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8/6/30/75

APPROVED  
JUN 30 1975

ACTION

THE WHITE HOUSE  
WASHINGTON

June 30, 1975

Posted  
7/1  
FOR ARCHIVES  
7/1

MEMORANDUM FOR THE PRESIDENT  
FROM: JIM CANNON *June*  
SUBJECT: Enrolled Bill H. R. 8030 - Temporary Increase in Public Debt Limit

Attached for your consideration is H.R. 8030, sponsored by Representative Ullman, which increases the temporary debt limit from \$531 billion to \$577 billion through November 15, 1975.

A discussion of the features of the bill is provided in OMB's enrolled bill report at Tab A.

OMB recommends that you sign the enrolled bill today since the existing temporary increase in the debt ceiling expires at midnight and the ceiling will revert to the permanent limit of \$400 billion. Max Friedersdorf, Phil Buchen (Lazarus) and I concur in OMB's recommendation.

RECOMMENDATION

That you sign H.R. 8030 at Tab B.





EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

June 27, 1975

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill H.R. 8030 - Temporary increase  
in public debt limit  
Sponsor - Representative Ullman (D), Oregon

Last Day for Action

Recommend action as soon as possible since the existing temporary increase in the debt ceiling expires June 30, 1975 and the ceiling will revert to the permanent limit of \$400 billion.

Purpose

Increase in the temporary debt limit from \$531 billion to \$577 billion through November 15, 1975. (No change is made in the permanent debt limit of \$400 billion.)

Agency Recommendations

Office of Management and Budget	Approval
Department of the Treasury	Approval (informally)

Discussion

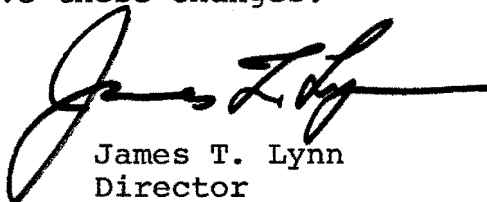
The Administration requested an increase in the temporary debt limit to either \$617.6 billion (which was endorsed in the Congressional budget resolution for fiscal year 1976) or \$613 billion (which Treasury's traditional procedures indicate would be appropriate) to June 30, 1976. The request was based on the estimated peak borrowing requirements for fiscal year 1976 that would occur in mid-June 1976. It assumed fiscal year 1976 budget outlays of \$358.9 billion, budget receipts of \$299.0 billion, a unified budget deficit of \$59.9 billion, off-budget agency outlays of \$14.2 billion, and a \$3 billion margin for contingencies.

The temporary ceiling established in the enrolled bill is based upon estimates of receipts and outlays as set forth in the first Congressional concurrent budget resolution, rather than the Administration's estimates. This resolution assumed that in fiscal year 1976, budget receipts would be \$298.2 billion and outlays would be \$367.0 billion. However, the debt limit took into account only that portion of these receipts and outlays anticipated as of November 15, 1975. This date was chosen because it takes the limitation beyond the time when the Congress is scheduled to act on a second Congressional budget resolution, after which the Congress expects to be in a better position to determine the debt requirements for the remainder of fiscal year 1976.

The Administration requested three changes in legislation that would have provided needed flexibility in Treasury's debt management operations:

- that the statutory limitation of \$10 billion on the amount of bonds held by the public with interest rates in excess of 4-1/4 percent be increased to \$20 billion;
- that the statutory restriction of Treasury notes to a maximum maturity of 7 years be extended to 10 years; and
- that the 6 percent rate ceiling on savings bonds be removed.

The Congress did not approve these changes.



James T. Lynn  
Director

Enclosures



To  
J. Carmona  
6-27-75  
7:00 P.M.



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

June 27, 1975

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill H.R. 8030 - Temporary increase  
in public debt limit  
Sponsor - Representative Ullman (D), Oregon

Last Day for Action

Recommend action as soon as possible since the existing temporary increase in the debt ceiling expires June 30, 1975 and the ceiling will revert to the permanent limit of \$400 billion.

Purpose

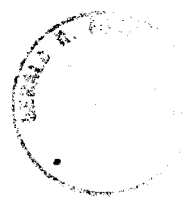
Increase in the temporary debt limit from \$531 billion to \$577 billion through November 15, 1975. (No change is made in the permanent debt limit of \$400 billion.)

Agency Recommendations

Office of Management and Budget                      Approval  
Department of the Treasury                              Approval (informally)

Discussion

The Administration requested an increase in the temporary debt limit to either \$617.6 billion (which was endorsed in the Congressional budget resolution for fiscal year 1976) or \$613 billion (which Treasury's traditional procedures indicate would be appropriate) to June 30, 1976. The request was based on the estimated peak borrowing requirements for fiscal year 1976 that would occur in mid-June 1976. It assumed fiscal year 1976 budget outlays of \$358.9 billion, budget receipts of \$299.0 billion, a unified budget deficit of \$59.9 billion, off-budget agency outlays of \$14.2 billion, and a \$3 billion margin for contingencies.



THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: June 27

Time: 700pm

FOR ACTION: Dick Parsons *sk*  
Bill Seidman *no comment*  
Max Friedersdorf *sk*  
Ken Lazarus *sk*

cc (for information): Jim Cavanaugh  
Jack Marsh

FROM THE STAFF SECRETARY

DUE: Date: June 30

Time: 10:00am

SUBJECT:

Enrolled Bill H.R. 8030 - Temporary increase in public debt ceiling

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:



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.:

Date: June 27

Time: 700pm

FOR ACTION: Dick Parsons  
Bill Seidman  
Max Friedersdorf  
Ken Lazarus

cc (for information): Jim Cavanaugh  
Jack Marsh

*M.G.*

FROM THE STAFF SECRETARY

DUE: Date: June 30

Time: 10:00am

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Enrolled Bill H.R. 8030 - Temporary increase in public debt ceiling

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

*O.K. - may f.*

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James H. Cavanaugh  
For the President

THE WHITE HOUSE

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WASHINGTON

LOG NO.:

Date: June 27

Time: 700pm

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Max Friedersdorf  
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FROM THE STAFF SECRETARY

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DUE: Date: June 30

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public debt ceiling

ACTION REQUESTED:

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For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

no objection - Ken Lazarus

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James H. Cavanaugh  
For the President



THE WHITE HOUSE

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ACTION REQUESTED:

- For Necessary Action
- For Your Recommendations
- Prepare Agenda and Brief
- Draft Reply
- For Your Comments
- Draft Remarks

REMARKS:

*no comment  
JCS*

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James H. Cavanaugh  
For the President

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

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For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

*Approve. RCP*

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.

