The original documents are located in Box 18, folder "1974/12/31 HJR1178 Continuing Appropriations for FY 1975" of the White House Records Office: Legislation Case Files at the Gerald R. Ford Presidential Library.

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APPROVED
DEC 311974

ACTION

THE WHITE HOUSE

WASHINGTON

Last Day: January 4

Posted 12 31 14
To A RENTED 13 175

December 28, 1974

MEMORANDUM FOR:

THE PRESIDENT

FROM:

KEN COLE

SUBJECT:

Enrolled Resolution H.J. Res 1178 Continuing Appropriations for FY 1975

Attached for your consideration is H.J. Res. 1178, sponsored by Representative Mahon, which modifies and extends the 1975 continuing resolution until February 28, 1975.

The existing continuing resolution expired December 20, 1974 with the <u>sine die</u> adjournment of the second session of the 93rd Congress. Several Federal activities are without new funding authority until this resolution is signed into law.

Section 4 of the resolution adds a new section permitting the funding of several activities (foreign assistance) which otherwise would have been precluded under a simple extension of the existing continuing resolution. Section 5 also retains, with minor alterations, the provision of the former resolution restricting military aid to Turkey.

OMB recommends approval and provides you with additional background information in its enrolled bill report (Tab A).

Max Friedersdorf, Phil Areeda and the NSC recommend approval.

RECOMMENDATION

That you sign H.J. Res. 1178 (Tab B).

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

DEC 23 1974

MEMORANDUM FOR THE PRESIDENT

Enrolled Resolution H.J. Res. 1178 - Continuing Subject:

Appropriations for fiscal year 1975 Sponsor - Representative Mahon (D), Texas

Last Day for Action

Documber , 1974 January 4, 1975

Immediate action is recommended since the existing continuing resolution (Public Law 93-448) expired December 20, 1974, with the sine die adjournment of the second session of the ninety-third Congress. Several Federal activities are, consequently, without new funding authority until this enrolled resolution is signed into law.

Purpose

Modifies and extends the 1975 continuing resolution until February 28, 1975.

Agency Recommendations

Office of Management and Budget Approval

Approval (informally) Affected agencies

Discussion

This extension of the continuing resolution is necessary to continue Federal activities for which fiscal year 1975 appropriations have not been enacted. The Congress has now completed its action on all of the regular 1975 appropriation bills except the Foreign Assistance and Related Programs bill. Four appropriation bills are now awaiting your action: Military Construction, Agriculture-Environmental and Consumer Protection, the First Supplemental, and the Urgent Supplemental. Several other activities were deferred from the pending appropriation bills--generally because they lacked authorizing legislation-and are dependent upon the continuing resolution for new funds.

Section 4 would add a new section providing foreign assistance funds, not previously available, for:

Security Supporting Assistance for Israel	\$150,000,000
Security Supporting Assistance	•
for Egypt Middle East Special Requirements	150,000,000
fund	25,000,000
Assistance to Portugal and Portuguese Colonies	10,000,000
Famine and Disaster Relief for Cyprus	15,000,000
Assistance to Refugees from	
the Soviet Union	10,000,000
Refugees	10,000,000

This section permits the funding of several activities which otherwise would have been precluded under a simple extension of the existing continuing resolution. In addition, the provision of \$150 million for Israel increases the \$50 million that otherwise would have been available under the resolution for that country. The provisions for Egypt and the Middle East Special Requirements Fund, although below that requested for the full year, should suffice for the interval between now and passage of the foreign assistance appropriation bill, expected in February. The four other items were added at congressional initiative and are consistent with authorizations in the Foreign Assistance Act of 1974.

Section 5 would retain, with minor alteration, the provision of the former resolution restricting military aid to Turkey. This enrolled resolution denies funds for military assistance and sales to Turkey "unless and until the President determines and certifies to the Congress that the Government of Turkey is in compliance with the Foreign Assistance Act of 1961, the Foreign Military Sales Act, and any agreement entered into under such Acts, and that substantial progress toward agreement has been made regarding military forces in Cyprus." The President may suspend this provision and similar provisions of the Acts named only until February 5, 1975, and only if Turkey observes the cease-fire on Cyprus and neither increases its forces on Cyprus nor transfers to Cyprus any United States-supplied "implements of war." This provision is substantively similar to the restriction relating to military assistance and sales to Turkey contained in the enrolled foreign assistance bill.

Another modification of the current resolution, Section 3 of the enrolled resolution, would make applicable to foreign assistance funds provided by the continuing resolution the provisions, restrictions, and prohibitions of the Foreign Assistance Act of 1974 (which is pending your action) and the Foreign Assistance Act of 1961, as amended.

Recommendation

I recommend that you sign the enrolled resolution

Roy L. Ash Director



DATE: 12/23/74

FROM: . Januar Walker

At the time this analysis was written, the enrolled bill had not arrived at the White House. Therefore, we were unable to cite the "last day for action" on page 1. Would you please insert the date and day of the week when this information is known. Thank you.

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 859

Date: December 26, 1974

Time: 5:30 p.m.

FOR ACTION: NSC/S Approval

Max Friedersdorf

cc (for information): Warren Hendriks

Jerry Jones

Phil Areeda no oby

FROM THE STAFF SECRETARY

DUE: Date: Monday, December 30

Time:

noon

SUBJECT:

Enrolled Resolution H.J. Res. 1178 - Continuing Appropriations for fiscal year 1975

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

Please return to Judy Johnston, Ground Floor West Wing

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

K. R. COLE. JR. For the President THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 850

Date: December 26, 1974

Time: 5:30 p.m.

