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"(b) While studying at the Institute and while traveling in connection with his study, including authorized field trips, each student or enrollee in the Institute shall be allowed travel expenses and a per diem allowance in the same manner as prescribed for persons employed intermittently in the Government service under section 5703(b) of title 5, United States Code."

Sec. 502. The table of contents to "PART IV—CORRECTION OF YOUTHFUL OFFENDERS" of title 18, United States Code, is amended by inserting after

"403. Juvenile delinquency----- 5031"

the following new chapter reference:—

"404. Federal Corrections Institute----- 5041".

Sec. 503. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this title.

SUMMARY OF OMNIBUS CORRECTIONAL REFORM ACT OF 1971

This bill provides a new comprehensive approach to prison reform on the state and local level. It provides substantial federal support for a program of creating a new, modern correctional system built around smaller institutions, located in or near the urban communities they serve. At the same time, it takes account of the major effort needed to redirect the nation's penal effort by requiring the development of certain short range programs which will make present penitentiaries more effective.

TITLE I—COMMUNITY-BASED CORRECTIONAL FACILITIES

Title I outlines the basic long range program which will result in a new penal strategy. It consists of several amendments to the Law Enforcement Assistance Administration provisions of the Omnibus Crime Control and Safe Streets Act of 1968:

(1) Require that after two years from passage no state plan for LEAA assistance will be approved as comprehensive (a necessary prerequisite to receiving Federal funds) unless it allocates at least 40% of the requested funds to the improvement of correctional practices and programs. (Part E of the LEAA Act presently requires a 20% allocation.) The actual allocation of LEAA funds is also changed accordingly. In terms of present Congressional authorization this would authorize \$700 million for this new program in fiscal year ending June 30, 1973.

(2) Require that any such correctional plan contain a 20 year program developed in detail by five year segments for the gradual phasing out of large country prisons located a substantial distance from major urban areas whose community they serve (regardless of whether they be classified as low, medium, or high security) and their replacement with small, community-based corrections facilities designed to apply modern corrections theory.

TITLE II—REHABILITATION AND RELATED PROGRAMS

Title II is the first of several programs designed to provide immediate improvement while the states develop their long range programs. It authorizes the expenditure of \$400 million over the next four years to develop and fund projects providing programs for rehabilitation, job placement, on-the-job counseling and correctional education for criminal offenders, youth offenders, and juvenile delinquents. Heavy emphasis is placed on the rehabilitation of those who have committed no more than one serious offense on the theory that these are the most easily helped.

To be eligible to receive a grant under this title a state must appoint a planning and administration council which would develop a plan and submit it to the Secretary of Health, Education and Welfare. The plan would be required to allocate at least 40 percent of all Federal funds granted to local

government bodies and nonprofit organizations and 15 percent of all Federal funds to private, profit making individuals, businesses and organizations. This would result in the involvement of many segments of the community in the corrections process.

Grants to the states will be determined by the number of persons detained in correctional institutions and by the total population of the state. However, in no case will such grants amount to more than 75 percent of the total cost of such programs in any given year. The title also provides means for the Secretary to determine that funds are actually expended in accordance with the provisions of this title, and for a method of judicial review should a state not be satisfied with the Secretary's ruling.

TITLE III—EDUCATION AND TRAINING PROGRAMS

This title is intended to provide special funding for the development of specialized school curricula, for the training of educational personnel and, for research and demonstration projects. These programs and projects would be especially tailored to the needs of persons detained in state and local correctional institutions with the intention of improving their vocational and academic education so as to enhance the possibility of rehabilitation of such persons.

Section 301 of title III would amend section 511(b) of the Higher Education Act of 1965. Presently the authorized funding is \$80 million per year, but in unrestricted form. Under the proposed amendment the authorized funding would be increased to \$100 million for each of the next five years. Additionally the amended bill would require that \$110 million, be spent on projects under Section 1103(a) (6) of title 20 of the United States Code which authorizes the development of special educational programs for criminal offenders.

