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94TH CONGRESS } HOUSE OF REPRESENTATIVES } REPORT  
*2d Session* } } No. 94-1555

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MAKING APPROPRIATIONS FOR THE DEPARTMENTS OF LABOR AND  
HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES  
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1977

\_\_\_\_\_  
SEPTEMBER 15, 1976.—Ordered to be printed  
\_\_\_\_\_



Mr. FLOOD, from the committee of conference,  
submitted the following

CONFERENCE REPORT

[To accompany H.R. 14232]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate numbered 68 to the bill (H.R. 14232) making appropriations for the Departments of Labor and Health, Education, and Welfare, and Related Agencies for the fiscal

year ending September 30, 1977, and for other purposes, having met, after further full and free conference, have been unable to agree.

DANIEL J. FLOOD,  
NEAL SMITH,  
EDWARD J. PATTEN,  
DAVID R. OBEY,  
EDWARD R. ROYBAL,  
JOSEPH D. EARLY,  
GEORGE MAHON,  
ROBERT H. MICHEL,  
GARNER E. SHRIVER,  
SILVIO O. CONTE,  
ELFORD A. CEDERBERG,

*Managers on the Part of the House.*

WARREN G. MAGNUSON,  
JOHN C. STENNIS,  
ROBERT C. BYRD,  
WILLIAM PROXMIRE,  
JOSEPH M. MONTOYA,  
ERNEST F. HOLLINGS,  
THOMAS F. EAGLETON,  
BIRCH BAYH,  
LAWTON CHILES,  
JOHN L. MCCLELLAN,  
EDWARD W. BROOKE,  
CLIFFORD P. CASE,  
HIRAM L. FONG,  
TED STEVENS,  
DICK SCHWEIKER,  
MILTON R. YOUNG,

*Managers on the Part of the Senate.*

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE  
OF CONFERENCE

The managers on the part of the House and the Senate at the further conference on the disagreeing votes of the two Houses on the amendment of the Senate numbered 68 to the Bill (H.R. 14232) making appropriations for the Department of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending September 30, 1977, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

GENERAL PROVISIONS

Amendment No. 68: Reported in technical disagreement. The managers on the part of the House will offer a motion as follows:

Restore the matter stricken by said amendment amended to read as follows:

Sec. 209. None of the funds contained in this Act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term.

Section 209 of the House bill contained a prohibition against the use of funds contained in this Act to pay for or to promote or encourage abortions. The Senate bill deleted this provision.

Having met in further conference, agreement has been reached on the issue of whether or not Federal funds may be used to finance abortions. Most certainly, this is a difficult, emotionally-charged issue—one which many believe should be dealt with by the appropriate legislative committees.

Nevertheless, in an effort to resolve this issue and avoid further delay in meeting the vital needs addressed by programs in this bill, a majority of the Conferees have agreed to a modification of the House bill language.

It is the intent of the Conferees to limit the financing of abortions under the Medicaid program to instances where the performance of an abortion is deemed by a physician to be of medical necessity and to prohibit payment for abortions as a method of family planning, or for emotional or social convenience. It is not our intent to preclude payment for abortions when the life of the woman is clearly endangered, as in the case of multiple sclerosis or renal disease, if the pregnancy were carried to term. Nor is it the intent of the Conferees to prohibit medical procedures necessary for the termination of an ectopic pregnancy or for the treatment of rape or incest victims; nor is it intended to prohibit the use of drugs or devices to prevent implantation of the fertilized ovum.

Furthermore, the proposed language would not interfere with or limit Federal aid to medical schools conducting research into, or teaching of, abortion procedures for therapeutic purposes.

The Congress is aware that there are three cases related to this issue to be heard by the Supreme Court this fall, and wishes to make clear that the Congress in its action upon this particular appropriations bill does not intend to prejudge any constitutional questions involved in those cases.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

DANIEL J. FLOOD,  
NEAL SMITH,  
EDWARD J. PATTEN,  
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EDWARD R. ROYBAL,  
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SILVIO O. CONTE,  
ELFORD A. CEDERBERG,

*Managers on the Part of the House.*

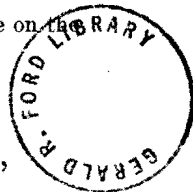
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DICK SCHWEIKER,  
MILTON R. YOUNG,

*Managers on the Part of the Senate.*



DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION,  
AND WELFARE, AND RELATED AGENCIES APPROPRI-  
ATION BILL, 1977

JUNE 8, 1976.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed



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

REPORT

together with

SUPPLEMENTAL, ADDITIONAL, DISSENTING AND  
MINORITY VIEWS

[To accompany H.R. 14232]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Departments of Labor, and Health, Education, and Welfare (except the Food and Drug Administration, the Office of Consumer Affairs, Indian health activities, construction of Indian health facilities, and assistance to refugees in the United States), Action (domestic programs), the Community Services Administration, the Corporation for Public Broadcasting, the Federal Mediation and Conciliation Service, the National Commission on Libraries and Information Science, the National Labor Relations Board, the National Mediation Board, including the National Railroad Adjustment Board, the Occupational Safety and Health Review Commission, the Railroad Retirement Board, and the Soldiers' and Airmen's Home.

## SUMMARY OF ESTIMATES AND APPROPRIATIONS

The following table compares, on a summary basis, the appropriations for 1976, the estimates for 1977, and the amounts carried in the bill.

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(2)

	1976 enacted appropriations	1977 estimates	1977 bill	1977 bill compared with—	
				1976 enacted	1977 estimates
Department of Labor.....	\$10,415,010,000	\$9,519,096,000	\$10,065,224,000	-\$349,786,000	+\$546,128,000
<b>Department of Health, Education, and Welfare:</b>					
Health Services Administration.....	934,614,000	647,558,000	981,021,000	+46,407,000	+333,463,000
Center for Disease Control.....	244,017,000	109,583,000	121,728,000	-122,289,000	+12,145,000
National Institutes of Health.....	2,302,069,000	2,165,047,000	2,440,778,000	+138,709,000	+275,731,000
(NIH—research institutes).....	(2,203,500,000)	(2,088,179,000)	(2,321,910,000)	(+118,410,000)	(+233,731,000)
Alcohol, Drug Abuse and Mental Health Administration.....	768,078,000	604,790,000	797,905,000	+29,827,000	+193,115,000
Health Resources Administration.....	399,413,000	258,300,000	386,896,000	-12,517,000	+128,596,000
Assistant Secretary for Health.....	66,631,000	76,068,000	76,268,000	+9,637,000	+200,000
Education Division.....	5,205,959,952	4,315,659,000	5,791,869,000	+585,909,048	+1,476,210,000
Social and Rehabilitation Service.....	17,701,328,000	18,400,295,000	18,469,245,000	+767,917,000	+68,950,000
Social Security Administration.....	10,641,664,000	13,537,921,000	13,522,921,000	+2,881,257,000	-15,000,000
Special Institutions.....	121,633,000	138,186,000	139,186,000	+17,553,000	+1,000,000
Assistant Secretary for Human Development.....	1,702,400,318	1,572,689,000	1,873,514,000	+171,113,682	+300,825,000
Departmental management.....	139,680,000	148,296,000	147,296,000	+7,616,000	-1,000,000
<b>Total HEW.....</b>	<b>40,227,487,270</b>	<b>41,974,392,000</b>	<b>44,748,627,000</b>	<b>+4,521,139,730</b>	<b>+2,774,235,000</b>
Related agencies.....	1,049,880,000	1,043,608,000	1,290,780,000	+240,900,000	+247,172,000
<b>Grand total.....</b>	<b>51,692,377,270</b>	<b>52,537,096,000</b>	<b>56,104,631,000</b>	<b>+4,412,253,730</b>	<b>+3,567,535,000</b>

## TOTAL APPROPRIATIONS FOR LABOR, HEALTH, EDUCATION, AND WELFARE PROGRAMS

In addition to the amounts in the accompanying bill, which are reflected in the table above, very large sums are automatically appropriated each year for labor, health, education, and welfare programs without consideration by the Congress during the annual appropriations process. The principal items in this category are the unemployment compensation, social security, and railroad retirement trust funds. The details of the budget authority estimated for 1976 and 1977 for the trust funds are reflected in a table appearing on pages 116 and 117 of this report. In fiscal year 1976, the new budget (obligational) authority for the trust funds is estimated to total \$109,316,926,000. The estimate for fiscal year 1977 is \$124,115,883,000, a net increase of \$14,798,957,000. The amounts recommended in the accompanying bill together with trust funds provide total budget authority for fiscal year 1977 for labor, health, education, and welfare programs of \$168,899,612,000,

an increase of \$20,765,286,730 over the comparable 1976 amounts as shown in the following table:

LABOR AND HEALTH EDUCATION AND WELFARE BUDGET AUTHORITY, 1976 AND 1977

	1976	1977	Change
Labor-HEW bills.....	\$51,692,377,270	\$56,104,631,000	+\$4,412,253,730
Trust funds.....	109,316,926,000	124,115,883,000	+14,798,957,000
Deduct Federal fund payments to trust funds (interfund transactions).....	-12,874,978,000	-11,320,902,000	+1,554,076,000
Total.....	148,134,325,270	168,899,612,000	+20,765,286,730

HIGHLIGHTS OF THE BILL

*Manpower assistance.*—The bill provides \$3,245,250,000 for the programs administered under the Comprehensive Employment and Training Act, including \$528 million for summer youth employment.