James H. Cavanaugh  
For the President

# H. R. 8030

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 19, 1975

Mr. ULLMAN (for himself and Mr. SCHNEEBELI) introduced the following bill;  
which was referred to the Committee on Ways and Means

---

## A BILL

To increase the temporary debt limitation until  
November 15, 1975.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That during the period beginning on the date of the enact-  
4       ment of this Act and ending on November 15, 1975, the  
5       public debt limit set forth in the first sentence of section 21  
6       of the Second Liberty Bond Act (31 U.S.C. 757b) shall  
7       be temporarily increased by \$177,000,000,000.

8       SEC. 2. Effective on the date of the enactment of this  
9       Act, the first section of the Act of February 19, 1975, en-  
10      titled "An Act to increase the temporary debt limitation  
11      and to extend such temporary limitation until June 30,  
12      1975" (Public Law 94-3), is hereby repealed.

94TH CONGRESS  
1ST SESSION

**H. R. 8030**

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**A BILL**

To increase the temporary debt limitation until  
November 15, 1975.

---

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By Mr. ULLMAN and Mr. SCHNEEBELI

JUNE 19, 1975

Referred to the Committee on Ways and Means

## INCREASE OF TEMPORARY LIMIT ON PUBLIC DEBT UNTIL NOVEMBER 15, 1975

JUNE 19, 1975.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

---

MR. ULLMAN, from the Committee on Ways and Means,  
submitted the following

### REPORT

together with

### DISSENTING AND MINORITY VIEWS

[To accompany H.R. 8030]

The Committee on Ways and Means, to whom was referred the bill (H.R. 8030) to increase the temporary debt limitation until November 15, 1975, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

### I. SUMMARY

From the date of enactment through November 15, 1975, this bill provides that the public debt limitation is to be \$577 billion. This is \$46 billion above the debt limitation of \$531 billion which is applicable through June 30, 1975.

The present debt limitation consists of a permanent limitation of \$400 billion and a temporary limitation effective through June 30, 1975, of \$131 billion. This bill makes no change in the permanent debt limitation. However, it increases the temporary limitation from \$131 billion to \$177 billion, and extends this temporary limitation through November 15, 1975.

The committee provided for an increase in the debt limit sufficient to meet the government's anticipated debt requirements through November 15, 1975. The debt requirements were determined on the basis of estimates of receipts and outlays as set forth in the first Congressional concurrent budget resolution. This resolution assumed that for the whole fiscal year budget receipts would be \$298.2 billion and outlays would be \$367.0 billion. However, the debt limit took into account only

the portion of these receipts and outlays anticipated as of November 15, 1975.

The advantage in extending the debt limitation no further than November 15, 1975, is that this takes the limitation until somewhat beyond the time when the Congress will act on a second Congressional budget resolution (or the reconciliation resolution) which is required to be finalized on September 30. After action on the second resolution, Congress should be in a much better position to determine the debt requirements for the remainder of the fiscal year 1976.

Within the debt limitation requirements provided by this bill is a minor allowance for financing of various Federal agency credit programs through the Federal Financing Bank. For the entire year this is expected to amount to \$10.4 billion, although most of this financing is expected to occur in the latter part of the year. This financing of the Federal agency debt through the Federal Financing Bank is desirable because it permits substantial interest savings on the debt obligations involved. This is consistent with the procedure followed earlier this year when the Congress acted on a bill raising the debt limit to the present level of \$531 billion. The committee has requested the Secretary of the Treasury to continue sending monthly reports to the Congress on the use of this authority.

TABLE 1.—STATUTORY DEBT LIMITATIONS, FISCAL YEARS 1947 TO DATE, AND A PROPOSED LIMITATION IN FISCAL YEAR 1976  
[In billions of dollars]

Fiscal year	Statutory debt limitation		
	Permanent	Temporary additional	Total
1947-54.....	275	-----	275.0
1955 through Aug. 27.....	275	-----	275.0
1955: Aug. 28 through June 30.....	275	6.0	281.0
1956.....	275	6.0	281.0
1957.....	275	3.0	278.0
1958 through Feb. 25.....	275	-----	275.0
1958: Feb. 26 through June 30.....	275	5.0	280.0
1959 through Sept. 1.....	275	5.0	280.0
1959: Sept. 2 through June 29.....	283	5.0	288.0
1960.....	285	5.0	290.0
1961.....	285	10.0	295.0
1962 through Mar. 12.....	285	8.0	293.0
1962: Mar. 13 through June 30.....	285	13.0	298.0
1963 through Mar. 31.....	285	15.0	300.0
1963: Apr. 1 through May 28.....	285	23.0	308.0
1963: May 29 through June 30.....	285	20.0	305.0
1964 through Nov. 30.....	285	22.0	307.0
1964: Dec. 1 through June 28.....	285	24.0	309.0
1964: June 29 and 30.....	285	30.0	315.0
1965.....	285	39.0	324.0
1966.....	285	39.0	324.0
1967 through Mar. 1.....	285	43.0	328.0
1967: Mar. 2 through June 30.....	285	45.0	330.0
1968 <sup>1</sup> .....	285	51.0	336.0
1969 through Apr. 6 <sup>1</sup> .....	358	-----	358.0
1969 after Apr. 6 <sup>1</sup> .....	358	7.0	365.0
1970 through June 30 <sup>1</sup> .....	365	-----	365.0
1971 through June 30 <sup>1</sup> .....	380	12.0	377.0
1972 through June 30 <sup>1</sup> .....	380	15.0	395.0
1972 through June 30 <sup>1</sup> .....	400	50.0	450.0

See footnote at end of table.

TABLE 1.—STATUTORY DEBT LIMITATIONS, FISCAL YEARS 1947 TO DATE, AND A PROPOSED LIMITATION IN FISCAL YEAR 1976

[In billions of dollars]

Fiscal year	Statutory debt limitation		
	Permanent	Temporary additional	Total
1973 through Oct. 31 <sup>1</sup> .....	400	50.0	450.0
1973 through June 30 <sup>1</sup> .....	400	65.0	465.0
1974 through Nov. 30 <sup>1</sup> .....	400	65.0	465.0
1974: Dec. 3 through June 30 <sup>1</sup> .....	400	75.7	475.7
1975 through Feb. 18 <sup>1</sup> .....	400	95.0	495.0
1975: Feb. 19 through June 30 <sup>1</sup> .....	400	131.0	531.0
Proposed:			
From enactment through November 15, 1975 <sup>1</sup> .....	400	177.0	577.0
After November 15, 1975 <sup>1</sup> .....	400	-----	400.0

<sup>1</sup> Includes FNMA participation certificates issued in fiscal year 1968.