Section 302 of title III would authorize the Commissioner of Education to make grants to state and local governments, educational agencies, public and nonprofit private institutions of higher learning, and other public and nonprofit private education or research agencies. Such grants would fund research and demonstration projects to the academic and vocational education of anti-social, aggressive, or delinquent persons including juvenile delinquents, youth offenders, and adult criminal offenders.

To advise on the creation of general policy with regard to the education of persons covered by this title, the Commissioner is authorized to appoint special technical advisory committees. Members of such committees who are not already full time employees of the United States are entitled to receive compensation as shall be determined by the Secretary of Health, Education and Welfare but not in excess of \$75 a day. \$13 million is authorized to be spent on this title over the next three fiscal years.

TITLE IV—SPECIAL PROBATION PROGRAMS

Title IV authorizes the expenditure of \$40 million during each of the next five fiscal years for the creation of special probation supervision programs. These programs will be designed to accommodate juvenile delinquents and young offenders under 25 who have not yet become repeated offenders and who have not been found guilty of capital crimes. Such programs must be structured so as to reduce the need for the commitment of such offenders to state correctional institutions.

Any state desiring assistance must submit a state plan to the Law Enforcement Assistance Administration. The plan must establish suitable controls to insure that the appropriate state agency exercises proper supervision, qualified probationers personnel are employed, and incentives for local participation in programs designed to reduce the need for commitment to correctional institutions are provided.

Funds will be provided for the states on the basis of a formula which takes into account the number of persons under the age of 25 within the states and the number of youthful offenders who have not been committed to state correctional institutions. Provision is also made to insure that the federal share of such programs will not exceed 75% and that the funds provided under this program will not be in lieu of funds coming from other sources and already being spent on such programs. Additionally, each state involved shall develop programs to monitor the effectiveness of the special probation programs developed. Provision will be made for the collection and utilization of such information by the Federal Corrections Institute.

TITLE V—FEDERAL CORRECTIONS INSTITUTE

Title V amends title 18 of the United States Code by adding at the end thereof a new chapter creating a Federal Corrections Institute. The Institute would serve several functions related to the short range improvement of present corrections systems and the long range development of a new corrections system as foreseen in title I. It would collect and disseminate useful data relating to efforts to improve the present corrections system and develop a new, community based system as provided in title I. It would also provide training for Federal, State and local personnel involved in the judicial system and corrections field so as to facilitate the acceptance and development of a new corrections system.

The Institute's overall policy and operations would be under the supervision of an Advisory Commission including personnel from the judicial, probation and corrections fields and including private, concerned citizens and persons who have actually served in prisons. Also included on the Advisory Commission will be the Director of the Institute, the Attorney General (or his designee), and the Director of the National Institute of Mental Health (or his designee).

The Director of the Institute with the approval of the Advisory Commission shall acquire property and shall make the necessary arrangements for the Institute's construction and equipment. The Advisory Commission shall supervise the design of a training curriculum for enrollees from the judicial and corrections fields. Candidates for admission to the Institute shall be selected by the State planning agencies created under LEAA, subject to final selection by the Director of the Institute. While studying with the Institute each enrollee shall be allowed travel expenses and a per diem allowance in the same manner as prescribed for persons intermittently employed in government service under section 5703(b) of title 5, United States Code. Such funds as may be necessary to carry out the provisions of this title are authorized.

By Mr. MONDALE:

S. 2536. A bill to enable lower-income families to achieve homeownership and to enable certain private housing to be available for families at all income levels in order to achieve an economic diversification of income groups, particularly to avoid the clustering of low-income families, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. MONDALE. Mr. President, I join today in endorsing the remarks of the distinguished Senator from Massachusetts (Mr. BROOKE), one of the leading congressional experts on housing programs for lower-income families.