*Grants to States for unemployment insurance and employment services.*—Adds \$51 million to the budget request to continue staff of State employment services at current levels and \$15 million for the automated job matching project.

*Community health centers.*—Increases the budget by \$60 million to a total of \$215 million for these direct health services delivery projects.

*Maternal and child health.*—The bill provides a total of \$336 million for these programs. The \$125 million increase over the budget includes \$116 million for State formula grants and \$9 million for research and training.

*Public Health Service hospitals.*—Increases the budget by \$13 million to continue operation of the hospitals at current levels.

*National Institute of Occupational Safety and Health.*—The Committee has increased funding for these activities by \$9.6 million over the budget to a level of \$46.7 million.

*Biomedical research.*—Increases the amount for biomedical research by \$233.7 million over the budget including increases of \$85 million for cancer, \$37 million for heart, blood, and lung disorders, \$10.4 million for child health, and \$22 million for arthritis and metabolic and digestive diseases. Total spending for biomedical research at the Institutes would reach \$2,321,910,000 under this bill.

*National Institutes of Health—Buildings and facilities.*—\$67,400,000 is provided. This includes \$42 million for facilities at the National Institute of Environmental Health Sciences in North Carolina as well as the \$21.7 million requested for a new outpatient facility at the main campus in Bethesda, Maryland.

*Mental health.*—Provides \$425,000,000 for mental health activities, an increase of \$161 million over the budget. This funding will restore research, training and other activities to their fiscal year 1976 levels and allow for new initiatives in the community programs. The 158 positions eliminated in the budget have been restored.

*Drug abuse.*—The Committee has increased funds available for this program by \$27.3 million over the fiscal year 1976 level. This will allow continued expansion of activities mandated by the drug abuse legislation recently enacted.

*St. Elizabeths Hospital.*—Includes \$60.4 million including \$2.5 million to continue support for the positions added in the 2nd Supplemental Appropriation Bill to help meet accreditation requirements.

*Health planning.*—Provides \$120 million for health planning and resources development activities. Of this amount \$92 million is available for local Health Systems Agency initiatives.

*Health manpower (nursing).*—The Committee has recommended a funding level of \$124 million for nursing student assistance, training programs and research. This is an increase of \$17.5 million over fiscal year 1976 levels and \$88 million over the budget. Action on other health manpower programs has been deferred pending enactment of new authorizing legislation.

*Elementary and secondary education.*—Provides \$2,658,500,000 for payments for these programs, an increase of \$452 million over the budget and \$235 million over fiscal year 1976. This includes \$2,250,000,000 for Title I Grants to the Disadvantaged, and \$115,000,000 for bilingual education.

*Impact aid.*—The bill includes \$788,000,000, an increase of \$463,000,000 over the budget request. This amount will permit payments to school districts on the same basis as in fiscal year 1976, including all of the "hold harmless" provisions of the basic law.

*Education for the handicapped.*—The bill provides \$426 million, an increase of \$100 million over fiscal year 1976, and \$190,000,000 over the budget request.

*Vocational education.*—The bill has provided sufficient funds to initiate advance funding for vocational education State grants. \$497 million of the \$851,553,000 in the bill is for the 1977-78 school year.

*Follow through.*—The budget proposed to phase down this program. \$59,000,000 has been included to continue all existing projects.

*Public assistance.*—The Committee has recommended \$18,036,150,000 which is a \$13,950,000 increase over the budget to restore cuts requested in the budget for child welfare services and training. This is an increase of \$795 million over fiscal year 1976 appropriations.

*Social security.*—Direct appropriations of \$13,522,921,000 in addition to trust funds are recommended in the bill. This includes payments to the trust funds, supplemental security income funds, and black lung benefits.

*Rehabilitation services.*—The Committee has recommended \$829 million for rehabilitation services to the handicapped. Basic grants to the States are increased to \$740 million, the full amount authorized.

*Aging programs.*—\$389 million has been allocated for programs to serve the elderly administered through the Administration on Aging. Included in the \$121 million increase over fiscal year 1976 levels are sufficient funds to raise the annual operational level of the nutrition activities to \$225 million. An additional \$90.6 million has been provided to the Department of Labor to fund the older Americans employment programs. This money would expand the program to 18,000 jobs during the period July 1, 1977 to September 30, 1978.

*Community Services Administration.*—The Committee has approved \$496 million for this agency. This is an increase of \$162 million over the President's budget request. Funds for local community action agencies have been restored to their fiscal year 1976 level of \$330 million.

*Corporation for Public Broadcasting.*—\$96,750,000 is recommended as the federal share of public broadcasting activities for fiscal year 1977. In addition, advance funding recommendations for fiscal years 1978 and 1979 of \$107,150,000 and \$120,200,000 respectively have been included as authorized by the Public Broadcasting Financing Act of 1975. Funds for all three years exceed the budget request by \$84.1 million.

#### BUDGET REQUESTS NOT CONSIDERED

The Committee has deferred consideration of budget requests for several appropriations, as well as portions of requests for other appropriations, because authorizing legislation for them for fiscal year 1977 had not been enacted before the Committee reported the bill. The appropriation items deferred, together with the amounts requested for each and the comparable appropriation for 1976 are shown in the following table:

Item	Comparable fiscal year 1976 appropriation	Request, fiscal year 1977
Department of Labor: Title VI public employment.....	\$1,625,000,000	0
Department of Health, Education, and Welfare:		
Health services (portions of request).....	55,025,000	\$49,629,000
Preventive health services (portions of request).....	41,400,000	33,710,000
Alcohol, drug abuse, and mental health (portions of request).....	99,049,000	76,505,000
Health resources (portions of request).....	322,481,000	283,000,000
Education division (portions of request).....	3,222,309,000	1,811,946,000
Related agencies: ACTION (Domestic Volunteer Services Act).....	53,203,000	38,602,000
Total not considered.....	5,418,477,000	2,293,392,000

### TITLE I—DEPARTMENT OF LABOR

#### EMPLOYMENT AND TRAINING ADMINISTRATION

##### PROGRAM ADMINISTRATION

The bill includes \$69,774,000 from general funds, an increase of \$394,000 over the budget request and \$1,513,000 over the 1976 appropriation. In addition, \$30,887,000, a reduction of \$600,000 from the budget request, and an increase of \$181,000 over the fiscal year 1976 amount, is authorized to be expended from the Unemployment Trust Fund. The total amount recommended is \$100,661,000, compared with the budget request of \$100,867,000, and the 1976 appropriation of \$98,967,000.

The Committee has added 50 permanent positions and \$750,000 over the budget to assist the Employment and Training Administration in adequately overseeing the expenditure of the approximately \$13 billion per year for which it is responsible. The Committee believes that the need for the positions is most clearly defined in two areas: (1) monitoring of the prime sponsors under the Comprehensive Employment and Training Act (CETA) to make sure that they are spending CETA funds in accordance with Federal law and regulations and (2) overseeing the payment of unemployment benefits by the States to minimize overpayment and fraud and to help the States administer the complex Federal extended benefit programs.

The Committee has reduced the request of \$1,257,000 for contracted research and training in the unemployment insurance area by \$600,000 (trust funds). A request of this magnitude was not justified in the budget nor was it explained adequately in the hearings.

The amount included in the bill provides for a reduction of \$356,000 in funds requested for reimbursement to the General Services Administration for office space. The Committee has approved the remainder of the budget request, which consists primarily of such near-mandatory items as within-grade promotions, the annualization of Federal pay raises granted in fiscal year 1976, and the annualization costs of new positions received in 1976.

#### EMPLOYMENT AND TRAINING ASSISTANCE

The bill includes \$3,245,250,000, an increase of \$450,920,000 over the budget request and \$328,430,000 over the fiscal year 1976 appropriation. This appropriation provides financial assistance to State and local prime sponsors to design and operate comprehensive manpower services programs under titles I and II of the Comprehensive Employment and Training Act; and supports activities administered at the national level by the Department of Labor under titles III and IV of the Act.

For title I, which includes classroom and on-the-job training, work experience programs, vocational education and counseling, remedial education, and job placement services, the bill includes \$1,880,000,000, an increase of \$300,000,000 over the budget request and over the 1976 appropriation. That amount will continue the current program level and will provide for the recent increase in the minimum wage to \$2.30 per hour. The budget proposed to reduce the program level by about 52,000 man-years and made no allowance for the increase in the minimum wage.

The bill includes \$400,000,000 for public service employment under title II of the Act, the amount of the budget request. This amount will finance approximately 50,000 public service jobs in fiscal year 1977.

For national contract programs directed toward those groups whose needs cannot be adequately met through State and local prime sponsors, the bill includes \$196,960,000, the amount of the budget request, and an increase of \$6,000,000 over 1976. This amount includes \$63,200,000 for migrant and seasonal farmworker programs, \$50,560,000 for Indian programs, and \$83,200,000 for other national training programs. For program support activities, the bill includes \$42,370,000, the amount requested in the budget and the same amount as the comparable 1976 appropriation. This amount consists of \$16,300,000 for research, development, and evaluation, \$15,010,000 for technical assistance and training, and \$11,060,000 for labor market information.

The bill includes \$197,500,000 for the Job Corps, an increase of \$22,500,000 over the budget and over the 1976 appropriation. This will permit an enrollment increase of 10% over the current level.

For summer youth employment for the summer of 1977, the bill includes \$528,420,000, an increase of \$128,420,000 over the President's preliminary budget request, and the same amount that was appropriated for the summer of 1976. This will fund approximately 888,000 summer youth jobs, the same number that is being funded this summer. The Committee is providing these funds now to give the prime



sponsors adequate time in which to properly plan the expenditure of the funds.

#### COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

The bill includes \$90,600,000, for which there was no budget request, to continue and expand the older workers employment program under title IX of the Older Americans Act. This amount will expand the program from its current authorized level of 15,000 part-time jobs to 18,000 effective July 1, 1977. The Emergency Supplemental Appropriations Act for 1976 (P.L. 94-266) funded the program through June 30, 1977. The funds in this bill, in addition to expanding the program to 18,000 jobs, will continue the program at that level through September 30, 1978.

The title IX program provides part-time employment in community service activities for unemployed low-income persons aged 55 and over. The number of jobs is about evenly divided between urban and rural areas. Participants are employed in a wide variety of community service activities.

The Committee directs the Department to continue to distribute these funds entirely through national contractors, including if possible organizations such as those serving minority groups seeking to operate new older Americans jobs programs. The Committee wishes to make it clear that the funds appropriated for this program in Public Law 94-266 are also to be distributed entirely through national contractors. The Committee also expects that the expansion of the program will include the funding of new "green thumb" projects in geographic areas where they do not now exist.

Finally, the Committee has cited section 906(a)(1) of the Older Americans Act in the appropriations bill language to ensure that the wishes of the Committee are carried out with respect to the distribution of the funds through national contractors.

#### FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

The bill includes \$860,000,000, the amount of the budget request, and an increase of \$450,000,000 over the 1976 appropriation. That amount provides for the payment of unemployment compensation to former Federal employees, ex-Postal Service employees, and ex-servicemen; the payment of trade adjustment benefits to workers who become unemployed or underemployed as a result of foreign trade agreements; and the payment of special unemployment assistance benefits to workers not previously covered by unemployment compensation laws.

Although the amount in the bill is an increase of \$450,000,000 in new obligational authority over 1976, the amount actually expected to be obligated in 1977 is a decrease of \$475,308,000 from 1976 estimated obligations. At the beginning of fiscal year 1976, this account had an unobligated balance of \$1,545,308,000 that was available for obligation during fiscal year 1976. The decrease from 1976 is a net decrease consisting of a decrease of \$551,208,000 to provide for a reduction in the number of weeks of compensation estimated to be paid in fiscal year 1977 and an increase of \$75,900,000 to provide for an increase in the average weekly benefit amount to be paid.

The Committee is approving this budget request with the expectation that a supplemental appropriation may be required at a later date. It is too early to predict whether some of the economic and legislative assumptions made in the budget will materialize.

#### GRANTS TO STATES FOR UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICES

The bill includes \$1,501,800,000, an increase of \$66,000,000 over the budget request and \$5,100,000 over the 1976 appropriation. The total budget authority includes an appropriation from Federal funds of \$89,100,000, an increase of \$7,600,000 over the budget request, together with authorization to expend \$1,412,700,000 from the Employment Security Administration account in the Unemployment Trust Fund, an increase of \$58,400,000 over the budget. These funds are used to pay the administrative costs of the unemployment insurance and employment service activities in State employment security offices.

For employment services, the bill provides \$613,500,000, including \$89,100,000 from general funds and \$524,400,000 from trust funds, representing a total increase over the budget of \$66,000,000. Of the increase, \$51,000,000 is to continue the current Employment Service staffing level of 30,000 man-years through fiscal year 1977. The budget proposed to reduce it to 27,570 man-years. The remainder of the increase, \$15,000,000, is to enable the Employment Service to continue to expand its automated job-matching systems in both urban and rural areas. The expansion of these systems should substantially improve the job placement process.

For unemployment insurance services, the Committee has approved the budget request of \$888,300,000. This will provide the States with a larger proportion of permanent staff to temporary staff and will provide an increase of \$10,900,000 to expand the use of automated systems in unemployment insurance tax and benefit operations.

#### ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS

The bill includes \$5,000,000,000, the amount of the budget request, and the same amount that was appropriated in 1976. This account provides general revenue advances for the purpose of paying unemployment compensation to eligible individuals under various Federal and State unemployment compensation laws. Specifically, it provides for making repayable advances to the Federal Unemployment Account and the Extended Unemployment Compensation Account in the Unemployment Trust Fund.

The Extended Unemployment Compensation Account of the Unemployment Trust Fund was established pursuant to the Employment Security Amendments of 1970, Public Law 91-373, for the purpose of making payments to the States for the Federal portion of Federal-State extended benefits. Public Law 93-572, as amended, which authorizes Emergency Unemployment Compensation, also provides that payments made to the States for such benefits will be made from this account. The Extended Unemployment Compensation Account is generally financed by a specified percentage of Federal Unemployment Tax Act receipts. However, the enabling legislation provides that when revenues are insufficient for these purposes, there may be appropriated, as repayable advances (without interest), such sums as may be necessary. The Federal-State extended benefit program, which provides 13 weeks of unemployment compensation to individuals who exhaust their regular State unemployment benefits, is generally 50 percent federally financed. The Emergency Unemployment

Compensation program, which provides an additional 26 weeks of unemployment compensation, is 100 percent federally financed. Of the amount included in the bill, it is estimated that \$2,000,000,000 will be advanced to the Extended Unemployment Compensation Account.

The Federal Unemployment Account of the Unemployment Trust Fund was established for the purpose of making non-interest bearing loans to the States, as authorized under Section 1201 of the Social Security Act, at such times as the amount in a State's account is inadequate to meet the payment of unemployment compensation. Section 1203 of the Act authorizes appropriations to the Federal Unemployment Account, as repayable advances (without interest), whenever the account does not have sufficient resources to meet the requested State loans. Upon the application from a State for a loan, funds are transferred from the Federal Unemployment Account to the individual State account of the Unemployment Trust Fund. As of early May, 1976, 21 States had outstanding loans from the Federal Unemployment Account. It is expected that these States will continue to request loans, and that as many as 4 other States will need to borrow funds to meet their unemployment compensation commitments. Of the amount included in the bill, it is estimated that \$3,000,000,000 will be advanced to this account.

The current high rate of unemployment necessitates this appropriation to assure the States that sufficient funds will be available when needed to pay unemployment benefits. To the extent that these funds are not advanced to one of the accounts, they will be available for use in the other. Since the economic situation is so uncertain, the Committee has accepted the estimate contained in the budget.

#### LABOR-MANAGEMENT SERVICES ADMINISTRATION

##### SALARIES AND EXPENSES

The bill includes \$48,319,000, a reduction of \$300,000 from the budget request, and an increase of \$2,434,000 over the 1976 appropriation. The Labor-Management Services Administration carries out statutory responsibilities of the Department of Labor under the Employee Retirement Income Security Act, and the Labor-Management Reporting and Disclosure Act, as well as programs for Federal labor-management relations and veterans reemployment rights.

The increase over the 1976 appropriation is accounted for by cost increases that are normally considered "mandatory", such as the cost of within-grade promotions, the cost of annualizing the most recent Federal pay raise, and the cost of annualizing new positions received in 1976. The Committee has reduced the cost of annualizing new positions received in 1976 by \$300,000. No new positions were requested for 1977; however, the budget proposes to reprogram 61 existing positions into higher-priority activities. The most significant reprogramming proposal would shift 50 positions from the Labor-Management Standards Enforcement activity to the Office of Employee Benefits Security to provide additional resources for the enforcement effort under the Employee Retirement Income Security Act. The Committee has approved the proposed reprogramming of positions.

#### PENSION BENEFIT GUARANTY CORPORATION

The bill includes the appropriation language requested in the budget. This is a wholly-owned government corporation that was established by the Employee Retirement Income Security Act of 1974. The law places it within the Department of Labor and makes the Secretary of Labor the chairman of its board of directors. The Corporation is self-financing and receives its income primarily from insurance premiums collected from covered pension plans, collections of employer liabilities imposed by the Act, and investment earnings. It is also authorized to borrow up to \$100 million from the Treasury. The primary purpose of the Corporation is to guarantee the payment of pension plan benefits to participants in the event that covered plans fail or go out of existence.

The Corporation's budget program for 1977 includes benefit payments of \$25,024,000 and administrative costs of \$20,551,000. The Committee directs the Corporation to keep the Committee fully informed of any significant changes made from the program as presented in the 1977 budget.

#### EMPLOYMENT STANDARDS ADMINISTRATION

##### SALARIES AND EXPENSES

The bill includes \$92,952,000, a reduction of \$323,000 from the budget request, and an increase of \$5,545,000 over the amount appropriated in 1976. The bill also contains authority to expend \$250,000, the amount of the budget request, from the Special Fund established by the Longshoremen's and Harbor Workers' Compensation Act. The Employment Standards Administration administers a number of laws aimed primarily at the protection of workers.

The bill includes several mandatory increases over 1976 requested in the budget, the largest of which are the cost of annualizing new positions received in 1976, the cost of within-grade increases, and the cost of annualizing the most recent Federal pay raise. The Committee has reduced the request for payment of space rental charges to the General Services Administration by \$462,000. The Committee has added \$495,000 over the budget to provide annualization costs for 30 unbudgeted positions added in 1976 for the Office of Coal Mine Workers' Compensation.

The bill includes \$250,000, a reduction of \$750,000 from the budget request, for pilot projects for joint Federal-State administration of similar labor standards. The Committee has added 35 new permanent positions and \$394,000 over the budget for the Office of Workers' Compensation Programs to partially alleviate the large backlog of cases under the Federal Employees' Compensation Act. The bill includes the other program increases requested in the budget, the most significant of which is \$1,400,000 to automate the wage determination process under the Davis-Bacon Act. No new positions were requested in the budget.

