revenue raising processes have been held. Both Houses have passed anti-impoundment legislation.

The Senate Government Operations Committee under the leadership of Sen-
ator Ervin is presently considering a vast array of approaches to the problem of congressional budget reform. As a member of the committee who has examined this difficult issue most carefully, I am convinced that effective control by the Congress over the funds it makes available to Federal, State, and local agencies requires:

First. An informed congressional determination of the desirable volume, range and direction of program activity;

Second. Congressional exercise of independent judgment concerning the finance and administration of governmental programs, with emphasis on Federal, State, and local agencies;

Third. Availability of congressional sources of information and analysis as a basis for the exercise of independent and informed judgments.

Fourth. Some reasonable and practical procedures to integrate the spending decisions process;

Fifth. The reform of the timing of the appropriations process to require more orderly development and consideration of economic reality, while preserving the capability to involve Members of Congress in the setting of national priorities on an informed basis. There is discipline in our bill. There is genuine reform.

Sixth. An effective spending ceiling that one which does not masquerade as the appropriations process;

Seventh. A workable procedure to implement and effectuate that ceiling, should spending authority exceed the ceiling.

Many Senators have given substantial attention to the broad problem of congressional budget reform. I respect the approach of the subcommittee and of Senators Ervin, Percy, and Metcalf; however, I found a more congenial approach, sponsored jointly by Senators Muskie, Brock, and Magnuson.

Mr. President, as an added contribution to this thinking, I believe that the amendment which Senator Mondale and I introduced today deals with the problems of setting budget priorities consistent with economic reality, while preserving the capability to involve Members of Congress in the setting of national priorities on an informed basis. There is discipline in our bill. There is genuine reform.

In summary, that reform is found in the following objectives:

First. Establishment of budget committees in the House and Senate, with rotating membership, including members of legislative committees, on which no member would serve more than 6-year term;

Second. Provision for enactment of an overall congressional ceiling, with recommended subceilings, before July 1 of each year;

Third. Provision for completion of appropriations by July 1, and when appropriations exceed the ceiling, for prorate reduction of all appropriations items;

Fourth. Provision for a second budget resolution, before the end of each session to make any adjustments in the impact of prior cuts in the overall spending limit;

Fifth. Establishment of a congressional Office of the Budget, Goals and Priorities, both to assist the budget committees and Members of Congress in dealing with budget questions and to provide assistance in assessing the social impact of the budget and the success of the social programs;

Sixth. Provision for congressional adoption of budgets on a 2-year basis so that the long-term consequences of initial commitments may be better understood and debated; and

Seventh. Provision for the placement of the Federal Government on a calendar year basis to permit more detailed consideration of the President's budget, and to permit appropriations to be complete before the fiscal year begins.

Mr. President, this amendment provides a reasonable way for Congress to undertake its examination of the needs and program alternatives, and the allocation of limited dollars to diverse human needs. It will establish a means for a responsible and disciplined execution by Congress of its responsibilities in the budget policy field.

It will allow Congress to acquire the means for the gathering of interpretive and analytical data on spending and related program matters. Most importantly, it will facilitate the use of objective, dispassionate data to help it form independent judgments on appropriations matters. I trust that some of the solutions which will begin to resolve these problems are found in this amendment.

ADDITIONAL COSPONSORS OF A RESOLUTION
SENEATE RESOLUTION 113

At the request of Mr. Stevenson, the Senator from Washington (Mr. Magnuson), the Senator from Utah (Mr. Moss), and the Senator from Rhode Island (Mr. Pastore) were added as cosponsors of Senate Resolution 113, a resolution to establish a Select Committee on the Senate Committee Systems.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Leonard F. Chapman, Jr., of Virginia, to be Commissioner of Immigration and Naturalization, vice Raymond P. Farrell, retired.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to appear before the Committee on the Judiciary, to present their views, on or before Wednesday, October 10, 1973, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

ANNOUNCEMENT OF HEARINGS ON NOMINATIONS BY DISTRICT OF COLUMBIA COMMITTEE

Mr. EAGLETON. Mr. President, the Senate Committee on the District of Columbia will hold a public hearing on the nomination of Fred B. Ugast to be an Associate Judge of the Superior Court of the District of Columbia, and on the nomination of William R. Stratton to be a member of the Public Service Commission of the District of Columbia on Wednesday, October 17, 1973, at 9:30 a.m. in room 6226, New Senate Office Building. Persons wishing to present testimony at this hearing should contact Mr. Robert Harris, staff director of the District Committee, room 6222, New Senate Office Building, by noon on Friday, October 12, 1973.

ANNOUNCEMENT OF HEARING ON RETAIL PETROLEUM PRICES

Mr. SPARKMAN. Mr. President, the Committee on Banking, Housing and Urban Affairs will hold a hearing to receive testimony from Mr. John T. Dunlop, Executive Director, Cost of Living Council, on regulations concerning the retail price of petroleum products at 1:30 p.m. October 9, 1973, room 5302, Dirksen Senate Office Building.

NOTICE OF HEARING ON PHASE IV PETROLEUM REGULATIONS

Mr. STEVENSON. Mr. President, under the phase IV regulations of the Cost of Living Council as they relate to petroleum products, major oil producers and refiners have been allowed to automatically pass through their increased product costs to the retailer. But the retailer, typically a small businessman, has not in turn been allowed to automatically pass through his increased product costs to the consumer.

This discrimination prompted me, along with Senator McNairy and 17 other cosponsors, to introduce S. 2453, a bill to amend the Economic Stabilization Act to correct inequities in the phase IV petroleum regulations. This bill was referred to the Senate Committee on Banking, Housing and Urban Affairs, as were several other bills on this same subject introduced by other Senators.

After threats of station shutdowns and a growing concern in Congress and elsewhere over the phase IV regulations, the CLC acted Friday to amend the regulations. The Council changed the computation date of the margin per gallon for retailers, helping to correct one of the problems the Council had artificially created. The Council also allowed a pass-through of costs incurred by retailers through September 28.

But the Council's action on Friday did not address the fundamental inequity caused by its regulations—the fact that major oil producers and refiners could increase and pass their costs through, but the small retailer could not. Since last Friday, seven major oil companies have announced price increases ranging from 0.2 cents to 3.6 cents per gallon for gasoline, heating oil, and other refined petroleum products. These new costs cannot be passed on by retailers through September 28.

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