The Housing Reform Amendments Act of 1971, which I will cosponsor when it is drafted, is a product of our mutual

interest in legislation to expand existing housing programs: to amend these programs to achieve consolidation of essential assistance provisions; and to extend them to assist the full range of families who are not able to afford the expense of adequate housing in our Nation.

We worked together to prepare the section-by-section summary which Senator BROOKE has just introduced. It incorporates our original ideas, as well as other proposals which have been put forward over the past 2 years by various public interest groups. I believe that its adoption will correct most of the major problems associated with the present array of housing programs—problems which have impeded their use to assist all families in need of assistance to obtain safe, decent, and suitable housing. This rich Nation should be able to organize its housing programs to assure that all families can achieve a suitable standard of shelter.

The time has come to complete the recent congressional efforts toward decent housing by consolidating our assistance programs, by extending them to cover existing gaps in coverage, and by adopting provisions to assure a sound and healthy living environment. During 1967 and 1968, the Senate Housing Subcommittee spent an enormous amount of time in developing the section 235 homeownership and the section 236 rental assistance programs. This effort was worthwhile: these two programs are rapidly expanding to serve an enlarging number of families who require housing assistance. In 1969 and 1970, the public housing program was amended to achieve a greatly expanded capacity, largely through the amendments sponsored by Senator BROOKE, and by the chairman of the Senate committee, the distinguished Senator from Alabama, JOHN SPARKMAN. Despite these achievements, however, inadequacies in program structure still exist, some of which were forecast as early as 1967 by the housing subcommittee. The expansion of these housing programs over the last 2 years makes it essential that these inadequacies be corrected without delay.

The four major inadequacies among existing programs are: First, a lack of uniformity in such basic provisions as income limits, income definition, rent requirements, and quality of housing product; second, failure to include coverage for all families who need housing assistance; third, isolation of low-income families in "ghettoized" housing developments; and, fourth, concentration of low-income housing opportunities in central cities, to the exclusion of metropolitan and regional areas which are rapidly developing as the chief centers of employment for lower income families.

The Housing Reform Amendments Act of 1971, proposed by Senator BROOKE and myself, addresses itself to each of these major inadequacies. It proposes full consolidation of the basic elements of housing assistance under the FHA mortgage assistance programs and the public agency housing programs; it provides for assistance to all families who require housing assistance to the degree that they need it; it provides for a "cross section of

income" occupancy in all assisted housing; it provides incentives for expansion of assisted housing into metropolitan and regional areas through full tax payments and public service grants, as well as "emergency housing" powers to the Secretary of Housing and Urban Development to develop assisted housing in those areas where no sponsor is willing to undertake it. As Senator BROOKE has indicated, these provisions, coupled with the housing requirements in the Community Development Act of 1971, S. 2333, introduced by Senator SPARKMAN, and the Government Facilities Location Act, S. 1282, introduced by Senator ABRAHAM RUBINOFF, should produce new and effective ways to achieve housing opportunities for lower income families in areas of urban growth outside central cities.

Mr. President, before I began discussions with Senator BROOKE on the Housing Reform Amendments Act of 1971, I had been working on a proposal designed to accomplish a greater cross section of income occupancy in Government assisted housing. This measure would provide a subsidy to those who need it and would also make available a percentage of units at reduced rentals or reduced mortgage interest rates to encourage occupancy by higher income families.

In the rental housing program, this would be done by calculating rentals as though the mortgage carried an interest rate 2 percent below the FHA rate. The FHA rate is now 7 percent which would mean that the rentals would be calculated at a 5-percent interest rate and this would result in a substantial rental reduction. The 2-percent interest rate differential would be paid by HUD to the lender.

It is proposed that up to 20 percent of the units may be occupied by families without regard to income limitations. There would be no certification as to income and the families would pay whatever rental is called for on the basis of the mortgage calculated at the rate 2 percent below the FHA rate. An additional 20 percent of the units would be occupied by families at varying income not in excess of the public housing limits and who will pay one-fourth of their income for rental, including utilities. The remaining 60 percent of the units will be occupied by families at varying income levels who also will pay one-fourth of their income for rental. Families obtaining subsidies would recertify their incomes every 2 years. This program would also permit cooperative ownership.