FOR ACTION: NSC/S

Max Friedersdorf

Phil Areeda

cc (for information): Warren Hendriks

Jerry Jones

FROM THE STAFF SECRETARY

DUE: Date: Monday, December 30

Time:

noon

SUBJECT:

Enrolled Resolution H.J. Res. 1178 - Continuing Appropriations for fiscal year 1975

ACTION REQUESTED:

_ For Necessary Action

x For Your Recommendations

____ Prepare Agenda and Brief

____ Draft Reply

X For Your Comments

____ Draft Remarks

REMARKS:

Please return to Judy Johnston, Ground Floor West Wing

No Objeton

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

K. R. COLE, JR. For the President

THE WHITE HOUSE

WASHINGTON

December 27, 1974

MEMORANDUM FOR:

WARREN HENDRIKS

FROM:

MAX L. FRIEDERSDORF

SUBJECT:

Action Memorandum - Log No. 850 Enrolled Resolution - HJRes. 1178 Continuing Appropriations for FY '75

The Office of Legislative Affairs concurs in the attached proposal and has no additional recommendations.

Attachment



GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE

WASHINGTON, D. C. 20301

December 27, 1974

Honorable Roy L. Ash Director, Office of Management and Budget Washington, D.C. 20503

Dear Mr. Ash:

Reference is made to your request for the views of the Department of Defense with respect to the enrolled enactment of S. 1283, 93d Congress, the "Federal Nonnuclear Energy Research and Development Act of 1974."

This Act will establish a comprehensive program of research, development, and demonstration of nonnuclear energy technologies within the Energy Research and Development Administration.

The Department of Defense, as a major consumer of energy, supports the purposes of this bill to stimulate domestic energy production, utilize energy more efficiently and develop new technological capabilities. However, since this Department is not directly involved in the programs sponsored by this Act it must defer to the views of the Energy Research and Development Administration and other interested Federal Agencies.

There is, however, one provision of this Act that may directly affect the Department of Defense. Section 12 permits the President to "require the allocation of, or the performance under contracts or orders... relating to, supplies of materials and equipment if he finds that --

- (1) such supplies are scarce, critical, and essential to carry out the purposes of this Act; and
- (2) such supplies cannot reasonably be obtained without exercising the authority granted by this section."

It is important that the implementation of this provision be done in a way that will avoid conflict with the Defense Production Act. It is

suggested that if this Act is approved by the President that representatives of the Department of Defense participate with the staff of the Energy Research and Development Administration in developing implementing procedures.

Sincerely,

Martin R. Hoffmann

Rec't 12-23-7+ (c: 45-7.m.)

EXECUTI

OFFICE

12-24-74

12-3:30,7 m.

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

DEC 23 1974

Bill peit in 21. H. 12/24/74.

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Resolution H.J. Res. 1178 - Continuing Appropriations for fiscal year 1975 Sponsor - Representative Mahon (D), Texas

Last Day for Action

Documber , 1974 January 4, 1975

Immediate action is recommended since the existing continuing resolution (Public Law 93-448) expired December 20, 1974, with the <u>sine die</u> adjournment of the second session of the ninety-third Congress. Several Federal activities are, consequently, without new funding authority until this enrolled resolution is signed into law.

Purpose

Modifies and extends the 1975 continuing resolution until February 28, 1975.

Agency Recommendations

Office of Management and Budget

Approval

Affected agencies

Approval (informally)

Discussion

This extension of the continuing resolution is necessary to continue Federal activities for which fiscal year 1975 appropriations have not been enacted. The Congress has now completed its action on all of the regular 1975 appropriation bills except the Foreign Assistance and Related Programs bill. Four appropriation bills are now awaiting your action: Military Construction, Agriculture-Environmental and Consumer Protection, the First Supplemental, and the Urgent Supplemental. Several other activities were deferred from the pending appropriation bills--generally because they lacked authorizing legislation-- and are dependent upon the continuing resolution for new funds.

FURTHER CONTINUING APPROPRIATIONS, 1975

DECEMBER 17, 1974.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. Mahon, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H.J. Res. 1178]

The Committee on Appropriations, to which was referred House Joint Resolution 1178, making further continuing appropriations for the fiscal year 1975, and for other purposes, reports the same to the House without amendment and with the recommendation that the joint resolution be passed.

EFFECTIVE DATE OF THE RESOLUTION

The original continuing resolution (Public Law 93-324) was extended by Public Law 93-448 until the sine die adjournment of the current session of Congress. A further extension is necessary in order to continue certain governmental functions for which appropriations have not yet been completed. This resolution extends the current continuing resolution until February 28, 1975.

ITEMS COVERED BY THE RESOLUTION

At the present time 10 of the 13 regular annual appropriation bills for fiscal year 1975 plus the special energy research and development bill have been enacted. The military construction appropriation bill has passed the House and the Senate and is in conference. A new Agriculture-Environmental and Consumer Protection bill (the original bill was vetoed) has passed both Houses and a conference report thereon has been cleared for the President. The Supplemental appropriation bill has been cleared for the President. When these bills are signed into law, the continuing resolution will then cover activities for which provision was made in the Foreign Assistance and Related Programs Appropriation Act, 1974, as well as various programs and activities not yet funded in the Department of Health, Education, and Welfare, the Office of Economic Opportunity, and the Cabinet Committee on Opportunities for Spanish Speaking People.

The legislation which formerly authorized appropriations for these latter programs and activities has expired. Consequently, no fiscal year 1975 appropriations have as yet been enacted for programs formerly authorized by the Economic Opportunity Act, such as Head Start, Community Action, or legal services for the poor. Although new legislation authorizing a Legal Services Corporation has been enacted, no budget estimate has been submitted for the Corporation.