## II. INCREASE IN THE TEMPORARY LIMIT ON THE PUBLIC DEBT

### A. PRESENT LAW

The combined permanent and temporary debt limitation on the public debt is \$531 billion effective through June 30, 1975. This limitation was approved by Congress and became law on February 19, 1975. If the cash balance on June 20, 1975 were \$6 billion the Treasury Department estimates a public debt subject to limitation on that date of \$533 billion. Because approximately \$4 billion in interest payments must be made on the investments of the trust funds and because these payments under the law must be invested immediately in U.S. Government securities, the Administration believes that the existing debt limitation of \$531 billion needs to be increased slightly a few days before the end of the fiscal year 1975.

### B. CURRENT ECONOMIC AND BUDGET OUTLOOK

The recession which began in the first quarter of 1974 has dominated the economic outlook since that time. In constant prices, the gross national product since the first of 1974 has fallen in five successive quarters. In the first quarter of 1975 the decline in constant dollars was \$23.8 billion, or 11.3 percent. Even in terms of current prices, the GNP in the first quarter of 1975 fell by \$13.8 billion from the preceding quarter's level, or a decline of 3.9 percent at an annual rate. During this period the unemployment rate has increased steadily from a low point of 4.6 percent in October 1973, to 7.2 percent in December 1974, and to 9.2 percent in May 1975.

Despite the recession, price increases have also continued at excessive rates, although appreciably lower than in the recent past. Prices in the first quarter of 1975 (GNP deflator) increased at an annual rate of 8.5 percent. While this is still high, it is appreciably less than the 14.4 percent increase in prices which occurred in the fourth quarter of

last year. Table 2 shows the Gross National Product and prices by quarter from 1971 through the first quarter of 1975.

TABLE 2.—GROSS NATIONAL PRODUCT IN CURRENT AND CONSTANT PRICES AND GNP IMPLICIT PRICE DEFLATOR QUARTERLY, 1971-74

[Billions of dollars; seasonally adjusted annual rates]

Year and quarter	Gross national product								
	Current dollars			Constant (1958) dollars			Implicit price deflator		
	Total	Difference	Percent change at annual rate	Total	Difference	Percent change at annual rate	Total (index: 1958 = 100)	Difference (index: 1958 = 100)	Percent change at annual rate
1971:									
1st quarter...	1,027.8	+36.0	+15.3	736.9	+17.6	+10.1	139.5	+1.6	+4.7
2d quarter...	1,047.3	+19.5	+7.8	742.1	+5.2	+2.8	141.1	+1.6	+4.8
3d quarter...	1,061.3	+14.0	+5.5	747.2	+5.1	+2.8	142.0	+0.9	+2.6
4th quarter...	1,083.2	+21.9	+8.5	759.1	+11.9	+6.5	142.7	+0.7	+1.9
1972:									
1st quarter...	1,115.0	+31.8	+12.2	770.9	+11.8	+6.4	144.6	+1.9	+5.5
2d quarter...	1,143.0	+28.0	+10.5	786.6	+15.7	+8.4	145.3	+0.7	+1.9
3d quarter...	1,169.3	+26.3	+9.5	798.1	+11.5	+6.0	146.5	+1.2	+3.3
4th quarter...	1,204.7	+35.4	+12.7	814.2	+16.1	+8.3	148.0	+1.5	+4.1
1973:									
1st quarter...	1,248.9	+44.2	+15.5	832.8	+18.6	+9.5	150.0	+2.0	+5.5
2d quarter...	1,277.9	+29.0	+9.6	837.4	+4.6	+2.2	152.6	+2.6	+7.3
3d quarter...	1,308.9	+31.0	+10.1	840.8	+3.4	+1.6	155.7	+3.1	+8.3
4th quarter...	1,344.0	+35.1	+11.2	845.7	+4.9	+2.3	158.9	+3.2	+8.6
1974:									
1st quarter...	1,358.8	+14.8	+4.5	830.5	-15.2	-7.0	163.6	+4.7	+12.3
2d quarter...	1,383.8	+25.0	+7.6	827.1	-3.4	-1.6	167.3	+3.7	+9.4
3d quarter...	1,416.3	+32.5	+9.7	823.1	-4.0	-1.9	172.1	+4.8	+11.9
4th quarter...	1,436.9	+14.6	+4.2	804.0	-19.1	-9.0	178.0	+5.9	+14.4
1975: 1st quarter...	1,417.1	-13.8	-3.8	780.2	-23.8	-11.3	181.6	+3.6	+8.5

General expectations are that the downturn in the GNP level will end either in the current quarter or the next quarter of 1975, although the unemployment rate generally is expected to continue rising for several months. While the decrease in the level of real income is expected to end soon, there is no general agreement as to how quickly the economy will recover or whether inflationary pressures will soon start rising again.

TABLE 3.—ECONOMIC ASSUMPTIONS FOR CALENDAR YEARS 1975 AND 1976

[Billions of dollars]

	1975	1976
Gross National Product:		
House Budget Committee.....	1,467	1,685
Senate Budget Committee.....	1,465	1,665
Administration.....	1,474	1,680
Personal income:		
House Budget Committee.....	1,229	1,389
Senate Budget Committee.....	1,228	1,373
Administration.....	1,231	1,351
Corporate profits:		
House Budget Committee.....	116	166
Senate Budget Committee.....	116	164
Administration.....	106	148

As shown in Table 3, the economic assumptions followed by the House and Senate Budget Committees in arriving at estimates of GNP in the calendar year 1975 are significantly lower than the assumptions of the Treasury Department. The GNP assumed by the House for the calendar year 1975 was \$1,467 billion (Senate, \$1,465 billion) as contrasted to the Administration GNP 1975 calendar estimate of \$1,474 billion. The differences in the GNP assumptions for 1976 between the House Budget Committee and the administration, however, are not as great. Estimates of corporate profits by the House and Senate Budget Committees for the calendar year 1975 were appreciably higher than those of the Administration, as is also true for the calendar year 1976. The House and Senate corporate profit estimates for 1975 were \$116 billion, and for 1976 the House Budget Committee assumption was \$166 billion (Senate Budget Committee, \$164 billion). The current Administration estimates, on the other hand, are \$106 billion for the calendar year 1975, and \$148 billion for the calendar year 1976. There is little difference among the three estimates of personal income for 1975, but there is substantial divergence in the outlooks for 1976. Personal income of \$1,389 billion is projected by the House Budget Committee (\$1,373 billion by the Senate Budget Committee) and the administration estimates next year's personal income at \$1,351 billion.