A similar proposal relates to the purchase of single family sales housing. In specified subdivisions or geographical areas designated by the Secretary, such as new communities, 20 percent of the buyer's would get the benefit of a home purchase mortgage 2 percent below the FHA rate. The balance of the purchasers, 20 percent of whom would have incomes not in excess of public housing limits, would pay 20 percent of their income, and the subsidy would cover the balance due for principal, interest, taxes, insurance, and mortgage insurance premiums.

In many respects, my proposal is very similar to the housing reform amendments bill. For example, both bills would

provide a single subsidy program that would cover the complete range of low- and moderate-income housing; both bills provide that at least 20 percent of the units in an assisted project would have to go to the lowest income families; both bills provide a rental not to exceed 25 percent of a family's income; and both bills insure that under the homeownership program, the maximum mortgage payment—including taxes and insurance—would be 20 percent of a family's income.

I believe that it is important that each of these bills be submitted for full discussion. That is why I am cosponsoring, with Senator BROOKE, the Housing Reform Amendments Act of 1971, while at the same time introducing the Housing Opportunities Act of 1971.

In order to insure full consideration of both bills, I ask unanimous consent that the full text of my proposal, the Housing Opportunities Act of 1971, be printed at this point in the Record.

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

S. 2536

A bill to enable lower income families to achieve homeownership and to enable certain private housing to be available for families at all income levels in order to achieve an economic diversification of income groups, particularly to avoid the clustering of low income families, and for other purposes.

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 "Housing Opportunities Act of 1971".

Sec. 2. (a) The text of section 235 of the National Housing Act is amended to read as follows:

"Sec. 235. (a) The Secretary is authorized to make, and to contract to make, periodic assistance payments on behalf of homeowners and cooperative members. The assistance shall be accomplished through payments to mortgagees holding mortgages meeting the special requirements specified in this section.

"(b) To qualify for assistance payments, the homeowner or cooperative member shall be of lower income, or otherwise meet the eligibility provisions prescribed by the Secretary under this section, except that if any cooperative member who has received assistance payments transfers his membership and occupancy rights to another person who satisfies the eligibility requirements prescribed by the Secretary and undertakes the obligation to pay occupancy charges, the new cooperative member may qualify for assistance payments upon the filing of an application with respect to the dwelling unit involved to be occupied by him. The amount of the mortgage attributable to the dwelling unit shall involve a principal obligation not in excess of \$20,000, except that the Secretary may, by regulation, increase the limitation by not to exceed 25 per centum in any geographical area where he finds that cost limits so require and by an additional \$3,500 for any family with five or more persons.

"(c) The assistance payments to a mortgagee by the Secretary on behalf of a mortgagor shall be made during such time as the mortgagor shall continue to occupy the property which secures the mortgage, except that (1) assistance payments may be made on behalf of a homeowner who assumes a mortgage if the homeowner is approved by the Secretary as eligible for receiving such assistance, and (2) the Secretary is au-

thorized to continue making assistance payments where the mortgage has been assigned to the Secretary. The payments shall be in an amount not to exceed—

"(1) the balance of the monthly payment for principal, interest, taxes, insurance, and mortgage insurance premium due under the mortgage remaining unpaid after applying 20 per centum of the mortgagor's income, but in no event shall the amount of any payment by the Secretary under this clause be less than the amount of the payment computed under clause (2) of this sentence; or

"(2) in any subdivision (including a geographical area designated by the Secretary), condominium, or cooperative approved for sale under this section, not more than 20 per centum of the families shall be eligible without regard to income limitations to have assistance payments made on their behalf in an amount equal to the difference between the amount of the monthly payment for principal, interest, and mortgage insurance premium which the mortgagor is obligated to pay under the mortgage and the monthly payment which the mortgagor would be obligated to pay if the mortgage were to bear interest at a rate 2 per centum per annum below the maximum rate fixed by the Secretary for mortgages insured under section 203(b) of this title.