##### SPECIAL BENEFITS

The bill includes \$317,818,000, the amount of the budget request, and an increase of \$19,718,000 over the 1976 appropriation. This appropriation provides benefits under the Federal Employees Compensation Act,

the Federal Coal Mine Health and Safety Act, and the Longshoremen's and Harbor Workers' Compensation Act.

The total amount estimated to be available in fiscal year 1977, including anticipated reimbursements from Federal agencies of \$249,591,000, is \$567,409,000, an increase of \$70,574,000 over the total amount estimated to be obligated in 1976. The estimate reflects increases of \$60,173,000 in Federal civilian employees benefits, \$10,100,000 in disabled coal miners benefits, and \$301,000 in longshoremen's and harbor workers' compensation benefits. The payments in this appropriation are prescribed by law.

#### OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

##### SALARIES AND EXPENSES

The bill includes \$129,833,000, a reduction of \$987,000 from the budget request, and an increase of \$12,652,000 over the 1976 appropriation. The increase over 1976 is accounted for partly by increases that are considered mandatory and partly by program increases. The Committee has approved the mandatory increases, the largest of which are annualization costs for new positions received in 1976 and salary and related cost increases for employees of States with approved State plans.

The budget proposed program increases of \$10,591,000, of which the Committee has approved \$8,591,000. The reduction of \$2,000,000 was taken in the requested increase of \$4,000,000 for contract studies of the technological feasibility, economic and inflationary impact, and environmental impact of proposed new safety and health standards. The other significant program increases requested and included in the bill are \$1,500,000 to provide specialized training to OSHA compliance personnel and \$4,500,000 for expanding consultation services to employers in those States without a State-administered consultation program. The bill includes a total of \$17,500,000 for providing consultation services to employers, consisting of \$9,000,000 for contracts with States without approved State plans, \$4,000,000 included in the State Programs subactivity for States with approved State plans, and \$4,500,000 in direct contracts with consulting organizations and educational institutions to cover the 23 jurisdictions not presently covered by a State-administered program.

The bill includes the budget request of \$38,100,000 for the State Programs subactivity. A total of 23 States currently have an approved State plan. The Federal government pays 50 percent of the cost of the State plan program.

The Committee has added 45 new permanent positions and \$1,013,000 over the budget, as follows: (1) 15 positions to enable OSHA to more adequately develop and promulgate additional safety and health standards and to revise and clarify existing standards and (2) 30 positions to enable the agency to adequately oversee the significant expansion in consultation and training programs scheduled to take place in 1977.

#### BUREAU OF LABOR STATISTICS

##### SALARIES AND EXPENSES

The bill includes \$72,196,000, a reduction of \$1,492,000 from the budget request, and an increase of \$6,350,000 over the 1976 appropriation. The increase over 1976 is accounted for partly by program increases and partly by increases that are generally considered "mandatory." The Committee has approved, with one exception, the mandatory increases, the largest of which are the annualization of the most recent Federal pay raise, the cost of administrative services provided by the Department of Labor, increased Census Bureau costs for the monthly unemployment index, and increases in computer costs. The Committee has reduced one of the "mandatory" items, payment of space rental charges to the General Services Administration, by \$237,000.

The budget requested a total of 90 new positions, of which the Committee has approved 45. The amount requested to support the new positions was reduced accordingly by \$1,255,000. The Committee has approved the other program increases requested in the budget, the most significant of which is \$227,000 to continue the development of an Employment Cost Index.

#### DEPARTMENTAL MANAGEMENT

##### SALARIES AND EXPENSES

The bill includes \$49,312,000, a reduction of \$284,000 from the budget request, and an increase of \$3,657,000 over the comparable 1976 amount. The bill also includes authority to transfer \$1,305,000, the amount requested, and an increase of \$15,000 over the comparable 1976 amount, from the Unemployment Trust Fund.

Most of the increase over the 1976 amount is accounted for by increases that are generally considered "mandatory." The largest of these are the cost of annualizing the most recent Federal pay raise, the cost of annualizing new positions received in 1976, and within-grade promotions. The Committee has reduced the request for payment of space rental to the General Services Administration by \$246,000.

The Committee has approved the program increases, including 5 new positions, requested in the budget, with one exception. The requested increase of \$250,000 for research funds for the Office of the Secretary has been reduced to \$100,000.

In addition, the Committee has added 5 new permanent positions and \$112,000 over the budget for the Office of Budget under the Assistant Secretary for Administration and Management. The Office of Budget requires additional staff to meet increasing demands to provide information to the Congress in a timely manner.

#### SPECIAL FOREIGN CURRENCY PROGRAM

The bill includes \$70,000, the amount of the budget request, and the same amount that was appropriated in 1976. The amount in the bill will support one labor attaché conference in Asia during fiscal year 1977.

**TITLE II—DEPARTMENT OF HEALTH, EDUCATION,  
AND WELFARE**

**HEALTH SERVICES ADMINISTRATION**

**HEALTH SERVICES**

The bill provides \$981,021,000, an increase of \$333,463,000 over the budget request and an increase of \$46,407,000 over the comparable 1976 appropriation. The budget request included \$49,629,000 which was not considered by the Committee due to the absence of authorizing legislation.

The programs of the Health Services Administration are designed to promote improved health services for the underserved or disadvantaged, to build health services delivery capacity in medically underserved areas, to assure quality of health care, to foster effective and efficient health services delivery, and to provide direct services to certain groups such as merchant seamen. The Committee is impressed with the efforts of the Health Services Administration to improve the management of its various grant programs; however, much work remains to be done in this area. The Committee directs the Health Services Administration to continue to assign a high priority to improved project management, with special emphasis on the collection of third-party reimbursements.

The amounts recommended by the Committee for each of the programs and activities funded by this appropriation, together with the budget request and comparable appropriation for fiscal year 1976, are shown in the following table.

HEALTH SERVICES			
Activity	1976 comparable	1977 budget	1977 bill
<b>1. Community health services:</b>			
(a) Community health centers.....	\$196,648,000	\$155,190,000	\$215,148,000
(b) Comprehensive health grants to States.....	90,000,000		90,000,000
(c) Maternal and child health:			
(1) Grants to States.....	295,700,000	193,922,000	310,000,000
(2) Sudden infant death syndrome.....	2,500,000		
(3) Research and training.....	23,708,000	17,500,000	26,708,000
(d) Family planning.....	100,615,000	79,435,000	100,615,000
(e) Migrant health.....	25,000,000	19,200,000	30,000,000
(f) National Health Service Corps.....	(15,000,000)	(24,529,000)	(c)
(g) Hemophilia program.....	3,000,000		3,000,000
(h) Health maintenance organization.....	18,612,000	18,612,000	22,612,000
(i) Hypertension.....	3,750,000		5,000,000
(j) Home health services.....	(3,000,000)		(c)
<b>2. Quality assurance:</b>			
(a) Medical care standards.....	5,187,000	4,187,000	5,187,000
(b) Professional standard review organization.....	47,582,000	62,000,000	62,000,000
3. Patient care and special health services.....	117,970,000	106,970,000	120,209,000
4. Emergency medical services.....	(37,025,000)	(25,100,000)	(c)
5. Program management.....	30,663,000	29,663,000	30,663,000
Less trust fund transfer.....	-26,321,000	-39,121,000	-40,121,000
<b>Total, health services.....</b>	<b>934,614,000</b>	<b>647,558,000</b>	<b>981,021,000</b>

<sup>1</sup> Not considered due to a lack of authorizing legislation.

The bill includes \$215,148,000 for the community health centers, an increase of \$59,958,000 over the budget request and an increase of \$18,500,000 over the comparable 1976 appropriation. Community health center project grants are awarded to public and private entities

to assist them in meeting costs associated with the planning, development and operation of ambulatory care centers in medically underserved areas. The centers integrate a broad range of health and social services into a single organization, thus assuring access to preventive, curative and rehabilitative health services. Although the Community Health Center program is collecting a greater percentage of its operating budget from third-party reimbursements and other sources of support, the Committee was not convinced that the program could operate at the level proposed in the budget without curtailing health care services. The additional funds provided by the Committee will continue to support the rural health initiative activity, and expansion of health services in those community health centers which have shown improved management efficiency, program effectiveness, and the delivery of high quality care. It is estimated that the community health centers will collect \$97,500,000 from other sources in fiscal year 1977, giving the program a total operating budget of \$312,648,000.

The Committee recognizes the relatively higher costs of medical care experienced in certain regions of the country, and expects that these economic factors along with cultural barriers and access to comprehensive ambulatory care be taken into account in establishing acceptable levels of full health services to disadvantaged communities under the Community Health Centers Program. The Committee further recognizes that management and program improvements have been made and expects that they shall continue to be aggressively pursued. Distribution of funds to projects based upon objective criteria of needs and economic cost, and in relationship to demonstrated ability to provide services of good quality, at reasonable cost, represents the kind of stewardship the Committee desires.

For comprehensive grants to states the bill provides \$90,000,000, the same amount appropriated in 1976. No budget request was submitted for this item. These funds are awarded to state public health and mental health authorities on a formula basis under section 314(d) of the Public Health Service Act. Specifically, the funds are used to assist the States in establishing and maintaining adequate public health services such as venereal disease control, tuberculosis activities and suicide prevention.