Similarly, there have been no appropriations for programs formerly authorized by the Emergency School Aid Act, the Developmental Disabilities Services and Facilities Construction Act, or for programs authorized by expiring portions of the Public Health Service Act such as comprehensive health grants to States, community mental health centers, family planning, assistance for students and schools of medicine, dentistry, nursing and other health professions, construction of hospitals and medical facilities, and a number of other programs. The extension of the continuing resolution will assure continuation of these programs until the necessary authorizations and appropriations are enacted.

In addition, the resolution provides for continuation of the activities of the Commission on the Revision of the Federal Court Appellate System at a level of operations not in excess of the fiscal year

1974 rate.

The Committee has also included language in the resolution which provides that all the provisions, restrictions and prohibitions contained in the Foreign Assistance Act of 1974 and in the Foreign Assistance Act of 1961, as amended, will apply to the funds made available under the continuing resolution for activities for which provision was made in the Foreign Assistance and Related Programs Appropriations Act of 1974. There was some question as to whether all the restrictions in these acts would apply to the funds made available for foreign assistance under the continuing resolution and the Committee wanted to eliminate any misunderstanding.

LEVELS OF FUNDING PERMITTED UNDER THE RESOLUTION

As has been the practice over a period of years, the continuing resolution establishes an appropriate rate of funding for the departments and agencies until the respective regular appropriation bills can be enacted by Congress.

In summary, the operating levels which obtain under the resolution and which are based on the status of each particular bill as of July 1,

1974, are as follows:

1. Where the applicable bill has passed only one House, the rate for operations shall not exceed the current rate or the rate permitted by the action of the one House, whichever is lower (Sec. 101(a)(4));

2. Where the applicable bill has passed both Houses but has not cleared conference, and the amount as passed by the House is different from that passed by the Senate, the pertinent project or activity shall be continued under the lesser amount or the more restrictive authority (Sec. 101(a)(3));

3. Where the applicable bill has not been passed by either House, the rate for operations for continuing projects or activities shall not exceed the current rate or the rate provided for in the budget estimate, whichever is lower, and under the more restrictive authority (Sec. 101(b)):

4. Because of special circumstances involved in certain instances, provision is made to base the rate of operations on the budget estimate

(Sec. 101(c));

5. Where there is no budget estimate or if the budget request has been deferred for later consideration, the rate for operations for continuing projects or activities shall not exceed the current rate (Sec. 101(d)):

6. The resolution does not in any way augment the appropriation for a given project or activity in the regular bills for fiscal year 1975. Sec. 105 provides that expenditures pursuant to the resolution shall be charged to the applicable appropriation, fund, or authorization whenever the subject bill is enacted into law:

7. Funds provided in the resolution may not be used to initiate any new project or activity or to resume any for which appropriations, funds, or other authority were not available in fiscal year 1974 (Sec.

106).

LEVEL OF FUNDING FOR FOREIGN ASSISTANCE

The fiscal year 1975 annual funding level (new obligational authority) provided for in this Continuing Resolution for activities funded under the Foreign Assistance Appropriation Bill amounts to \$3,481,000,000, which is a decrease of \$2,449,000,000 below the fiscal year 1974 level and a decrease of \$1,734,000,000 below the fiscal year 1975 budget requests.

SPECIAL ITEMS EARMARKED FOR FOREIGN ASSISTANCE

Section 4 contains language which would earmark \$150,000,000 in supporting assistance to Israel, \$150,000,000 in supporting assistance to Egypt, \$25,000,000 for a Middle East special requirements fund, an additional \$15,000,000 for famine and disaster relief for Cyprus and \$10,000,000 for assistance to refugees from the Soviet Union. The Committee has dealt with these items separately because under the existing continuing resolution their funding would not be possible. Several of these items are related directly to the Middle East peace settlement, one item relates to the disrupted conditions in Cyprus and the last item deals with Soviet refugees going to Israel.

The Committee wishes to point out that a specific amount was not included for military credit sales to Israel because under the existing continuing resolution authority, \$300,000,000 could be made available

for this purpose.

Also, the Agency for International Development indicates that \$10,000,000 has been obligated for Cyprus thus far in fiscal year 1975 and the Committee has provided an additional \$15,000,000 in the continuing resolution for Cyprus making a total of \$25,000,000 available for this purpose.

These funds were made available by the Committee to provide funding for these programs on a temporary basis until a regular foreign assistance appropriation bill can be acted on early next Congress. The Committee felt these programs were important enough to be included in this resolution but it also wishes to make it clear that this action in no way obligates the Committee to approve the full authorization amounts for these items in a regular appropriation bill next year.

Suspension of Military Assistance to Turkey

Section 5 contains identical language as agreed on by the conferees concerning the Foreign Assistance Act of 1974 which deals with the suspension of military assistance to Turkey. The effect of this language is to suspend all military assistance to Turkey as of February 5, 1975 unless the President certifies to Congress that Turkey is in compliance with the Foreign Assistance Act of 1961, the Foreign Military Sales Act, and any agreement entered into under such Acts, and that substantial progress toward agreement has been made regarding military forces in Cyprus. However, suspension of military assistance to Turkey can occur at any time before February 5, if Turkey violates the ceasefire or increases its forces on Cyprus or transfers to Cyprus any U.S. supplied implements of war.

COMPLIANCE WITH THE RESOLUTION

In the report accompanying the original continuing resolution for fiscal year 1975 and in the report on the first extension, the Committee strongly stated that it is essential that officials responsible for administering programs during the interim period covered by the resolution take only the limited action necessary for orderly continuation of projects and activities, preserving to the maximum extent possible the flexibility of Congress in arriving at final decisions in the appropriation bills. The Committee reiterates this statement.