"(d) Assistance payments to a mortgagee by the Secretary on behalf of a family holding membership in a cooperative association operating a housing project shall be made only during such time as the family is an occupant of such project and shall be in amounts computed on the basis of the formula set forth in subsection (c) applying the cooperative member's proportionate share of the obligations under the project mortgage to the items specified in the formula.

"(e) The Secretary may include in the payment to the mortgagee such amount, in addition to the amount computed under subsection (c) or (d), as he deems appropriate to reimburse the mortgagee for its expenses in handling the mortgage.

"(f) Procedures shall be adopted by the Secretary for recertification of the mortgagor's (or cooperative member's) income at intervals of two years (or at shorter intervals where the Secretary deems it desirable) for the purpose of adjusting the amount of such assistance payments within the limits of the formula described in subsection (c), except that no recertification of income will be required of mortgagors receiving payments under subsection (c) (2) of this section.

"(g) The Secretary shall prescribe such regulations as he deems necessary to assure that the sales price of, or other consideration paid in connection with, the purchase by a homeowner of the property with respect to which assistance payments are to be made is not increased above the appraised value on which the maximum mortgage which the Secretary will insure is computed.

"(h) (1) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section, including such sums as may be necessary to make the the assistance payments under contracts entered into under this section. The aggregate amount of contracts to make such payments shall not exceed amounts approved in appropriation Acts, and payments pursuant to such contracts shall not exceed \$325,000,000 per annum prior to July 1, 1972, which maximum dollar amount shall be increased by \$400,000,000 on July 1, 1972, and by \$400,000,000 on July 1, 1973.

"(2) Not less than 20 per centum of the assistance payments authorized in paragraph (1) of this subsection shall be contracted to be made on behalf of families whose incomes at the time of their initial occupancy are not in excess of the maximum income limits which can be established in the area, pursuant to the limitations prescribed in sections 2(2) and 15(7)(b)(ii) of the United States

Housing Act of 1937, for initial occupancy in public housing dwellings. Other payments may be made in behalf of families whose incomes exceed those limits but who would nevertheless be eligible for assistance payments under the formula specified in subsection (c) (1) of this section.

"(3) Not more than 15 per centum of the appropriation authorized under this section shall be contracted for in connection with existing dwellings, or dwelling units in existing projects, unless such units are approved by the Secretary for substantial rehabilitation.

"(1) The Secretary shall from time to time allocate and transfer to the Secretary of Agriculture, for use (in accordance with the terms and conditions of this section) in rural areas and small towns, a reasonable portion of the total authority to contract to make assistance payments as approved in Appropriation Acts under subsection (h) (1)."

(b) The amendment made by subsection (a) shall be applicable to contracts for assistance payments entered into on and after the date of enactment of this Act. The provisions of section 235 of the National Housing Act, as it existed immediately prior to such date, shall be applicable to contracts for assistance payments entered into prior to such date.

Sec. 3. (a) The text of section 101 of the Housing and Urban Development Act of 1965 is amended to read as follows:

"Sec. 101. (a) The Secretary of Housing and Urban Development (hereinafter referred to as the 'Secretary') is authorized to make, and contract to make, periodic payments to a 'housing owner' on behalf of 'qualified tenants', as those terms are defined in subsection (c) of this section, in such amounts and under such circumstances as are prescribed in or under this section. A contract providing for such payments shall be for such period, not in excess of 40 years, as the Secretary determines. The aggregate amount of the contracts to make such payments shall not exceed amounts approved in Appropriation Acts, and payments pursuant to such contracts shall not exceed \$250,000,000 per annum prior to July 1, 1972, which maximum dollar amount shall be increased by \$300,000,000 on July 1, 1972, and by \$300,000,000 on July 1, 1973.