The Committee recommends \$336,708,000 for Maternal and Child Health, an increase of \$125,286,000 over the budget request and an increase of \$14,800,000 over the comparable 1976 appropriation. The maternal and child health and crippled children programs authorized by title V of the Social Security Act enable each State to extend and improve services for promoting the health of mothers and children and to reduce infant mortality. Each State is required to provide the following five categories of maternal and child health services: Maternity and Infant Care, Comprehensive Health Care for Children and Youth, Intensive Infant Care, Dental Care for Children and Youth, and Family Planning services. The budget assumed adoption of proposed legislation authorizing a block grant for health service programs and increased support from third party reimbursements. Of the amount recommended by the Committee for maternal and child health, \$310,000,000 is for grants which are awarded to States on a formula basis for the purpose of delivering appropriate health services. One

half of the amount apportioned among the States must be matched dollar for dollar. Thus, an additional \$155,000,000 is available to the maternal and child health projects from this source. In addition, it is estimated that another \$15,000,000 will be collected for services rendered, from the federally supported medicaid and social services programs. In summary, it is estimated that the total operating budget for the maternal and child health program for fiscal year 1977 will be \$480,000,000.

Also included in the Committee's recommendation for maternal and child health is \$26,708,000 for research and training. A portion of the training is conducted through university-affiliated centers which train specialists to work with mothers and children particularly mentally retarded children or those suffering from multiple handicaps. Training of nurse practitioners and midwives is also supported by this activity. The increase of \$3,000,000 over the 1976 appropriation for research and training is specifically for training with particular emphasis on university-affiliated centers.

The bill includes \$100,615,000 for the Family Planning program, an increase of \$21,180,000 over the budget request and the same amount as the 1976 appropriation. The budget assumed that this program would be included in the block grant legislative proposal. The funds in this bill are awarded to State and local health departments, hospitals, universities, community agencies and other public or non-profit entities for the purpose of providing family planning services to approximately 2,200,000 persons. Family planning projects offer a broad range of acceptable and effective family planning methods including natural family planning. The Committee is concerned about the testimony regarding the high incidence of teenage pregnancy. It appears to the Committee that there are many existing health service programs in addition to the family planning program, with the capability and resources to address the high risk problem of teenage pregnancy. For example, the Community Health Center Program, the Maternal and Child Health Program, the Migrant Health Program, all have as one of their program objectives the provision of family planning services. In view of this, the Committee directs the Assistant Secretary for Health to target a portion of family planning and other health service program funds to address the problem of teenage pregnancy. The Committee wishes to note that in fiscal year 1977 the total Department of Health, Education and Welfare expenditure for family planning services is anticipated to be \$273,000,000.

For the migrant health program the bill provides \$30,000,000, an increase of \$10,800,000 over the budget request and \$5,000,000 over the comparable 1976 appropriation. The budget assumed that this program would be included in the proposed block grant for health service programs. Projects supported under this activity provide primary health care services to migrant agricultural laborers and seasonal farmworkers and their families in order to improve and maintain the level of their health relative to that of the general population. Services provided range from a full complement of diagnostic, therapeutic, and follow-up medical services, to a more limited focus on specific diseases. The additional funds provided by the Committee will permit the program to target its efforts on high impact migrant areas with particular attention to the environmental factors affecting the health of migrants.

Included in the bill is \$3,000,000 for the hemophilia program, the same amount as the 1976 appropriation. There was no budget request for this program. The Committee heard of the progress made in the planning of programs for comprehensive demonstration treatment centers and the upgrading of blood separation centers to improve facilities that now exist so that more blood can be separated into components than in the past, and to aid a wide range of patients with blood disease. The Committee included funds in the bill so that this effort may continue.

The bill provides \$22,612,000 for Health Maintenance Organizations, an increase of \$4,000,000 over the budget request and the comparable 1976 appropriation. These funds will support grants and contracts for feasibility surveys, planning, and initial developmental cost. Another source of funds available to the Health Maintenance Organizations is the \$35,000,000 revolving loan fund established in fiscal year 1974 to cover operating deficits incurred by an HMO during its first three years of operation.

The Committee recommends \$5,000,000 to combat hypertension, an increase of \$1,250,000 over the 1976 appropriation. There was no budget request for this item. Formula grants are awarded to State health authorities for support of hypertension programs to assist in meeting the costs of establishing and maintaining programs for the screening, detection, diagnosis, prevention and referral of treatment of hypertension. High blood pressure (hypertension) affects an estimated 23 million American adults. The Committee wishes to note that in addition to this appropriation the National Heart and Lung Institute will spend in excess of \$45,000,000 for hypertension research, hypertension education programs, and hypertension control programs.

The bill provides \$5,187,000 for medical care standards, an increase of \$1,000,000 over the budget request and the same amount as the 1976 appropriation. This program has responsibility for the professional health aspects in carrying out the quality assurance provision of the Medicare and Medicaid program. The Committee recommendation will provide for end-stage renal disease support contracts, including the National End Stage Renal Disease Medical Information System. There are other aspects of the End-Stage Renal Disease program, such as the Network Coordinating Councils and Medical Review Boards, which directly relate to patient benefits as authorized by the Social Security Amendments of 1972 and the Committee believes consideration should be given to financing these activities through the trust fund.

For Professional Standards Review Organizations the bill includes \$62,000,000 and 48 positions, the same amount as the budget request and an increase of \$14,418,000 over the comparable 1976 appropriation. This program supports a nationwide network of voluntary, nonprofit groups of local physicians to regulate the quality and cost of health care services financed by and provided to beneficiaries of medicare, medicaid and maternal and child health programs. The country has been divided into 203 PSRO areas by the Secretary of DHEW. It should be noted that an additional \$27,000,000 will be available to support this program from the Medicare trust fund. This level of funding will allow implementation of the program in all 203 areas.

The Committee recommends \$120,209,000 for patient care and special health services, an increase of \$13,239,000 over the budget and \$2,239,000 over the comparable 1976 appropriation. The budget assumed closing of the Public Health Service Hospitals. The Committee recommendation will permit the hospitals to continue to operate at the 1976 level and restores the 566 positions eliminated in the budget.

For Program Management the bill contains \$30,663,000, an increase of \$1,000,000 over the budget and the same amount as the comparable 1976 appropriation. The increase provided by the Committee is intended to cover the administrative cost associated with keeping open the Public Health Service Hospitals.

#### CENTER FOR DISEASE CONTROL

##### PREVENTIVE HEALTH SERVICES

The bill includes \$121,728,000, an increase of \$12,145,000 over the budget request and a decrease of \$122,289,000 below the comparable 1976 appropriation. The budget request included \$33,710,000 which was not considered by the Committee due to a lack of authorizing legislation. This appropriation provides support for the Center for Disease Control which is a national center of competence in the prevention and control of infectious diseases and certain other conditions. The principal mission of the Center for Disease Control is to assist State and local authorities and other health related organizations in stemming the spread of communicable diseases, in providing protection from some environmental hazards, and improving occupational safety and health. In addition, this agency is charged with the licensing of clinical laboratories engaged in interstate commerce and also it is responsible for foreign quarantine activities aimed at preventing the introduction of disease into this Nation. The amounts recommended by the Committee for each of the programs and activities funded by this appropriation, together with the budget request and comparable appropriations for fiscal year 1976, are shown in the table below.

Activity	1976 comparable appropriation	1977 budget	1977 bill
1. Disease control:			
(a) Project grants:			
(1) Venereal diseases.....	(\$19,840,000)	(\$19,840,000)	(0)
(2) Immunization.....	(4,960,000)	(4,960,000)	(0)
(3) Rat control.....	(13,100,000)	(5,410,000)	(0)
(4) Lead-based paint.....	(3,500,000)	(3,500,000)	(0)
(b) Disease surveillance.....	43,411,000	43,411,000	\$44,756,000
(c) Laboratory improvement.....	10,601,000	15,063,000	15,063,000
(d) Health education.....	3,513,000	3,013,000	3,513,000
(e) Swine flu immunization program.....	135,064,000	37,107,000	46,707,000
2. Occupational health.....	39,533,000		
3. Buildings and facilities.....	1,456,000		
4. Program management.....	10,439,000	10,989,000	11,689,000
Total, authorized.....	244,017,000	109,583,000	121,728,000

<sup>1</sup> Not considered due to a lack of authorizing legislation.

For disease surveillance the bill includes \$44,756,000 a net increase of \$1,345,000 and 4 positions over the budget and the comparable 1976 appropriation. This program supports a wide variety of public health

functions aimed at control of a multitude of diseases and conditions, and represents the major aspect of the preventive health activities. The Committee recommendation is as follows:

(1) A reduction of \$155,000 and 6 positions which make up the cancer surveillance activity in the Division of Cancer and Birth Defects. The Committee feels compelled to make this reduction because of the lack of evidence that research of a sufficiently high priority is being conducted and because of the obvious overlaps and conflicts which exist between this activity and the Occupational Cancer program at the National Institute for Occupational Safety and Health and the Environmental Epidemiology Branch at the National Cancer Institute. Staff expansion provided by this bill for the Environmental Epidemiology Branch more than offset this reduction.

(2) An increase of \$1,500,000 and 10 positions to plan, develop and initiate a diabetes control program at the State and local level as described in the report of the National Commission on Diabetes.