The budget resolution agreed to by the Congress estimates receipts for the fiscal year 1976 at \$298.2 billion. Although the conference agreement did not detail the revenue sources accounting for these receipts, the estimates made for the House and the Senate were sufficiently close so that it is possible to approximate the conference estimates. This is done in table 4.

Table 4. Concurrent resolution on budget: Budget receipts by major source for fiscal year 1976

	Billions
Individual income taxes.....	\$129.0
Corporation income taxes.....	41.3
Social insurance taxes.....	91.6
Excise taxes.....	16.9
Estate and gift taxes.....	4.6
Customs duties.....	4.3
Miscellaneous receipts.....	9.5
Additional revenue to be raised from tax reform.....	1.0
Total.....	298.2

Budgetary outlays for the fiscal year 1976 as set by the Congress in the budget resolutions are \$367.0 billion. The budget authority set by the Congress in the budget resolution for the fiscal year 1976 is \$395.8 billion. The breakdown of this budget authority and these budget outlays by functional categories, as shown in the conference report on the budget resolution, are set forth in table 5.

TABLE 5.—BUDGET AUTHORITY AND OUTLAYS BY FUNCTION AS RECOMMENDED IN THE CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1976

[Billions of dollars]

	Budget authority	Budget outlays
National defense.....	100.7	90.7
International affairs.....	4.9	4.9
General science, space and technology.....	4.7	4.6
Natural resources, environment and energy.....	13.8	11.6
Agriculture.....	4.3	1.8
Commerce and transportation.....	11.3	17.5
Community and regional development.....	11.0	8.65
Education, manpower and social services.....	19.0	19.85
Health.....	33.1	30.7
Income security.....	140.9	125.3
Veterans benefits and services.....	18.0	17.5
Law enforcement and justice.....	3.3	3.4
General government.....	3.3	3.3
Revenue sharing and general purpose fiscal assistance.....	7.3	7.2
Interest.....	35.0	35.0
Contingency allowance.....	1.4	1.2
Offsetting receipts.....	-16.2	-16.2
Total.....	395.8	367.0

The budget receipts of \$298.2 billion and the budget outlays of \$367.0 billion as agreed to in the budget resolution suggest a deficit of \$68.8 billion for the fiscal year 1976.

#### C. TREASURY DEPARTMENT ESTIMATES

The Office of Management and Budget presented estimates of budget receipts and outlays to the committee showing a current deficit of \$42.6 billion for the fiscal year 1975 and an estimate of \$59.9 billion for the fiscal year 1976. These estimates are shown in table 6 below.

TABLE 6.—BUDGET TOTALS  
[Fiscal years; in billions of dollars]

Description	1975			1976	
	1974 actual	February estimate	Current estimate	February estimate	Current estimate
Budget receipts.....	264.9	278.8	281.0	297.5	299.0
Budget outlays.....	268.4	313.4	323.6	349.4	358.9
Deficit (-).....	-3.5	-34.7	-42.6	-51.9	-59.9

Your Committee decided not to use the Treasury Department estimates in its debt limitation analysis for several reasons. First, the estimates on both the receipts and outlays sides include major changes proposed by the Administration with respect to its program on energy. It is clear that the Congress does not intend to enact this proposed legislation. Second, the President proposed a series of limitations with respect to budget outlays which have not been agreed to by the Congress. These amount to approximately \$10 billion. For example, ceilings of 5 percent on the size of pay increases for civilian and military

employees of the Federal Government are included in the administration budget estimates. Third, the Congressional budget committees in their analysis of the budget adopted economic assumptions in determining budget receipts and outlays which differ somewhat from those of the Administration. In addition, receipts from leasing oil lands in the Outer Continental Shelf are still estimated in the administration budget at \$8 billion, despite disappointing sales of leases for other offshore oil lands so far in 1975. Finally, since the budget resolution represents the intent of Congress as to both receipts and expenditures your committee concluded that these were the appropriate receipt outlay and deficit figures to use.

#### D. BASIS FOR COMMITTEE ACTION

As indicated above, your committee believes that in determining the debt limitation for all or part of the fiscal year 1976, it is appropriate to use the outlay and receipt estimates agreed to in the recent budget resolution. Your committee also concluded that at this time the debt limit should be extended only until November 15, 1975, rather than throughout the entire fiscal year. There are many uncertainties as to the extent and speed of any possible recovery and also there are uncertainties as to expenditure levels for the entire fiscal year. The Congress, by September 30, however, will have reconsidered its initial budget resolution and will have established its budgetary priorities for the entire fiscal year. In view of this, your committee concluded that the appropriate action to take was to extend the debt limit until somewhat beyond the time when Congress will have considered the second budget resolution (or the reconciliation resolution). Then Congress can consider what debt limitation is required for the remainder of the fiscal year.

In arriving at an estimate for a portion of a fiscal year, it is necessary to determine the expected rate of spending up to the time in question and also the receipts expected to be received as of that time. In addition, if the cash balance is unusually low at the beginning of the fiscal year (in this case the cash balance is expected to be \$3 billion instead of the usual \$6 billion at that time), an adjustment needs to be made for this. Finally, to the extent that off-budget agencies' credit activities are to be financed by the Federal Financing Bank with Treasury issues in the portion of the year in question, this, too, needs to be taken into account. In this case, the Federal Financing Bank is expected to finance about \$10.4 billion of these off-budget agencies credit activities during the entire year but only a very small portion of this borrowing is expected to occur before November 15, 1975. Taking these factors into account, estimates are shown in Table 7 of the debt requirements as of the end of each month in the fiscal year 1976 under the concurrent resolution.

As is indicated in this table, the debt requirements on November 30, 1975, are \$577.4 billion. Because of the receipt and expenditure pattern during the first half of November, it is anticipated that on November 15, the debt requirements will be approximately the same, or will amount to about \$577 billion. This is the debt limitation which is included in your committee's bill.