This continuing resolution only provides temporary operating authority for the interim period until the Congress makes decisions in the usual manner and is not a vehicle for providing full year appropriations or for rendering final decisions on annual funding levels. Without laying down any hard and fast rules and short of encumbering administrative processes with detailed fiscal controls, the Committee directs that departments and agencies avoid the obligation of funds for specific budget line items or program allocations, on which congressional committees may have expressed strong criticism, at rates which unduly impinge upon discretionary decisions otherwise available to the Congress.

STATUS OF 1975 APPROPRIATION BILLS

As indicated earlier in the report, eleven appropriation bills for fiscal year 1975 including the special energy bill have been enacted.

The status of the appropriation bills is reflected in the following schedule:

Bill	<u> </u>	House ap- proved	Senate ap- proved	Enact- ed
1. Special Energy Research and Development		Apr. 9 June 6 June 19 June 19 June 21 Oct. 9 June 25 June 26 June 27 June 27 June 24 June 24 June 24 Aug. 6	June 20 Aug. 21 Aug. 22 Aug. 22 Nov. 25 July 31 Aug. 16 Sept. 18 Aug. 7 Aug. 21	June 30 Aug. 13 Aug. 28 Oct. 5 Aug. 28 Vetoed (2) Aug. 21 Sept. 6 Dec. 7 Aug. 31 Do Oct. 8
Military Construction. Foreign Assistance Supplemental appropriations				(2)

COMPLIANCE WITH RULE XIII-CLAUSE 3

The following is submitted in compliance with clause 3 of rule XIII:

The accompanying House joint resolution would amend section 102 of Public Law 93-324 as amended by Public Law 93-448 by striking out (per brackets) and inserting (per italicized matter), as follows:

Sec. 102. Appropriations and funds made available and authority granted pursuant to this joint resolution shall be available from July 1, 1974, and shall remain available until (a) enactment into law of an appropriation for any project or activity provided for in this joint resolution, or, in the case of the United States Information Agency, enactment of authorizations of appropriations for fiscal year 1975 for that Agency, or (b) enactment of the applicable appropriation Act by both Houses without any provision for such project or activity, or (c) [sine die adjournment of the second session of the Ninety-third Congress February 28, 1975, whichever first occurs.

The resolution would also amend section 101(d) by inserting (per italicized matter) after "all remaining activities except titles I and III(B) under the Economic Opportunity Act of 1964, as amended;" the following:

Activities of the Commission on Revision of the Federal Court Appellate System:

The resolution would further amend the fourth unnumbered clause of section 101(b) by striking out (per brackets) and inserting (per italicized matter) as follows:

activities for which provision was made in the Foreign Assistance and Related Programs Appropriations Act, 1974, not-

¹ In conference.
2 Cleared for the President.

withstanding section 10 of Public Law 91-672, and section 655(c) of the Foreign Assistance Act of 1961, as amended: Provided, That in computing the current rate of operations of military assistance there shall be included the amount of obligations incurred in Department of Defense appropriations during the fiscal year 1974 for military assistance to Laos [:]: Provided further, That all of the provisions, restrictions, and prohibitions contained in the Foreign Assistance Act of 1974 and in the Foreign Assistance Act of 1961, as amended, shall apply to funds made available herein for activities for which provision was made in the Foreign Assistance and Related Appropriations Act of 1974;

The resolution would also add a new section by inserting (per italicized matter) after Sec. 113, the following:

Sec. 114. Notwithstanding any other provision of this joint resolution or any other Act, including Section 10 of the Foreign Military Sales Act Amendments, 1971, as amended, the following amounts are hereby made available, in addition to funds otherwise available under this joint resolution, for the following purposes:

Security Supporting Assistance for Israel, \$150,000,000; Security Suporting Assistance for Egypt, \$150,000,000; Middle East Special Requirements Fund, \$25,000,000; Famine and Disaster Relief for Cyprus, \$15,000,000; and Assistance to Refugees from the Soviet Union, \$10,000,000: Provided, That all of the provisions, restrictions, and pro-

Provided, That all of the provisions, restrictions, and prohibitions contained in the Foreign Assistance Act of 1974 and in the Foreign Assistance Act of 1961, as amended, shall apply to the funds made available in this section.

The resolution would also amend Section 6 of the joint resolution of October 17, 1974 (Public Law 93-448) by striking (per brackets) and inserting (per italicized matter), as follows:

[Sec. 6. None of the funds herein made available shall be obligated or expended for military assistance, or for sales of defense articles and services (whether for cash or by credit, guaranty, or any other means) or for the transportation of any military equipment or supplies to Turkey until and unless the President certifies to the Congress that the Government of Turkey is in compliance with the Foreign Assistance Act of 1961, the Foreign Military Sales Act, and any agreement entered into under such Acts, and that substantial progress toward agreement has been made regarding military forces in Cyprus: Provided, That the President is authorized to suspend the provisions of this section and said Acts if he determines that such suspension will further negotiations for a peaceful solution of the Cyprus conflict. Any such suspension shall be effective only until December 10, 1974 and only if, during that time, Turkey shall observe the ceasefire and shall neither increase its forces on Cyprus nor transfer to Cyprus any U.S. supplied implements of war.]