For laboratory improvement the bill provides \$15,063,000, the same amount as the budget request and an increase of \$4,462,000 over the comparable 1976 appropriation. More than 4 billion clinical tests are done annually in the laboratories of this Nation. The accuracy of these tests determines, in many cases, the quality of diagnosis, preventive care, or treatment the American citizen will receive. The Center for Disease Control administers a multi-faceted program to improve the Nation's more than 14,000 clinical laboratories and to upgrade the quality of the tests and materials used by these laboratories. The additional resources in 1977 will allow CDC to carry out increased on-site surveillance of laboratories, proficiency testing services for 1,500 laboratories not presently covered and increased assistance in the development of State training capabilities. The Center will also provide financial assistance to States which have demonstrated an interest in upgrading their intrastate surveillance programs. Such assistance, when extended to all States, will provide for the full gamut of laboratory improvement activities from regulatory monitoring to technical training and consultation designed to insure adherence by clinical laboratories to minimal levels of performance, regardless of size, type or geographical location.

The bill provides \$3,513,000 for health education activities, an increase of \$500,000 over the budget request and the same amount as the 1976 appropriation. This program provides coordination of health education activities of the Department of Health, Education and Welfare in order to provide a national health education program.

For occupational health the Committee recommends \$46,707,000 an increase of \$9,600,000 and 50 positions over the budget request and an increase of \$7,174,000 over the comparable 1976 Appropriation. The National Institute for Occupational Safety and Health (NIOSH) conducts research for the development of criteria which is the basis of recommendations for standards that are then transmitted to the Department of Labor. The Institute also provides for technical assistance to governments, labor and industry and provides for manpower training. In this regard the Committee has provided \$4,500,000 and three positions for the Institute to support four to five Educational

Resource Centers for occupational safety and health. These centers would provide long and short-term training in occupational medicine, nursing, toxicology, industrial hygiene and safety. These Centers would also serve as a regional resource for addressing the problems of occupational safety and health that are faced by state and local governments, labor and management.

The Committee further has provided ten positions and \$500,000 to strengthen the Institute's program in occupational safety. More than thirteen thousand workers are killed each year in occupationally related accidents and another two million are either permanently or temporarily disabled as a result of work accidents. At the same time existing standards used by the Department of Labor to prevent such accidents are complex and are often incomprehensible to the average businessman attempting to meet government requirements for a safe workplace. The Committee sees the need for the Institute to begin to address in a more comprehensive fashion the problems of occupational safety and participate with the Department of Labor in efforts to simplify existing standards and eliminate so-called nuisance standards.

The Committee is also recommending an additional ten positions and \$1,000,000 be made available to the institute for the initiation of a program on the problems of chemical exposures on the unborn in the workplace. The Committee sees a great need for both government and industry to address this problem by providing a surveillance system that will measure the incidence of miscarriages and the potential impact of mutagenic and teratogenic effects. The program will also include field studies in industries where women workers represent a large portion of the worker population, especially where certain chemical and heavy metal exposures are known to be present. Finally, the program will initiate new efforts to evaluate potential danger of various chemical exposures to the unborn through the testing of laboratory animals.

In providing \$1,500,000 and seventeen positions, the committee intends that a new initiative be undertaken in the area of respiratory disease research. Specifically there is an urgent need to address the problems of the workers in the grain industry and provide additional research to support and to reevaluate recommendations on silica, cotton dust and nuisance dust.

The Committee has provided \$1,100,000 to bolster the research grant program for NIOSH. These funds are to be used to support research in clinical areas where the Institute lacks the necessary expertise. These areas include: development of scientific information and the control measures for musculoskeletal and back injuries; the investigation of the causation of neurological diseases in the workplace; and the prevention of skin disorders. These research efforts must be coordinated, to the extent possible, with the research efforts of the appropriate NIH Institutes.

Finally the Committee has provided \$1,000,000 and ten positions for the development of analytical methods and research for the development of more effective and usable personal protective equipment. The Committee expects that the Institute would direct its program to ensure that there were available adequate sampling and analytical

methods for all chemical agents for which there are OSHA standards.

Last year the Committee directed the Department of HEW to begin plans for a modern and safe facility at a suitable location for the research activities of the National Institute of Occupational Safety and Health presently located in Cincinnati, Ohio. The Committee asked for a full report by January 1, 1976. The report which was transmitted on November 17, 1975 fails to qualify as a full report and does not provide sufficient information on which a decision to fund such a facility may be made. The Committee therefore directs the Department to conduct a thorough study of possible locations throughout the country for the construction of such a facility with a careful evaluation of recruitment potential in each location.

The Committee has been told repeatedly by government witnesses that the single greatest problem facing the institute is the recruitment of top level scientific personnel. The Committee feels that the location of the Institute's major research facilities should provide as large a positive factor as possible in attracting top level scientific expertise to the institute—and that the quality and relative potential for recruitment of the graduates of the schools of medicine, public health, industrial hygiene and engineering in each of the various locations being considered should be weighed heavily.

The bill contains \$11,689,000 for program management, an increase of \$700,000 over the budget request and \$1,250,000 over the 1976 appropriation. The additional funds will permit the Center for Disease Control to waive tuition fees for training personnel of Federal, State and local governments when such training is in the public interest. The Center for Disease Control is charged with protecting the health of the nation by providing leadership and direction in the prevention and control of diseases and other preventable conditions. The Center relies heavily upon State and local health officials to implement necessary health procedures to reach these broad objectives. The Committee believes its action will ensure that this essential training will not be interrupted.

The Committee is impressed with the progress made by the Center for Disease Control in assisting the other health service and health financing programs of the Department to incorporate routine lead screening as an integral part of the delivery of health care. However, the Committee believes that much work still needs to be done in this area, and therefore, directs the Assistant Secretary for Health and the Center for Disease Control to continue to vigorously encourage the community health centers, the family health centers, the maternal and child health program, the health maintenance organizations, and the medicaid program, especially through its early periodic, screening, diagnosis and treatment program, to perform routine screening of children to detect elevated blood lead levels. The Committee will expect a report by February 1, 1977, from the Assistant Secretary for Health on the progress each of the aforementioned programs has made regarding screening and treatment of lead poisoning.

The Committee is deeply concerned about the testimony that various population subgroups among the urban and rural poor have considerably lower immunization levels than the general population. Here

again, the Committee believes that greater coordination of the various health services and preventive health programs of the U.S. Public Health Service is required in order to improve the immunization levels of the urban and rural poor. It is the feeling of the Committee that there are a number of existing programs that can and should be actively involved in solving this problem. For example, the Community Health Centers, the Maternal and Child Health programs, the Migrant Health Program, the National Health Service Corps, and the Center for Disease Control, to mention a few, have the capability of helping to solve this problem. The resources available to these programs alone are in excess of \$580,000,000. The Committee directs the Assistant Secretary for Health to utilize more effectively and efficiently the resources available to him to begin to address this serious public health problem. The Committee will expect a report, prior to the hearings on the 1978 budget, from the Assistant Secretary for Health on his progress in raising the immunization levels of the population in general, and of the urban and rural poor in particular.

#### NATIONAL INSTITUTES OF HEALTH

The Committee recommendation for the National Institutes of Health totals \$2,440,778,000. This is an increase of \$275,731,000 over the budget request and \$138,709,000 over the 1976 appropriation. The funds included by the Committee allow for an additional \$92,500,000 in new research grants, restores the research training activities to approximately the 1976 level, continues the Biomedical Research Grant Program (formerly the General Research Support Grant Program) which was eliminated from the budget, and provides funds for special program emphases that the Committee believes to be especially important.

The National Institutes of Health support about half of the biomedical research conducted in this country. An additional \$1 billion is supported by other Federal agencies and it is estimated that the private sector contributes another \$1 billion to the National investment of approximately \$4.5 billion for health research. While biomedical research in this country is not wholly dependent on NIH, it plays such a major role that sharp and abrupt changes in its support policies or the amount of support it is able to provide have immediate and serious repercussions on the whole biomedical research establishment—the medical schools, teaching hospitals, university graduate schools, and non-profit research institutions. The extent of this establishment and the relationships of its component parts have never been clearly defined nor have its present capacity and future potential for the conduct of biomedical research been assessed. The Committee is aware that NIH is conducting such a study, and believes that it will be useful to the Congress, to the administration and to NIH itself as background for the evolution of policies and long-term program planning. The Committee awaits the outcome of this study and welcomes the views of the Director, NIH, on its probable utility.

One area of special emphasis that the Committee believes to be especially important is the implementation of the recommendations of the National Diabetes Commission created by Congress last year.

The Committee recognizes that research relevant to diabetes falls within the purview of several of the Institutes, and has therefore provided increases totaling \$27 million for this purpose in several of the NIH appropriations, as noted in subsequent sections of this report, and admonishes each of the Institutes concerned that diabetes-related research must be adequately supported and vigorously pursued. To be fully effective, the efforts of the several Institutes must be properly coordinated and the Committee looks to the Director, NIH, to ensure that diabetes research is treated as an NIH-wide responsibility and that appropriate action to stimulate and support such research is taken wherever the opportunity exists.

Last year the Appropriations Committees of both houses of the Congress expressed their concern about the lack of adequate staffing for the expanded NIH activities and included additional positions for each of the Institutes in the fiscal year 1976 appropriations. The Committee is therefore astonished that the fiscal year 1977 budget request would eliminate almost all of these positions. The Committee directs that the funds provided be used, as necessary, to restore positions to their FY 1976 authorized level in each of the NIH organizational components, including those funded from the Management Fund and the Service and Supply Fund.

The Committee provided funds for 144 additional new positions in the three Institutes in which special needs exist: the National Cancer Institute (77), the National Institutes on Aging (7), and the National Institute of Environmental Health Sciences (60).