"(b) (1) For the purpose of reducing rentals of dwelling units approved hereunder, the Secretary is authorized to make, and to contract to make, periodic interest reduction payments on behalf of the owner of a rental housing project designed for occupancy by families eligible under subsection (d), which shall be accomplished through payments to mortgagees holding mortgages meeting the special requirements specified in this section.

"(2) Contracts for interest reduction payments shall be made for the same period and under the same conditions as for the periodic payments on behalf of 'qualified tenants' as provided in section 101(a).

"(3) The interest reduction payments to a mortgagee by the Secretary on behalf of a project owner shall be in an amount not exceeding the difference between the monthly payment for principal, interest, and mortgage insurance premium which the project owner as a mortgagor is obliged to pay under the mortgage and the monthly payment for principal and interest such project owner would be obligated to pay if the mortgage were to bear interest at a rate of 2 per centum less than that fixed by the Secretary for mortgages insured under section 207 of the National Housing Act.

"(4) The Secretary may include in the payment to the mortgagee such amount, in addition to the amount computed under subsection (b) (3), as he deems appropriate to reimburse the mortgagee for its expenses in handling the mortgage.

"(5) The aggregate amount of contracts to

make such interest reduction payments shall not exceed amounts approved in appropriation Acts and payments pursuant to such contracts shall not exceed \$75,000,000 per annum prior to July 1, 1972, which maximum dollar amount shall be increased by \$100,000,000 on July 1, 1972, and by \$100,000,000 on July 1, 1973.

"(c) For the purpose of this section—

"(1) the term 'housing owner' means a private nonprofit corporation or other private nonprofit legal entity, a limited dividend corporation or other limited dividend legal entity, or a cooperative housing corporation, which is a mortgagor under section 221(d) (3) of the National Housing Act and which, after the enactment of this section, has been approved for mortgage insurance thereunder and has been approved for receiving the benefits of this section, and includes a private nonprofit legal entity, a limited dividend corporation or other limited dividend legal entity, or a cooperative housing corporation, which is the owner of a rental or cooperative housing project financed under a State or local program providing assistance through loans, loan insurance, tax abatement, or other assistance, and which prior to completion of construction or rehabilitation is approved for receiving the benefits of this section;

"(2) the term 'qualified tenant' means any individual or family who can satisfy the following requirements pursuant to criteria and procedures established by the Secretary:

"(A) Not less than 20 per centum of the units shall be occupied by such tenants having incomes at the time of initial occupancy not in excess of the maximum amount which can be established in the area, pursuant to the limitations prescribed in sections 2(2) and 15(7)(b)(ii) of the United States Housing Act of 1937, for occupancy in public housing dwellings; and

"(B) Not more than 20 per centum of the units may be occupied by tenants without regard to income limitations, provided that such tenants shall pay the full rental as fixed pursuant to subsection (b) and no payment shall be made under subsection (a) on their behalf; and

"(C) Other qualified tenants shall include those whose incomes exceed the limitations specified in paragraph (A) above but would nevertheless be eligible to have periodic payments made on their behalf pursuant to subsection (d) of this section; and

"(3) the terms 'qualified tenant' and 'tenant' include a member of a cooperative who satisfies the foregoing requirements and who, upon resale of his membership to the cooperative will not be reimbursed for any equity increment accumulated through payments under this section; and

"(4) the terms 'rental' and 'rental charges' mean, with respect to members of a cooperative, the charges under the occupancy agreements between such members and the cooperative.

"(d) The amount of the annual payment with respect to any dwelling unit shall not exceed the amount by which the rental for such unit exceeds 25 per centum of the tenant's income as determined by the Secretary pursuant to regulations and procedures established by him. In determining the income of any tenant for the purposes of this section, there shall be deducted an amount equal to \$300 for each minor person who is a member of the immediate family of such tenant, or for any person in excess of 65 years of age, living with such tenant, and the earnings of any such minor person shall not be included in the income of such tenant. The Secretary may authorize other standard deductions to compensate for deductions for social security, unusual and long-term medical expenses, care of children, and other such recurring expenses.