TABLE 7.—Debt subject to limit<sup>1</sup>

	Concurrent Resolution <sup>2</sup>
June 30, 1975	\$534.0
July 31	546.2
Aug. 31	554.6
Sept. 30	555.1
Oct. 31	567.8
Nov. 30	577.4
Dec. 31	581.6
Jan. 31, 1976	588.9
Feb. 29	595.9
Mar. 31	607.4
Apr. 30	605.3
May 31	615.5
June 15	617.6
June 30	612.9

<sup>1</sup> All estimates based on operating cash balance of \$6,000,000,000.

<sup>2</sup> Consistent with the \$68,800,000,000 unified budget deficit contained in the concurrent resolution. It assumes \$10,400,000,000 of borrowing from the Federal Financing Bank by the off-budget agencies.

Source: Staffs of the Budget Committee and the Joint Committee on Internal Revenue Taxation.

### E. TREASURY NOTES IN SMALL DENOMINATIONS

In its report on the public debt limit on May 18, 1974, the committee recommended to the Treasury Department that it make available to small investors notes (debt with maturity between 1 and 7 years) in denominations as small as \$1,000. The committee expressed its belief that the failure to issue smaller denominations in these debt obligations works to the disadvantage of persons with modest savings. Representatives of the Treasury Department who appeared before the committee then gave assurances that they would follow the desires of the committee.

The committee understands that the Treasury Department made available smaller denominations of notes in the summer of 1974 during the period when disintermediation from savings and loan associations and analogous institutions was high. Because of the problems this caused, the Treasury Department since that time has been reluctant to make small denomination notes available.

The committee wants to urge the Treasury Department as a general rule to make the \$1,000 denominations of notes available to the general public. However, because the committee has as great interest as does the Treasury in avoiding disintermediation, it believes that discretion must be used in timing the availability of these small denominations.

### III. APPENDIX

TABLE I.—Debt limitation under sec. 21 of the Second Liberty Bond Act as amended—History of legislation

Sept. 24, 1917:	
40 Stat. 288, sec. 1, authorized bonds in the amount of	<sup>1</sup> \$7,538,945,400
40 Stat. 290, sec. 5, authorized certificates of indebtedness outstanding revolving authority	<sup>2</sup> 4,000,000,000
Apr. 4, 1918:	
40 Stat. 502, amending sec. 1, increased bond authority to	<sup>1</sup> 12,000,000,000
40 Stat. 504, amending sec. 5, increased authority for certificates outstanding to	<sup>2</sup> 8,000,000,000
July 9, 1918: 40 Stat. 844, amending sec. 1, increased bond authority to	<sup>2</sup> 20,000,000,000

See footnotes at end of table.

TABLE I.—Debt limitation under sec. 21 of the Second Liberty Bond Act as amended—History of legislation—Continued

Mar. 3, 1919:	
40 Stat. 13, amending sec. 5, increased authority for certificates outstanding to	<sup>2</sup> \$10,000,000,000
40 Stat. 1309, new sec. 18 added, authorizing notes in the amount of	<sup>1</sup> 7,000,000,000
Nov. 23, 1921: 42 Stat. 321, amending sec. 18, increased note authority outstanding (established revolving authority) to	<sup>2</sup> 7,500,000,000
June 17, 1929: 46 Stat. 19, amending sec. 5, authorized bills in lieu of certificates of indebtedness; no change in limitation for the outstanding	<sup>2</sup> 10,000,000,000
Mar. 3, 1931: 46 Stat. 1506, amending sec. 1, increased bond authority to	<sup>1</sup> 28,000,000,000
Jan. 30, 1934: 49 Stat. 343, amending sec. 18, increased authority for notes outstanding to	<sup>2</sup> 10,000,000,000
Feb. 4, 1935:	
49 Stat. 20, amending sec. 1, limited bonds outstanding (establishing revolving authority) to	<sup>2</sup> 25,000,000,000
49 Stat. 21, new sec. 21 added, consolidating authority for certificates and bills (sec. 5) and authority for notes (sec. 18); same aggregate amount outstanding	<sup>2</sup> 20,000,000,000
49 Stat. 21, new sec. 22 added authorizing U.S. savings bonds within authority of sec. 1.	
May 26, 1938: 52 Stat. 447, amending sec. 1 and 21, consolidating in sec. 21 authority for bonds, certificates of indebtedness, Treasury bills, and notes (outstanding bonds limited to \$30,000,000,000). Same aggregate total outstanding	<sup>2</sup> 45,000,000,000
July 20, 1939: 53 Stat. 1071, amending sec. 21, removed limitation on bonds without changing total authorized outstanding of bonds, certificates of indebtedness, bills, and notes	<sup>2</sup> 45,000,000,000
June 25, 1940: 54 Stat. 526, amending sec. 21, adding new paragraph:	
“(b) In addition to the amount authorized by the preceding paragraph of this section, any obligation authorized by secs. 5 and 18 of this Act, as amended, not to exceed in the aggregate \$4,000,000,000 outstanding at any one time, less any retirements made from the special fund made available under sec. 301 of the Revenue Act of 1940, may be issued under said sections to provide the Treasury with funds to meet any expenditures made, after June 30, 1940, for the national defense, or to reimburse the general fund of the Treasury therefor. Any such obligations so issued shall be designated ‘National Defense Series’”	<sup>2</sup> 49,000,000,000
Feb. 19, 1941: 55 Stat. 7, amending sec. 21, limiting face amount of obligations issued under authority of act outstanding at any one time to	<sup>2</sup> 65,000,000,000
Eliminated separate authority for \$4,000,000,000 of national defense series obligations.	
Mar. 28, 1942: 56 Stat. 189, amending sec. 21, increased limitation to	<sup>2</sup> 125,000,000,000
Apr. 11, 1943: 57 Stat. 63 amending sec. 21, increased limitation to	<sup>2</sup> 210,000,000,000
June 9, 1944: 58 Stat. 272, amending sec. 21, increased limitation to	<sup>2</sup> 260,000,000,000
Apr. 3, 1945: 59 Stat. 47, amending sec. 21 to read: “The face amount of obligations issued under authority of this act, and the face amount of obligations guaranteed as to principal and interest by the United States (except such guaranteed obligations as may be held by the Secretary of the Treasury), shall not exceed in the aggregate \$300,000,000,000 outstanding at any one time”	<sup>2</sup> 300,000,000,000

See footnotes at end of table.