In regard to research training, the Committee is disturbed by the heavy emphasis on post-doctoral training and the ever shorter shrift being given to pre-doctoral training in successive NIH budget requests. The results of such a policy can only be the gradual erosion of the research capability that has been painstakingly built up in this country during the past 30 years. The Committee recognizes that post-doctoral training is necessary for young physicians who, as a rule, have little, if any, research training in medical school to prepare them for clinical research involving patients which only they can do. However, most of the laboratory research and the extensive experiments involving animals, that, in most cases, must precede clinical trials on human patients, is done by scientists who have Ph.D. degrees. They constitute the foundation of the biomedical research structure. It is to their pre-doctoral training—which, unlike a medical curriculum, is focused on research—that NIH training-support must also be directed. The Committee believes that each of the Institutes, taking into consideration the findings and recommendations of the Congressionally mandated study by the National Academy of Sciences, should develop and maintain a balanced program of pre-doctoral and post-doctoral fellowships in scientific disciplines and biomedical fields appropriate to its mission so that the forward thrust of its research programs will be maintained in future years.

The new Director of NIH made a further report to the Committee at the hearings, on the steps being taken to improve the dissemination of proven and acceptable research findings that would be useful to practicing health professionals or of interest to the public. The Committee is encouraged by what it heard and commends the Director for



his evident interest in the problem and his willingness to take positive action and make definite commitments to various new approaches to its solution. The Committee continues to believe that NIH has a responsibility for ensuring that usable research results are communicated to those who might use them. However, it is recognized that professional societies, the voluntary health agencies, and indeed, other components of the Public Health Service have closer ties with health practitioners, state and local health officers, and community health organizations and the Committee believes much could be accomplished if these organizations and NIH worked in a more coordinated manner. While it is not the intent that NIH create a vast machinery for communicating with individual practitioners and health service organizations throughout the country, it is felt that NIH should ensure that other Federal and non-federal agencies and professional societies that do have direct contact or machinery for communicating with the health-care community are kept in touch with applicable research developments. The Committee will continue to keep a close watch on developments and will expect another report, before next year's hearings, not only on NIH's dissemination activities but also from the Assistant Secretary for Health on what the other Public Health Service agencies are doing about a problem which is as much their responsibility as of NIH.

#### NATIONAL CANCER INSTITUTE

The bill includes \$773,412,000, an increase of \$85,742,000 over the amount requested and \$10,765,000 over the comparable 1976 appropriation.

An important component of the Institute's greatly expanded and accelerated effort to find ways of preventing or controlling the more than 100 diseases collectively known as cancer is its program for identifying cancer-causing agents (known as carcinogens) in the environment. It is now generally accepted that as much as 80 or 90 percent of all cancer can be attributed to environmental factors, such as cigarette smoking, industrial fumes and wastes and some chemicals used in manufacturing. However, exactly which chemicals or environmental factors result in cancer and the exact processes by which they cause cancer are still largely unknown and it is difficult to establish a direct relationship because of the 10, 20, or even 30 years between exposure and the onset of cancer. The Institute reports that about 150 possible carcinogenic agents are screened each year and that such tests now require three or more years to complete. The Committee feels, however, that the Institute is giving insufficient emphasis to research on environmental causes of cancer. Despite repeated assurances from the Institute that such programs would receive high priority, the Institute's allocation of its resources indicates that these programs have not been assigned such a priority.

The Carcinogenesis Program, which constitutes the government's major effort for testing suspected cancer-causing chemicals on animals, has, for several years, received only six percent of the Institute's total budget and, according to its director, its staff will soon drop to the lowest level since 1971. The Committee is also concerned about the

Institute's lack of effort in examining the relationship between cancer rates in population groups and their exposure to various chemical and environmental factors. Only four professional staff members have been involved in the study of environmentally induced cancer in human populations and only 2 of the 81 new positions provided to the Institute in the fiscal year 1976 Appropriation Bill were assigned to the Environmental Epidemiology Branch for such studies.

Because the Committee feels that these problems demand more urgent attention, a total of 17 new positions are provided for the Environmental Epidemiology Branch and 60 new positions for the Carcinogenesis Program for fiscal year 1977 and the Institute is directed to provide the necessary additional space for these activities. The Committee also directs the Institute to continue its participation with the National Institute for Occupational Safety and Health for the second year in the Occupational Carcinogenesis program and has provided \$3 million for that purpose. To expedite the identification of carcinogenic agents, the Committee believes the NCI should work cooperatively with the National Institute of Environmental Health Sciences which has made considerable progress in the development of short-term test for screening possible carcinogenic agents.

The Committee notes that the NCI has increased its activities to coordinate the efforts of cancer-concerned groups in the public and private sectors. Coordination with the other NIH Institutes, other Federal agencies, State and local governments, institutions such as hospitals and universities, voluntary groups such as the American Cancer Society and other professional groups is essential to the success of the National Cancer Program. The Committee urges continued emphasis on this activity.

Advances against the major killers—cancer of the breast, lung and colon—continue. For breast cancer, a new treatment strategy of giving anti-cancer drugs post-operatively to women has significantly lowered the recurrence rate of the disease. Study of the treatment of breast cancer with less radical surgery continues to show that it may be as effective as the radical surgery that has hitherto been thought necessary. For lung cancer, progress is being made in detecting the disease in heavy smokers without symptoms. The technique involves cell examination of sputum and the use of a fiber-optic bronchoscope. To date, 20,000 individuals have been screened and 150 cancers have been found. This technique can diagnose the exact location and extent of the tumor for surgical removal. Many of the tumors were small enough that treatment is expected to be more effective than usual. Use of a fiber-optic endoscope is also facilitating the detection of cancer of the colon in earlier stages. The instrument is also proving valuable in the diagnosis of cancer of the pancreas. Progress has been made in the drug treatment of advanced cancers of the colon-rectum and of the stomach which suggests the use of drug combinations as adjuvants to initial surgery for these types of cancer.

Last year the Institute invested about one-half of its funds in basic research. Basic research is focused on the roles of viruses, the structure and behavior of cells, the chemical molecules and processes within cells, and the body's immune system. A Diet, Nutrition, and Cancer Program is well under way to explore the relationship between nutrition and cancer causation and to produce information on nutrition for cancer patients. The Clinical Cooperative Group Program has been

expanded to emphasize research on combined treatments including surgery, radiation therapy, chemotherapy, and immunotherapy. In 1975, the 23 groups in this program involved 21,000 patients and influenced the treatment of approximately 210,000 additional patients.

In the cancer control program, demonstration projects are under way involving networks of cooperating physicians and community hospitals, linked to major medical centers, for the dissemination of the latest information and techniques in the diagnosis, treatment and rehabilitation of breast cancer. Twelve breast cancer networks now service as many States from New England to California. Under the Cancer Control Program, a new program is being developed in a few communities to demonstrate the full range of cancer control techniques. The goal is to determine the impact of coordinated cancer control efforts on a few selected types of cancer in those communities. Another community activity is the establishment of communications offices in the 17 existing Comprehensive Cancer Centers. The American Cancer Society, NCI and the institutions that have Cancer Centers are working closely together to ensure the support and involvement of other cancer-related and community organizations. Additional cancer control projects are: the observation of at least 4,000 young women, born between 1943 and 1963 who were exposed before birth to the Drug DES; a project in Tyler, Texas, for workers exposed to asbestos; and another project in Louisville, Kentucky, for workers exposed to vinyl chloride. Funds are provided in the bill to maintain the Cancer Control Program at a level consistent with that in the 1976 appropriation.

The cancer centers established and supported by the Institute serve as a national resource for basic research, clinical research, community involvement, continuing education of health professionals, research training and consultation for the treatment of cancer victims as outpatients. The Committee has therefore included additional funds in the bill for the support of cancer centers. As cancer centers construction is equally essential to the continued success of the National Cancer Program, the bill also includes increased funds for new construction, as well as for alterations and renovations and construction of bio-hazard facilities.

In the further development of cancer centers, continued use should be made of planning grants to enable communities and academic institutions to determine whether they actually have the resources and commitments to develop a special or comprehensive cancer center. Experience has shown that this sort of feasibility study has forestalled a number of potential failures and saved a lot of wasted effort and money.

The National Cancer Institute awards grants and contracts to educational institutions, non-profit organizations, and industrial concerns for projects on the cause, prevention, detection, diagnosis, treatment and rehabilitation of cancer. The bill will support \$30,229,000 in new research grants, and a total of \$213,193,000 in research and development contracts. The Committee recommends that a portion of the above funds for new research grants and research and development contracts be devoted to the important area of clinical trials.

The Committee has provided funds to restore the 81 positions eliminated in the budget request and to provide 77 additional positions, as noted above.

The Committee hopes that increased emphasis on the identification of cancer-causing environmental factors, continued advances in detection and treatment, and the potential for advances in prevention, presage continued progress in the coming years that will reduce the rapidly growing number of Americans afflicted by the various types of cancer and greatly improve the survival rates for the major types of cancer that afflict many thousands of people.

#### NATIONAL HEART, LUNG, AND BLOOD INSTITUTE

The bill includes \$380,661,000, an increase of \$37,806,000 over the amount requested and \$10,314,000 over the comparable 1976 appropriation.

It is difficult to overemphasize the magnitude of the disease problems addressed by the National Heart, Lung, and Blood Institute (NHLBI). Over 30 million Americans have cardiovascular, pulmonary, and blood disorders. Cardiovascular diseases alone account for over half of all deaths in the United States with coronary heart disease, the major killer, resulting in nearly 700,000 deaths. In economic terms, figures recently released by the Social Security Administration, based on 1972 data, reveal that these diseases cost the nation some \$58 billion annually, nearly one-third of the total cost of disease and illness in the United States. The dollar cost to the nation of premature coronary death, primarily in the young and middle aged male population, alone amounts to over \$22 billion a year.