Sec. 6. None of the funds herein made available shall be obligated or expended for any military assistance, or for any sales of defense articles and services (whether for cash or by credit, quaranty, or any other means), or for any licenses with respect to the transportation of arms, ammunitions, and implements of war (including technical data related thereto) to the Government of Turkey unless and until the President determines and certifies to the Congress that the Government of Turkey is in compliance with the Foreign Assistance Act of 1961, the Foreign Military Sales Act, and any agreement entered into under such Acts, and that substantial progress toward agreement has been made regarding military forces in Cyprus: Provided, That the President is authorized to suspend the provisions of this section and said Acts if he determines that such suspension will further negotiations for a peaceful solution of the Cyprus conflict. Any such suspension shall be effective only until February 5, 1975, and only if, during that time, Turkey shall observe the ceasefire and shall neither increase its forces on Cyprus nor transfer to Cyprus any U.S. supplied implements of war.

REPORT No. 93-1405

FURTHER CONTINUING APPROPRIATIONS, 1975

DECEMBER 18, 1974.—Ordered to be printed

Mr. McClellan, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H.J. Res. 1178]

The Committee on Appropriations, to which was referred House Joint Resolution 1178, making further continuing appropriations for the fiscal year 1975, and for other purposes, reports the same to the Senate with amendments and with the recommendation that the joint resolution be passed, and presents herewith information relative to the joint resolution.

EFFECTIVE DATE OF THE RESOLUTION

The original continuing resolution (Public Law 93-324) was extended by Public Law 93-448 until the sine die adjournment of the current session of Congress. A further extension is necessary in order to continue certain governmental functions for which appropriations have not yet been completed. This resolution extends the current continuing resolution until February 28, 1975.

ITEMS COVERED BY THE RESOLUTION

At the present time 10 of the 13 regular annual appropriation bills for fiscal year 1975 plus the special energy research and development bill have been enacted. The military construction appropriation bill and a new Agriculture-Environmental and Consumer Protection bill (the original bill was vetoed) have passed both Houses and a conference report thereon has been cleared for the President. The Supplemental appropriation bill has also been cleared for the President. When these bills are signed into law, the continuing resolution will then cover activities for which provision was made in the Foreign Assistance and Related Programs Appropriation Act, 1974, as well as various programs and activities not yet funded in the Department of

Health, Education, and Welfare, the Office of Economic Opportunity, and the Cabinet Committee on Opportunities for Spanish Speaking

People.

The legislation which formerly authorized appropriations for these atter programs and activities has expired. Consequently, no fiscal year 1975 appropriations have as yet been enacted for programs formerly authorized by the Economic Opportunity Act, such as Head Start, Community Action, or legal services for the poor. Although new legislation authorizing a Legal Services Corporation has been enacted, no budget estimate has been submitted for the Corporation.

Similarly, there have been no appropriations for programs formerly authorized by the Emergency School Aid Act, the Developmental Disabilities Services and Facilities Construction Act, or for programs authorized by expiring portions of the Public Health Service Act such as comprehensive health grants to States, community mental health centers, family planning, assistance for students and schools of medicine, dentistry, nursing and other health professions, construction of hospitals and medical facilities, and a number of other programs. The extension of the continuing resolution will assure continuation of these programs until the necessary authorizations and appropriations are enacted.

In addition, the resolution provides for continuation of the activities of the Commission on the Revision of the Federal Court Appellate System at a level of operations not in excess of the fiscal year

1974 rate.

The Committee has also approved language in the resolution which provides that all the provisions, restrictions and prohibitions contained in the Foreign Assistance Act of 1974 and in the Foreign Assistance Act of 1961, as amended, will apply to the funds made available under the continuing resolution for activities for which provision was made in the Foreign Assistance and Related Programs Appropriations Act of 1974. There was some question as to whether all the restrictions in these acts would apply to the funds made available for foreign assistance under the continuing resolution and the Committee wanted to eliminate any misunderstanding.

LEVELS OF FUNDING PERMITTED UNDER THE RESOLUTION

As has been the practice over a period of years, the continuing resolution establishes an appropriate rate of funding for the departments and agencies until the respective regular appropriation bills can be enacted by Congress.

In summary, the operating levels which obtain under the resolution and which are based on the status of each particular bill as of July 1,

1974, are as follows:

1. Where the applicable bill has passed only one House, the rate for operations shall not exceed the current rate or the rate permitted by the action of the one House, whichever is lower (Sec. 101(a)(4));

2. Where the applicable bill has passed both Houses but has not cleared conference, and the amount as passed by the House is different from that passed by the Senate, the pertinent project or activity shall be continued under the lesser amount or the more restrictive authority (Sec. 101(a)(3));

3. Where the applicable bill has not been passed by either House, the rate for operations for continuing projects or activities shall not exceed the current rate or the rate provided for in the budget estimate, whichever is lower, and under the more restrictive authority (Sec. 101(b)):

4. Because of special circumstances involved in certain instances, provision is made to base the rate of operations on the budget estimate

(Sec. 101(c));

5. Where there is no budget estimate or if the budget request has been deferred for later consideration, the rate for operations for continuing projects or activities shall not exceed the current rate (Sec. 101(d)):

6. The resolution does not in any way augment the appropriation for a given project or activity in the regular bills for fiscal year 1975. Sec. 105 provides that expenditures pursuant to the resolution shall be charged to the applicable appropriation, fund, or authorization whenever the subject bill is enacted into law;

7. Funds provided in the resolution may not be used to initiate any new project or activity or to resume any for which appropriations, funds, or other authority were not available in fiscal year 1974 (Sec.

106).

LEVEL OF FUNDING FOR FOREIGN ASSISTANCE

The fiscal year 1975 annual funding level (new obligational authority) provided for in this Continuing Resolution for activities funded under the Foreign Assistance Appropriation Bill amounts to \$3,481,000,000, which is a decrease of \$2,449,000,000 below the fiscal year 1974 level and a decrease of \$1,734,000,000 below the fiscal year 1975 budget requests.