TABLE I.—Debt limitation under sec. 21 of the Second Liberty Bond Act as amended—History of legislation—Continued

June 26, 1946: 60 Stat. 316, amending sec. 21, adding: "The current redemption value of any obligation issued on a discount basis which is redeemable prior to maturity at the option of the holder thereof, shall be considered, for the purposes of this section, to be the face amount of such obligation," and decreasing limitation to-----	<sup>2</sup> \$275,000,000,000
Aug. 28, 1954: 68 Stat. 895, amending sec. 21, effective Aug. 28, 1954, and ending June 30, 1955, temporarily increasing limitation by \$6,000,000,000 to-----	<sup>2</sup> 281,000,000,000
June 30, 1955: 69 Stat. 241, amending Aug. 28, 1954, act by extending until June 30, 1956, increase in limitation to-----	<sup>2</sup> 281,000,000,000
July 9, 1956: 70 Stat. 519, amending act of Aug. 28, 1954, temporarily increasing limitation by \$3,000,000,000 for period, beginning July 1, 1956, and ending June 30, 1957, to-----	<sup>2</sup> 278,000,000,000
Effective July 1, 1957, temporary increase terminates and limitation reverts, under act of June 26, 1956, to-----	<sup>2</sup> 275,000,000,000
Feb. 26, 1958: 72 Stat. 27, amending sec. 21, effective Feb. 26, 1958, and ending June 30, 1959, temporarily increasing limitation by \$5,000,000,000-----	<sup>2</sup> 280,000,000,000
Sept. 2, 1958: 72 Stat. 1758, amending sec. 21, increasing limitation by \$5,000,000,000-----	<sup>2</sup> 280,000,000,000
Sept. 2, 1958: 72 Stat. 1758, amending sec. 21, increasing limitation to \$283,000,000,000, which with temporary increase of Feb. 26, 1958, makes limitation-----	<sup>2</sup> 288,000,000,000
June 30, 1959: 73 Stat. 156, amending sec. 21, effective June 30, 1959, increasing limitation to \$285,000,000,000, which, with temporary increase of Feb. 26, 1958, makes limitation on June 30, 1959-----	<sup>2</sup> 290,000,000,000
Amending sec. 21, temporarily increasing limitation by \$10,000,000,000 for period beginning July 1, 1959, and ending June 30, 1960, which makes limitation beginning July 1, 1959-----	<sup>2</sup> 295,000,000,000
June 30, 1960: 74 Stat. 290, amending sec. 21 for period beginning on July 1, 1960, and ending June 30, 1961, temporarily increasing limitation by \$8,000,000,000-----	<sup>2</sup> 293,000,000,000
June 30, 1961: 75 Stat. 148, amending sec. 21, for period beginning on July 1, 1961, and ending June 30, 1962, temporarily increasing limitation by \$13,000,000,000 of-----	<sup>2</sup> 298,000,000,000
Mar. 13, 1962: 76 Stat. 23, amending sec. 21, for period beginning on March 13, 1962, and ending June 30, 1962, temporarily further increasing limitation by \$2,000,000,000-----	<sup>2</sup> 300,000,000,000
July 1, 1962: 76 Stat. 124 as amended by 77 Stat. 50, amending sec. 21, for period—	
1. Beginning July 1, 1962, and ending Mar. 31, 1963-----	<sup>2</sup> 308,000,000,000
2. Beginning Apr. 1, 1963, and ending June 24, 1963-----	<sup>2</sup> 305,000,000,000
3. Beginning June 25, 1963, and ending June 30, 1963-----	<sup>2</sup> 300,000,000,000
May 29, 1963: 77 Stat. 50, amending sec. 21, for period—	
1. Beginning May 29, 1963, and ending June 30, 1963-----	<sup>2</sup> 307,000,000,000
2. Beginning July 1, 1963, and ending Aug. 31, 1963-----	<sup>2</sup> 309,000,000,000
Aug. 27, 1963: 77 Stat. 131, amending sec. 21, for the period beginning on Sept. 1, 1963, and ending on Nov. 30, 1963-----	<sup>2</sup> 309,000,000,000
Nov. 26, 1963: 77 Stat. 342, amending sec. 21 for the period—	
1. Beginning on Dec. 1, 1963, and ending June 29, 1964-----	<sup>2</sup> 315,000,000,000
2. On June 30, 1964-----	<sup>2</sup> 309,000,000,000
June 29, 1964: 78 Stat. 225, amending sec. 21, for the period beginning June 29, 1964, and ending June 30, 1965, temporarily increasing the debt limit to-----	<sup>2</sup> 324,000,000,000
June 24, 1965: 79 Stat. 172, amending sec. 21 for the period beginning July 1, 1965, and ending on June 30, 1966, temporarily increasing the debt limit to-----	<sup>2</sup> 328,000,000,000

See footnotes at end of table.

TABLE I.—Debt limitation under sec. 21 of the Second Liberty Bond Act as amended—History of legislation—Continued