"(e) (1) For the purposes of carrying out the provisions of this section, the Secretary shall establish criteria and procedures for

determining the eligibility of occupants and rental charges, including criteria and procedures with respect to periodic review of tenant incomes and periodic adjustment of rental charges.

"(2) Procedures adopted by the Secretary hereunder shall provide for recertifications of the incomes of the occupants, except the elderly and those eligible under subsection (c) (2) (B) hereof, at intervals of 2 years (or at shorter intervals in cases where the Secretary may deem it desirable) for the purpose of adjusting rental charges and annual payments on the basis of occupants' incomes, but in no event shall rental charges under this section for any dwelling exceed the full rental as fixed pursuant to subsection (b) hereof.

"(3) The Secretary may enter into agreements, or authorize housing owners to enter into agreements, with public or private agencies for services required in the selection of qualified tenants including those who may be approved on the basis of the probability of future increases in their incomes, as lessees under an option to purchase (which will give such approved qualified tenants an exclusive right to purchase at a price established or determined as provided in the option) dwellings, and in the establishment of rentals.

"(4) No payments under this section may be made with respect to any property for which the costs of operation (including wages and salaries) are determined by the Secretary to be greater than similar costs of operation of similar housing in the community where the property is situated.

"(f) The Secretary is authorized to make such rules and regulations, to enter into such agreements, and to adopt such procedures as he may deem necessary or desirable to carry out the provisions of this section.

"(g) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section, including but not limited to, such sums as may be necessary to make annual or other periodic payments as prescribed in this section, pay for services provided under (or pursuant to agreements entered into under) subsection (e), and provide administrative expenses.

"(h) In carrying out the provisions of this section, the Secretary shall give due consideration to section 4 of the Housing and Urban Development Act of 1968, regarding improved architectural design in housing being provided for low and moderate income families."

(b) The amendment made by subsection (a) shall be applicable to contracts for assistance payments entered into after the date of enactment of this Act. The provisions of section 101 of the Housing and Urban Development Act of 1965, as it existed immediately prior to such date, shall be applicable to contracts for assistance payments entered into prior to such date.

By Mr. HATFIELD:

S. 2537. A bill to authorize treatment for certain narcotic addicts. Referred to the Committee on Labor and Public Welfare.

NARCOTICS ABUSE TREATMENT ACT OF 1971

Mr. HATFIELD. Mr. President, I send a bill to the desk which I have entitled the Narcotics Abuse Treatment Act of 1971. And I ask unanimous consent that it be printed in the Record at the conclusion of my remarks.

Mr. President, all of us are generally familiar with the growing problem of drug abuse within our country. There are varying estimates as to the number of drug addicts in the United States. They range from 150,000 to 400,000, but the usually quoted figure is 250,000, up to one-half of whom reside in New York

State. Indication of the growth of the problem in recent years is the fact that between 1962 and 1970 there was a 1,000-percent increase in felony prosecutions for the possession or sale of dangerous drugs in Kings County, N.Y.—from 168 in 1962 to 1,861 in 1970. In Philadelphia arrests for narcotic violations increased 678 percent in the 5 years between 1965 and 1970. Estimates for Detroit are a 169-percent increase in the last 2 years for drug related arrests. Officials in Boston have estimated that the addiction rate is increasing perhaps as much as 50 percent per year. And in Virginia it is estimated by the Bureau of Narcotics and Dangerous Drugs that there was an increase of 556 percent during the decade of the 1960's. Yet it has been estimated that each addict commits 120 crimes for each crime that he is arrested.