SPECIAL ITEMS EARMARKED FOR FOREIGN ASSISTANCE

Section 4 contains language which would earmark \$150,000,000 in supporting assistance to Israel, \$150,000,000 in supporting assistance to Egypt, \$25,000,000 for a Middle East special requirements fund, an additional \$15,000,000 for famine and disaster relief for Cyprus, \$10,000,000 for assistance to Portugal and Portuguese Colonies, \$10,000,000 for assistance to Palestinian refugees, and \$10,000,000 for assistance to Refugees from the Soviet Union. The Committee has dealt with these items separately because under the existing continuing resolution their funding would not be possible. Several of these items are related directly to the Middle East peace settlement, one item relates to the disrupted conditions in Cyprus and the last item deals with Soviet refugees going to Israel.

The Committee wishes to point out that a specific amount was not included for military credit sales to Israel because under the existing continuing resolution authority, \$300,000,000 could be made available

for this purpose.

Also, the Agency for International Development indicates that \$10,000,000 has been obligated for Cyprus thus far in fiscal year 1975 and the Committee recommends concurrence in the additional \$15,000,000 in the continuing resolution for Cyprus making a total of \$25,000,000 available for this purpose.

5

These funds are made available to provide funding for these programs on a temporary basis until a regular foreign assistance appropriation bill can be acted on early next Congress. The Committee felt these programs were important enough to be included in this resolution but it also wishes to make it clear that this action in no way obligates the Committee to approve the full authorization amounts for these items in a regular appropriation bill next year.

ASSISTANCE TO PORTUGAL AND PORTUGUESE COLONIES

At the urgent request of the Executive Branch, the Committee recommends \$10 million to be made available on an emergency basis to demonstrate United States support for the transition to independence of Portuguese speaking Africans, as well as a friendly interest

in Portugal's transition to Western democracy.

The Committee has been advised by the Department of State that it is highly desirable that the United States demonstrate such interest in Portugal and stability in southern Africa by assisting with current critical financial problems. Twenty-five million dollars was included in the Authorization Act for such purposes and of this amount \$10 million is needed immediately for a grant and loan on concessionary terms, including cash advances in order to meet short-term assistance requirements of Portugal and the territories or former overseas possessions of Portugal.

Mozambique, for example, has insufficient foreign exchange to pay for critically needed food imports and spare parts. Without assistance, Mozambique's economy, which is basically sound, will be drastically affected. In other countries, illiquidity and lack of foreign currencies are significant factors in the rapidly worsening economic picture.

While Portugal remains dedicated to the decolonization of its overseas territories, it is unable to provide adequate balance of payments

support because of its own economic problems.

ASSISTANCE TO PALESTINIAN REFUGEES

The Committee recommends that the sum of \$10,000,000 be appropriated for the purpose of providing refugee assistance to Palestinian refugees.

Refugees from Palestine now number over one and one-half million. Unlike many other refugees who have fled from their homelands in

search of safety, the Palestinians have found no refuge.

Palestinians in exile continue in their search of peace and safety. Over the past 26 years, they have been caught up in the rivalries of nations in the Middle East. Too frequently have they been the pawns in the international political process. Three times they have seen their homes, schools and hospitals destroyed by the contending armies of the Middle East states.

Often neglected, seemingly in the backwaters of international concern, the Palestinian refugees have known no peace and have had little reason to hope. Their camps have become the focal point of

seething discontent.

Now, however, the United States has the opportunity to encourage the emergence of new realities in the Middle East. In addition to the inadequate programs presently under consideration for rendering assistance to governments of the area, we feel there must be more tangible evidence of concern for the plight of the Palestinian refugees. The modest amount the Committee has recommended will be instrumental in convincing the Palestinians that they are not a forgotten people. It will advance the cause of peace in the Middle East.

Suspension of Military Assistance to Turkey

Section 5 contains identical language as agreed on by the conferees concerning the Foreign Assistance Act of 1974 which deals with the suspension of military assistance to Turkey. The effect of this language is to suspend all military assistance to Turkey as of February 5, 1975 unless the President certifies to Congress that Turkey is in compliance with the Foreign Assistance Act of 1961, the Foreign Military Sales Act, and any agreement entered into under such Acts, and that substantial progress toward agreement has been made regarding military forces in Cyprus. However, suspension of military assistance to Turkey can occur at any time before February 5, if Turkey violates the ceasefire or increases its forces on Cyprus or transfers to Cyprus any U.S. supplied implements of war.

COMPLIANCE WITH THE RESOLUTION

In the report accompanying the original continuing resolution for fiscal year 1975 and in the report on the first extension, the Committee strongly stated that it is essential that officials responsible for administering programs during the interim period covered by the resolution take only the limited action necessary for orderly continuation of projects and activities, preserving to the maximum extent possible the flexibility of Congress in arriving at final decisions in the appropriation bills. The Committee reiterates this statement.

This continuing resolution only provides temporary operating authority for the interim period until the Congress makes decisions in the usual manner and is not a vehicle for providing full year appropriations or for rendering final decisions on annual funding levels. Without laying down any hard and fast rules and short of encumbering administrative processes with detailed fiscal controls, the Committee directs that departments and agencies avoid the obligation of funds for specific budget line items or program allocations, on which congressional committees may have expressed strong criticism, at rates which unduly impinge upon discretionary decisions otherwise available to the Congress.

STATUS OF 1975 APPROPRIATION BILLS

As indicated earlier in the report, eleven appropriation bills for fiscal year 1975 including the special energy bill have been enacted.