June 24, 1966: 80 Stat. 221, amending sec. 21, for the period beginning July 1, 1966, and ending on June 30, 1967, temporarily increasing the debt limit to-----	<sup>2</sup> \$330,000,000,000
Mar. 2, 1967: 81 Stat. 4, amending sec. 21, for the period beginning Mar. 2, 1967, and ending on June 30, 1967, temporarily increasing the debt limit to-----	<sup>2</sup> 336,000,000,000
June 30, 1967: 81 Stat. 99—	
1. Amending sec. 21, effective June 30, 1967, increasing limitation to-----	<sup>2</sup> 358,000,000,000
2. Temporarily increasing the debt limit by \$7,000,000,000 for the period from July 1 to June 29 of each year, to make the limit for such period-----	<sup>2</sup> 365,000,000,000
Apr. 7, 1969: 83 Stat. 7—	
1. Amending sec. 21, effective Apr. 7, 1969, increasing debt limitation to-----	<sup>2</sup> 365,000,000,000
2. Temporarily increasing the debt limit by \$12,000,000,000 for the period from Apr. 7, 1969 through June 30, 1970, to make the limit for such period-----	<sup>2</sup> 377,000,000,000
June 30, 1970: 84 Stat. 368—	
1. Amending sec. 21, effective July 1, 1970, increasing debt limitation to-----	<sup>2</sup> 380,000,000,000
2. Temporarily increasing the debt limit by \$15,000,000,000 for the period from July 1, 1970, through June 30, 1971, to make the limit for such period-----	<sup>2</sup> 395,000,000,000
Mar. 17, 1971: 85 Stat. 5—	
1. Amending sec. 21, effective Mar. 17, 1971, increasing debt limitation to-----	<sup>2</sup> 400,000,000,000
2. Temporarily increasing the debt limit by \$30,000,000,000 for the period from Mar. 17, 1971, through June 30, 1972, to make the limit for such period-----	<sup>2</sup> 400,000,000,000
Mar. 15, 1972: 86 Stat. 63, temporarily increasing the debt limit by an additional \$20,000,000,000 for the period from Mar. 15, 1972, through June 30, 1972, to make the limit for such period-----	<sup>2</sup> 450,000,000,000
July 1, 1972: 86 Stat. 406, temporarily extending the temporary debt limit of \$50,000,000,000 for the period from July 1 through Oct. 31, 1972, to make the limit for such period-----	<sup>2</sup> 450,000,000,000
Oct. 27, 1972: 86 Stat. 1324, temporarily increasing the public debt limit by \$65,000,000,000 for the period from Nov. 1, 1972, through June 30, 1973, to make the limit for such period-----	<sup>2</sup> 465,000,000,000
July 1, 1973: 87 Stat. 134, temporarily extending the temporary debt limit of \$65,000,000,000 for the period from June 30, 1973, through Nov. 30, 1973, to make the limit for such period-----	<sup>2</sup> 465,000,000,000
Dec. 3, 1973: 87 Stat. 691, temporarily increasing the temporary debt limit by \$75,700,000,000 for the period from Dec. 3, 1973, through June 30, 1974, to make the limit for such period-----	<sup>2</sup> 475,700,000,000
June 30, 1974: 88 Stat. 285, temporarily increasing the temporary debt limit by \$95,000,000,000 for the period from June 30, 1974, through Mar. 31, 1975, to make the limit for such period-----	<sup>2</sup> 495,000,000,000
Feb. 19, 1975: 89 Stat. 5, temporarily increasing the temporary debt limit by \$131,000,000,000 for the period from Feb. 19, 1975, through June 30, 1975, to make the limit for such period-----	<sup>2</sup> 531,000,000,000

<sup>1</sup> Limitation on issue.<sup>2</sup> Limitation on outstanding.

TABLE II. PUBLIC DEBT SUBJECT TO LIMITATION AT END OF FISCAL YEARS 1938-74 AND ON JUNE 2, 1975

[In millions of dollars]

Fiscal year	Public debt subject to limitation at end of year	Fiscal year	Public debt subject to limitation at end of year
1938	36,882	1957	270,188
1939	40,317	1958	276,013
1940	43,219	1959	284,398
1941	49,494	1960	286,065
1942	74,154	1961	288,852
1943	140,469	1962	298,212
1944	208,077	1963	306,099
1945	268,671	1964	312,164
1946	268,932	1965	317,581
1947	251,491	1966	320,102
1948	251,542	1967	326,471
1949	252,028	1968	350,743
1950	256,652	1969	356,932
1951	254,567	1970	373,425
1952	258,507	1971	399,475
1953	285,522	1972	428,576
1954	270,790	1973	459,089
1955	273,915	1974	476,006
1956	272,361	1975 <sup>2</sup>	528,105

<sup>1</sup> Includes FNMA participation certificates issued in fiscal year 1968.

<sup>2</sup> Debt at close of business, June 17, 1975

Source: Table 1: Annual report of the Secretary of the Treasury on the state of the finances, 1967, p. 439, through 1964; table FD-8: Treasury Bulletin, May 1975, p. 29, for 1966 through 1974; and Daily Treasury Statement for June 17, 1975

#### IV. COSTS OF CARRYING OUT THE BILL AND VOTE OF THE COMMITTEE IN REPORTING THE BILL

In compliance with clause 7 of Rule XIII of the Rules of the House of Representatives, the following statement is made relative to the effect on the revenues of this bill.

Your committee does not believe that the changes made by this bill in the debt limit will result in any costs either in the current fiscal year or in any of the 5 fiscal years following that year. The Treasury Department agrees with this statement.

In compliance with clause 2(1)(2)(B) of Rule XI of the Rules of the House of Representatives, the following statement is made relative to the record vote by the committee on the motion to report the bill. The bill was ordered reported by a roll call vote of 25 in favor and 9 opposed.

#### V. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of Rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, existing law in which no change is proposed is shown in roman) :

##### SECTION 21 OF THE SECOND LIBERTY BOND ACT

SEC. 21. The face amount of obligations issued under authority of this Act, and the face amount of obligations guaranteed as to principal

and interest by the United States (except such guaranteed obligations as may be held by the Secretary of the Treasury), shall not exceed in the aggregate \$400,000,000,000<sup>1</sup> outstanding at any one time. The current redemption value of any obligation issued on a discount basis which is redeemable prior to maturity at the option of the holder thereof shall be considered, for the purposes of this section, to be the face amount of such obligation.

#### ACT OF FEBRUARY 19, 1975

AN ACT To increase the temporary debt limitation and to extend such temporary limitation until June 30, 1975

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* [That during the period beginning on the date of the enactment of this Act and ending on June 30, 1975, the public debt limit set forth in the first sentence of section 21 of the Second Liberty Bond Act (31 U.S.C. 757b) shall be temporarily increased by \$131,000,000,000.]

SEC. 2. Effective on the date of the enactment of this Act, the first section of the Act of June 30, 1974, providing for a temporary increase in the public debt limit for a period ending March 31, 1975 (Public Law 93-325), is hereby repealed.

#### VI. OTHER MATTERS REQUIRED TO BE DISCUSSED UNDER HOUSE RULES

In compliance with clauses 2(1)(3) and 2(1)(4) of Rule XI of the Rules of the House of Representatives, the following statements are made.

With regard to subdivision (A) of Clause 3, the Committee advises that its oversight findings led it to the conclusion that an increase in the public debt limitation was required before July 1, 1975, and that this occasioned the consideration of the Committee amendment.

In compliance with subdivision (B) of Clause 3 the Committee states that the change made in the debt limitation provides no new budget authority or new or increased tax expenditures.

With respect to subdivisions (C) and (D) of Clause 3, the Committee advises that no estimate or comparison has been prepared by the Director of the Congressional Budget Office relative to any of the provisions of H.R. 8030, nor have any oversight findings or recommendations been made by the Committee on Government Operations with respect to the subject matter contained in H.R. 8030.

In compliance with clause 2(1)(4) of Rule XI, the Committee states that the debt limitation change of itself is not expected to have an inflationary impact on prices and in costs in the operation of the national economy. It is expected, however, to decrease interest costs through the funding of agency debt through the Federal Financing Bank in the Treasury Department.