Besides the cost in human lives and personal tragedy, crime that is caused by drug addiction is also very costly. President Nixon in his June 17, 1971, special message to the Congress pointed to this cost, asserting that it takes between \$30 and \$100 per day per addict to sustain a habit. It has been estimated that each addict in the District of Columbia gets \$50,000 of illegal goods to sustain his habit each year. If Washington, D.C., and New York data are at all representative of the Nation in general, this means that the cost of sustaining drug addiction through illegal means in the United States is in the neighborhood of \$12.5 billion each year. And this does not include government and private expenditures to deal with the problem of addiction, nor does it include courts, police, probation, penal, and other costs.

The Congress has become increasingly aware of the growing magnitude of the addiction problem and has taken steps which in its judgment would help alleviate it. During the 91st Congress, for instance, no less than 20 major bills were introduced to deal with the various aspects of drug abuse. During this, the 92d Congress, further important legislation, focusing on rehabilitative efforts, has been introduced. There remain, however, two key problems: first, there are not at present any claimed rehabilitation techniques that have won a consensus of support; second, if there were such techniques, there would still remain the problem of changing the abuser's motivation so that he or she would want to be rehabilitated. These are not insurmountable obstacles, but it must be realized that it will take a long time before both of these problems can be successfully remedied. In the meantime we will continue to have the soaring drug-caused crime and drug addiction rate unless something is done.

The bill I am introducing today, Mr. President, I believe would overcome the issues I have raised. Specifically, the bill would establish a program within the Department of Health, Education, and Welfare whereby the Secretary can authorize a physician to administer drugs to an addict. The physician would be required to submit an itemized statement to the Secretary containing the costs of the services provided and would also

provide such verifying data as the Secretary requests in order for the addict to benefit from the program. The information regarding the addict would be confidential and not divulged to any person or government entity and not be admissible for any criminal action against the abuser. The cost of the program would be fully borne by the Federal Government. This proposal would not in any way alter present prohibitions against the illegal possession or sale of drugs.

It would, in my opinion, virtually eliminate drug-related crime from our society. And it would save the taxpayer billions of dollars as well. Studies in the cost of methadone maintenance programs, for instance, estimate that an addict can be maintained for \$3,800 annually, which is less than one-third the cost of keeping an addict in prison. Projecting these figures into a national program the cost would be roughly \$950 million per year. Looked at from another perspective, heroin tablets sold in bottles of 100 tablets each cost \$2.16 for each bottle in England, where they have a program roughly the same as I am proposing. Computing this cost into a comparable one in the United States would mean an expenditure of approximately \$10.8 million per year to maintain heroin addicts on a Government program. Yet this expenditure would incur savings of over \$2 billion in potential prison costs and \$12.5 billion in drug-related crime. Consequently, while the budgetary expenditure for the program I am advocating would be in the neighborhood of \$942.5 million, assuming a \$3,800 expenditure per addict, there would be a real savings of approximately \$13.6 billion, let alone the savings in despair and heartache on which no dollar value could be put. But perhaps most importantly, we would virtually eliminate the crime caused by illegal drug trafficking and take a significant step toward completely eradicating the trafficking itself.

The concept I am advocating is not a new one. Between 1919 and 1923 a similar program was instituted in our country but it was halted not because it failed, but because it ran against "the philosophy of a punitive approach," according to the New York Academy of Medicine. Great Britain has also had good success with a similar program. In spite of increases in the rate of addiction during the 1960's, a trend which has definitely reversed, there are, according to one source, just under 3,000 narcotics addicts in England. This is for a total population of 55 million people or a ratio of approximately one addict for every 19,000 people. In the United States the picture is quite different, because it is estimated that there is one addict for every 800 persons; almost 24 times the rate in England. Admittedly, the problem of estimating the number of drug addicts within our country is difficult due to the obvious obstacles encountered under prevailing conditions. Yet, if the data presented here is anywhere near the truth our system of dealing with addiction is in great need of change.

It is my firm belief that the proposal I am offering today would reduce the crime rate in some areas of our Nation by