The status of the appropriation bills is reflected in the following schedule:

BIH	House ap- proved	Senate ap- proved	Enact
1. Special Energy Research and Development. 2. Legislative. 3. Public Works-AEC 4. State-Justice-Commerce-Judiciery. 5. Transportation. 6. Agriculture-Environmental and Consumer Protection (original bill). Agriculturat-Environmental and Consumer Protection (new bill). 7. Treasury-Postal Service-General Government. 8. HUD-Space-Science-Veterans. 9. Labor-HEW 10. District of Columbia. 11. Interior 12. Defense. 13. Military Construction. 14. Foreign Assistance. 15. Supplemental approprietions.	Apr. 9 June 68 June 19 June 21 Oct. 9 June 25 June 27 June 27 June 28 July 24 Aug. 6 Nov. 26	June 12 June 20 Aug. 21 Aug. 22 Aug. 22 July 22 Nov. 25 July 31 Aug. 18 Aug. 8 Aug. 8 Aug. 21 Dec. 16	June 30 Aug. 13 Aug. 28 Oct. 5 Aug. 28 Vetoed Vetoed Dec. 7 Aug. 31 Do Oct. 8

¹ Cleared for the President.

COMPLIANCE WITH RULE XXIX-PARAGRAPH 4

The following is submitted in compliance with paragraph 4 of Rule XXIX:

The accompanying House joint resolution would amend section 102 of Public Law 93-324 as amended by Public Law 93-448 by striking out (per brackets) and inserting (per italicized matter), as follows:

SEC. 102. Appropriations and funds made available and authority granted pursuant to this joint resolution shall be available from July 1, 1974, and shall remain available until (a) enactment into law of an appropriation for any project or activity provided for in this joint resolution, or, in the case of the United States Information Agency, enactment of authorizations of appropriations for fiscal year 1975 for that Agency, or (b) enactment of the applicable appropriation Act by both Houses without any provision for such project or activity, or (c) sine die adjournment of the second session of the Ninety-third Congress February 28, 1975, whichever first occurs.

The resolution would also amend section 101(d) by inserting (per italicized matter) after "all remaining activities except titles I and III(B) under the Economic Opportunity Act of 1964, as amended;" the following:

Activities of the Commission on Revision of the Federal Court Appellate System:

The resolution would further amend the fourth unnumbered clause of section 101(b) by striking out (per brackets) and inserting (per italicized matter) as follows:

activities for which provision was made in the Foreign Assistance and Related Programs Appropriations Act, 1974, notwithstanding section 10 of Public Law 91-672, and section 655(c) of the Foreign Assistance Act of 1961, as amended: *Provided*, That in computing the current rate of operations of military assistance there shall be included the amount of

obligations incurred in Department of Defense appropriations during the fiscal year 1974 for military assistance to Laos : Provided further, That all of the provisions, restrictions, and prohibitions contained in the Foreign Assistance Act of 1974 and in the Foreign Assistance Act of 1961, as amended, shall apply to funds made available herein for activities for which provision was made in the Foreign Assistance and Related Appropriations Act of 1974;

The resolution would also add a new section by inserting (per italicized matter) after Sec. 113, the following:

Sec. 114. Notwithstanding any other provision of this joint resolution or any other Act, including Section 10 of the Foreign Military Sales Act Amendments, 1971, as amended, the following amounts are hereby made available, in addition to funds otherwise available under this joint resolution, for the following purposes:

Security Supporting Assistance for Israel, \$150,000,000;
Security Suporting Assistance for Egypt, \$150,000,000;
Middle East Special Requirements Fund, \$25,000,000;
Assistance to Portugal and Portuguese Colonies, \$10,000,000;
Famine and Disaster Relief for Cyprus, \$15,000,000;
Assistance to Refugees from the Soviet Union, \$10,000,000; and Assistance to Palestinian Refugees, \$10,000,000:
Provided, That all of the provisions, restrictions, and prohibitions contained in the Foreign Assistance Act of 1974 and in the Foreign Assistance Act of 1961, as amended, shall apply to the funds made available in this section.

The resolution would also amend Section 6 of the joint resolution of October 17, 1974 (Public Law 93-448) by striking (per brackets) and inserting (per italicized matter), as follows:

[Sec. 6. None of the funds herein made available shall be obligated or expended for military assistance, or for sales of defense articles and services (whether for cash or by credit, guaranty, or any other means) or for the transportation of any military equipment or supplies to Turkey until and unless the President certifies to the Congress that the Government of Turkey is in compliance with the Foreign Assistance Act of 1961, the Foreign Military Sales Act, and any agreement entered into under such Acts, and that substantial progress toward agreement has been made regarding military forces in Cyprus: Provided, That the President is authorized to suspend the provisions of this section and said Acts if he determines that such suspension will further negotiations for a peaceful solution of the Cyprus conflict. Any such suspension shall be effective only until December 10, 1974 and only if, during that time, Turkey shall observe the ceasefire and shall neither increase its forces on Cyprus nor transfer to Cyprus any U.S. supplied implements of war.

Sec. 6. None of the funds herein made available shall be obligated or expended for any military assistance, or for any sales of defense articles and services (whether for cash or by credit, guaranty, or any other means), or for any licenses with respect

to the transportation of arms, ammunitions, and implements of war (including technical data related thereto) to the Government of Turkey unless and until the President determines and certifies to the Congress that the Government of Turkey is in compliance with the Foreign Assistance Act of 1961, the Foreign Military Sales Act, and any agreement entered into under such Acts, and that substantial progress toward agreement has been made regarding military forces in Cyprus: Provided, That the President is authorized to suspend the provisions of this section and said Acts if he determines that such suspension will further negotiations for a peaceful solution of the Cyprus conflict. Any such suspension shall be effective only until February 5, 1975, and only if, during that time, Turkey shall observe the ceasefire and shall neither increase its forces on Cyprus nor transfer to Cyprus any U.S. supplied implements of war.