<sup>1</sup> The bill as reported provides for a temporary increase of \$177,000,000,000 in this debt ceiling for the period beginning on the date of enactment of H.R. 8030 and ending on November 15, 1975.

## VII. ADDITIONAL VIEWS OF HON. BILL FRENZEL

I voted against the recent, ill-fated attempt to increase the debt ceiling for one year, consistent with the budget resolution passed by Congress. I did not vote for the budget resolution and therefore I could not vote for debt to support a full year of spending I oppose.

Since the Majority Party could not pass the debt authority to support its budget resolution (95 majority members voted for the spending of the budget resolution, but voted against the debt ceiling), it is now necessary to pass a less ambitious, shorter bill to expand and extend the debt limit.

There is nothing more attractive about the spending program that necessitate an extension of the debt, but the shorter term does impose some additional responsibility on me. Because the bills must be paid, even though those bills were not incurred by me, I shall vote, as I have in committee, for this bill.

BILL FRENZEL.

VIII. DISSENTING VIEWS OF HONS. WILLIAM M. KETCHUM, DONALD D. CLANCY, BILL ARCHER, PHILIP M. CRANE, JAMES G. MARTIN AND L. A. (SKIP) BAFALIS

As fiscal conservatives, we cannot in conscience support a debt ceiling limitation bill authorizing a national debt of \$577 billion through November 15, 1975. This bill contemplates a national debt of approximately \$616 billion by the end of fiscal year 1976, as did H.R. 7545, the debt ceiling limitation bill defeated on the floor of the House earlier this month. The projected Administration deficit for 1976 of \$59.9 billion and the \$68.8 billion deficit approved by the majority in both Houses of Congress are both totally unacceptable if we are to restore any semblance of fiscal responsibility to the conduct of the nation's business.

Much has been made of the argument that this massive deficit is necessary to pull the United States out of the current recession. This is false economics, for two reasons. In the first place, the impact of our maniacal pump-priming will be felt most strongly *after* the present economic recovery is well underway. Pouring astronomical sums of money into a recovered economy is only going to ignite another blaze of double-digit inflation, leading in turn to a new recessionary cycle. Running around in this vicious circle is a course we must not take.

Second, the impact of government borrowing to finance the deficit is counter to sustained economic recovery. The way to economic growth is through business expansion. But with the government siphoning 80 percent of available capital from the money market, the funds to finance private capital formation will be non-existent. With sufficient capital, business could build and expand, providing meaningful and secure employment for our citizens. Without it, we are left with de-meaning and essentially useless public service jobs as an antidote to unemployment.

Government expenditures should be lowered—not the debt ceiling raised. There would be no need to play out the charade of this bill if Congress would bring spending into line with income. This is the course that must be followed.

WILLIAM M. KETCHUM.  
DONALD D. CLANCY.  
BILL ARCHER.  
PHILIP M. CRANE.  
JAMES G. MARTIN.  
L. A. BAFALIS.

## IX. ADDITIONAL MINORITY VIEWS OF GUY VANDER JAGT

I am in complete agreement with the discussion in the dissenting views filed with this Report by a number of my fellow Minority Members on the Committee. The level of deficits contemplated for fiscal year 1975 and fiscal year 1976 is simply shocking. The inflationary dangers of such deficits are tremendous.

However, I believe that the time for combating deficits is not when the bills are coming due and legislation to increase the legal ceiling on the national debt is before us. Instead, we should be controlling the scope of our vast federal commitments as we place orders, in the authorization and appropriations bills for vast programs.

When the delivery man is at our front door demanding payment for C.O.D. packages ordered in the absence of budget restraint, the moment of truth has arrived. We must either return the merchandise or meet the payment obligation. When the bills for government programs come due, there is no opportunity to reject the goods. We can only face up to the albatross, born in years of extravagant spending by the Congressional majority.

Our need today to massively increase the federal debt limit is the price we must pay for purchase orders placed over many years. This is the fact that we must face. Hence, with great reluctance I must support H.R. 8030, and enable the government to meet its obligations.

GUY VANDER JAGT.

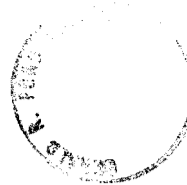
X. ADDITIONAL DISSENTING VIEWS OF HON.  
JAMES G. MARTIN

A majority of the House of Representatives voted for increasing many spending programs in excess of ten percent. A majority voted for the Tax Reduction Act. Essentially the same majority voted for the \$68.8 billion deficit of the Budget Resolution for fiscal 1976. Accordingly, the same majority must bear the responsibility for authorizing the debt created by their deficit policies. There is no valid reason for a Member who supported the above extravagances to vote against this debt extension.

JAMES G. MARTIN.

(21)





# Ninety-fourth Congress of the United States of America

AT THE FIRST SESSION

*Begun and held at the City of Washington on Tuesday, the fourteenth day of January,  
one thousand nine hundred and seventy-five*

## An Act

To increase the temporary debt limitation until November 15, 1975.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That during the period beginning on the date of the enactment of this Act and ending on November 15, 1975, the public debt limit set forth in the first sentence of section 21 of the Second Liberty Bond Act (31 U.S.C. 757b) shall be temporarily increased by \$177,000,000,000.*

SEC. 2. Effective on the date of the enactment of this Act, the first section of the Act of February 19, 1975, entitled "An Act to increase the temporary debt limitation and to extend such temporary limitation until June 30, 1975" (Public Law 94-3), is hereby repealed.

*Speaker of the House of Representatives.*

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



June 27, 1975

Dear Mr. Director:

The following bills were received at the White House on June 27th:

- |                |             |             |
|----------------|-------------|-------------|
| S.J. Res. 98 ✓ | H.R. 1421 ✓ | H.R. 3382 ✓ |
| S. 2003 ✓      | H.R. 1510 ✓ | H.R. 3526 ✓ |
| H.R. 1387 ✓    | H.R. 1556 ✓ | H.R. 5217 ✓ |
| H.R. 1388 ✓    | H.R. 1649 ✓ | H.R. 6900 ✓ |
| H.R. 1393 ✓    | H.R. 2109 ✓ | H.R. 7709 ✓ |
| H.R. 1408 ✓    | H.R. 2119 ✓ | H.R. 8030 ✓ |
| H.R. 1410 ✓    | H.R. 2946 ✓ |             |

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 Clerk

The Honorable James T. Lynn  
Director  
Office of Management and Budget  
Washington, D. C.