Hinety-third Congress of the United States of America

AT THE SECOND SESSION

Begun and held at the City of Washington on Monday, the twenty-first day of January, one thousand nine hundred and seventy-four

Joint Resolution

Making further continuing appropriations for the fiscal year 1975, and for

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That clause (c) of section 102 of the joint resolution of June 30, 1974 (Public Law 93-324, as amended by Public Law 93-448), is hereby further amended by striking out "sine die adjournment of the second session of the Ninety-third Congress" and inserting in lieu thereof "February 28, 1975".

Sec. 2. Section 101(d) of such joint resolution is breaky amended.

Sec. 2. Section 101(d) of such joint resolution is hereby amended by inserting after "all remaining activities except titles I and III(B) under the Economic Opportunity Act of 1964, as amended;" the following: "activities of the Commission on Revision of the Federal Court Appellate System;

Sec. 3. The fourth unnumbered clause of section 101(b) of such joint resolution, relating to foreign assistance and related programs appropriations, is further amended by striking out the semicolon at the end thereof and inserting ": Provided further, That all of the provisions, restrictions, and prohibitions contained in the Foreign Assistance Act of 1974 and in the Foreign Assistance Act of 1961, as amended, shall apply to funds made available herein for activities for which provision was made in the Foreign Assistance and Related Appropriations Act of 1974;".

SEC. 4. Such joint resolution is amended by adding at the end thereof

the following new section:
"Sec. 114. Notwithstanding any other provision of this joint resolution or any other Act, including section 10 of the Foreign Military Sales Act Amendments, 1971, as amended, the following amounts are hereby made available, in addition to funds otherwise available under

this joint resolution, for the following purposes:

Security Supporting Assistance for Israel, \$150,000,000;

Security Supporting Assistance for Egypt, \$150,000,000;

Middle East Special Requirements Fund, \$25,000,000;

Assistance to Portugal and Portuguese Colonies, \$10,000,000;

Famine and Disaster Relief for Cyprus, \$15,000,000;

Assistance to Portugal Security Linion, \$10,000,000; and Disaster Relief for Cyprus, \$15,000,000; Assistance to Refugees from the Soviet Union, \$10,000,000; and Assistance to Palestinian Refugees, \$10,000,000:

Provided, That all of the provisions, restrictions, and prohibitions contained in the Foreign Assistance Act of 1974 and in the Foreign Assistance Act of 1961, as amended, shall apply to the funds made available in this section.".

Sec. 5. Section 6 of the joint resolution of October 17, 1974 (Public

Law 93-448), is amended to read as follows:
"Sec. 6. None of the funds herein made available shall be obligated or expended for any military assistance, or for any sales of defense articles and services (whether for cash or by credit, guaranty, or any other means), or for any licenses with respect to the transportation of arms, ammunitions, and implements of war (including technical data related thereto) to the Government of Turkey unless and until the President determines and certifies to the Congress that the Government of Turkey is in compliance with the Foreign Assistance Act of 1961, the Foreign Military Sales Act, and any agreement entered into under such Acts, and that substantial progress toward agreement

H. J. Res. 1178—2

has been made regarding military forces in Cyprus: Provided, That the President is authorized to suspend the provisions of this section and said Acts if he determines that such suspension will further negotiations for a peaceful solution of the Cyprus conflict. Any such suspension shall be effective only until February 5, 1975, and only if, during that time, Turkey shall observe the cease-fire and shall neither increase its forces on Cyprus nor transfer to Cyprus any United States supplied implements of war.

Speaker of the House of Representatives.

Vice President of the United States and President of the Senate.

Dear Mr. Director:

The following bills were received at the White House on December 24th:

	A Second		THE STATE OF THE STATE OF	The state of the s
. 5	.J. Res. 40	s. 3481	H.R. 8958	H.R. 14600
6 8	J. Res. 133	8. 3548	H.R. 8981	H.R. 14609
	.J. Res. 262	8. 3934	H.R. 9182	H.R. 15718
	. 251	8. 3943	H.R. 9199	H.R. 15173
	. 356	s. 3976 V	H.R. 9588	H.R. 15223
	521	s. 4073	H.R. 9654	H.R. 15229
5		S. 4206	H.R. 10212	H.R. 15322
5	. 663		H.R. 10701	H.R. 15977
	1. 754	H.J. Res. 1180	H.R. 10710	H.R. 16045
	. 1017	H.R. 421	H.R. 10827	H.R. 16215
	. 1083	H.R. 1715	H.R. 11144	H.R. 16596
	1296	H.R. 1820	H.R. 11273	H.R. 16925
		H.R. 2206	H.R. 11796	H.R. 17010
	. 2149	H.R. 2933	H.R. 11802	H.R. 17045
2			H.R. 11847	H.R. 17085
		H.R. 3339	H.R. 11897	H.R. 17468
	-	H.R. 5264	H.R. 12044	H.R. 17558
	. 2888	H.R. 5463	H.R. 12113	H.R. 17597
		H.R. 5773	H.R. 12427	H.R. 17628
	. 3022	H.R. 7599	H.R. 12884	H.R. 17655
		H.R. 7684	H.R. 13022	
		H.R. 7767	H.R. 13296	- · · · · ·
	3359	H.R. 8214	H.R. 13869	
		H.R. 8322	H.R. 14449	Water to the
	3433		H.R. 14461	W = -
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Please let the President have reports and recommendations as to the approval of these bills as soon as possible.

Sincerely,

Robert D. Linder Chief Executive Clark

The Honorable Roy L. Ash Director Office of Maragement and Budget Washington, D. C.