While the return on an investment in biomedical research is usually measured in humanitarian rather than monetary dividends, progress in the control of hypertension (high blood pressure) can result in direct economic benefits to the patient and to the Nation. A study by the Institute indicates that, in the case of high blood pressure, for every dollar society invests in the direct medical costs of treatment, it receives a return of \$1.24. For high blood pressure, in contrast to arteriosclerosis, drug therapy exists which not only normalizes blood pressure but prevents strokes, renal failure, and heart failure. As 23 million American adults have high blood pressure, and as fewer than 15 percent of them were receiving optimal medical treatment, the National High Blood Pressure Education Program was launched in 1972. This program, coordinated with other governmental and voluntary agencies, has been the Institute's first large effort in public and professional education, and has been a great success. The number of Americans unaware of their high blood pressure appears to have been reduced by five million and the number under effective blood pressure control has more than doubled. However, there are still over seven million American unaware of their high blood pressure and an even larger number are aware but are not yet on effective therapy, and the Committee has been informed that this is especially true for the migrant population.

The Committee has been informed that it is not unreasonable to expect that an all out effort to control blood pressure in a given state or community would reduce the number of strokes by at least one-third, eliminate three-fourths of the cases of heart failure, reduce kidney failure by ten to fifteen percent, and produce a drop in the number of heart attacks. The state-of-the-art exists and the present

resources of the health care delivery system are adequate to accomplish this task. The primary missing ingredient is coordination of these resources into a well organized hypertension control effort. The Committee therefore, believes that NHLBI should establish an Office of Hypertension Control to conduct a pilot demonstration program on hypertension in four to six states to test the effectiveness of a large-scale state-wide coordination effort on control of hypertension and the reduction of mortality of related diseases.

The Committee in its report on the 1976 appropriation bill directed the Institute to increase its support for diabetes research. Diabetes mellitus has been clearly identified as an independent risk factor for coronary heart disease, sudden death, congestive heart failure, stroke, and peripheral vascular disease. The National Commission on Diabetes, in its report to the Congress, notes that a diabetic is twice as prone to heart disease and five times as prone to gangrene as the general population and that, today, cardiovascular disease accounts for 80 percent of all deaths among known diabetics. At present the National Heart, Lung, and Blood Institute supports somewhat more than \$6 million of research directly related to the relationship of diabetes to heart and vascular disorders and approximately \$50 million more in studies of the metabolic mechanisms and disorders that are involved in both heart disease and diabetes. Nevertheless, it is clear that there is both a need and an opportunity for additional basic and applied research focused on the nature, diagnosis, treatment, and prevention of cardiovascular disorders as related to diabetes. The Committee is pleased that the Institute is launching a targeted effort to expand and intensify such research and has provided \$2 million in additional funds to further broaden this effort in 1977.

The Institute has several clinical trials underway that are expected to yield valuable information on disease prevention. The patient recruitment phase of two of the Institute's clinical trials—the Lipid Research Clinics Coronary Primary Prevention Trial and the Multiple Risk Factor Intervention Trial—have been completed with the enrollment of over 4,000 and 12,000 patients respectively, during the past two years after screening nearly one million. Of the increased funds provided, \$2 million in contract funds is for patient recruitment in two other trials, the Aspirin-Myocardial Infarction Study and the Coronary Artery Surgery Trial, which are in the process of recruiting.

The development of non-invasive diagnostic techniques, such as ultra-sound (echo-cardiography), x-ray image intensification and further sophistication in physiologic pulmonary function tests, has moved from the laboratory bench into the clinic. These techniques, now being widely applied in hospital centers, allow cardiologists and lung specialists to detect, painlessly and harmlessly, the early stages of disease, often long before clinical signs develop, when the changes may still be reversible. The increase provided for this appropriation includes \$3 million in contract funds for this research and development program.

The Committee is impressed by the progress that is being made in heart and lung research and by the practical improvements in diagnostic, therapeutic and preventive measures that have resulted therefrom. This is to some extent also reflected in morbidity and mortality

statistics. It is, for example, encouraging that there is definite evidence of a decline in the mortality rate from heart attacks in the United States and that for the major killer, coronary heart disease, the age-adjusted death rate in 1975 was nearly 15% lower than in 1968—in simple terms, a saving of 30,000 lives. This is, of course, only a small step down a long and difficult road. Much needs to be done to prevent or forestall sudden cardiac death which claims 300,000 American lives each year; to minimize heart muscle damage immediately after a heart attack; to evaluate the need for coronary artery bypass surgery which was an exotic operation not many years ago but is now performed on some 50,000 patients each year in this country at a cost of \$500 million; to detect and treat respiratory distress in newborn infants and to head-off acute respiratory failure in children and adults; to develop better methods for preventing post-operative thrombosis which is fatal for nearly 10,000 surgical patients each year; to make further improvements in the detection and treatment of hemophilia—such a list is almost endless. And, above all, there is the pressing need for basic research on the fundamental physiological and biochemical processes which, if understood, would explain so much that is now mysterious. The Committee believes that the increase provided for this Institute will enable it to proceed more rapidly and effectively in these endeavors.

The committee is also aware of the recent rapid strides forward in recent years in the area of blood research, and promising research opportunities. For example, in the area of blood platelet research, the progress has been remarkable, and scientists are now beginning to make great strides in understanding the relationship of the platelet membranes to the site of injury in injured blood vessels. It is now vital to know whether modification of platelets is possible in patients with thrombosis, so that the severity of the disease might be lessened. Additionally, studies of other platelet functions, as well as platelet preservation and storage, should be pressed by the Institute.

The Committee expresses strong support for NHLBI continuing research efforts toward the eradication of inherited blood disorders such as Cooley's anemia. Estimates indicate that there are more than 1 million persons in this country suffering from these disabling or killing disorders which require the aid of chronic transfusion therapy.

The increase in the bill also includes a restoration of the 43 positions eliminated in the budget and an additional \$7,500,000 for the research training program. With the additional funds provided in the bill the Institute will have \$29,000,000 available for new research grants.

#### NATIONAL INSTITUTE OF DENTAL RESEARCH

The bill includes \$54,573,000, an increase of \$2,366,000 over the amount requested and \$3,146,000 over the comparable 1976 appropriation.

The Dental Institute conducts and supports a varied range of research which includes not only the pervasive dental afflictions of caries and periodontal disease but also oral-facial malformations, oral ulcers, and problems of oral-facial pain. To strengthen the scientific base in this spectrum of diseases and disorders, it supports dental re-

search centers in five universities in different parts of the country. In addition to basic research the Dental Institute is committed to moving more extensively into clinical trials and demonstrations as opportunities and resources permit. A major concern is the development and promotion of preventive measures that are economical and practical as well as effective.

Current emphasis is on the demonstration of cost-benefits of fluoride mouth-rinsing to prevent tooth decay. Some 75,000 children in selected nonfluoridated communities throughout the United States are using the rinse in schools one a week. When NIDR funding for the individual projects terminates at the end of two to three years, it is hoped that the communities will continue them on their own and that others will follow suit.

An effective means of preventing caries is the use of plastic adhesive sealants to protect the chewing surfaces of the teeth from decay. It is at present too costly for use as a public health measure, but it can serve as a valuable preventive procedure in the dental office. However, it has not been used extensively to date. The Committee hopes that publication this year of the Institute's final reports of its sealant evaluations will encourage more widespread utilization of these plastic coatings.

The use of a chewing gum in which xylitol, a natural sugar, is substituted for cane sugar has been shown in Finnish studies to reduce new tooth decay in young adults. Later this year, the Dental Institute will test the effectiveness of xylitol-containing chewing gum with school children, the age group most susceptible to caries.

Since less is known about periodontal (gum) disease than about caries, demonstration programs must await further knowledge. However, some limited clinical studies are underway. One of these involves the use of the antibiotic tetracycline to stop infection and prevent further bone loss associated with the disease. Preliminary results are encouraging. The Institute will attempt to stimulate more clinical research on this major cause of adult tooth loss in response to the recommendations of an expert panel that has evaluated NIDR's total intramural and extramural periodontal research program.

The Institute is also conducting research on the herpes simplex virus which causes fever blisters; on the link between the development of cleft lip, with or without cleft palate, and the use by pregnant women of tranquilizers and drugs to control epileptic seizures; and on more effective means to control oral-facial pain and associated anxiety.

The Committee was pleased to learn that the Dental Institute is cooperating with other components of the Public Health Service to assure that information on preventing dental diseases is communicated most effectively to practitioners and the public. The Committee expects the Institute to expand its information dissemination activities in 1977.

The bill contains funds to restore the 13 positions eliminated in the budget and an increase of \$1 million for research training. The remainder of the increase provided should be used to fund new research grants for which the budget request apparently makes no allowance.

## NATIONAL INSTITUTE OF ARTHRITIS, METABOLISM, AND DIGESTIVE DISEASES

The bill includes \$202,837,000, an increase of \$22,000,000 over the amount requested and \$23,036,000 over the comparable 1976 appropriation.

The efforts of this Institute have been markedly affected by the passage of the National Diabetes Act and the National Arthritis Act, each of which created a national commission and authorized a number of new activities including multi-purpose (comprehensive) research and education centers. The National Diabetes Commission, in its Long-Range Plan submitted to the Congress in December 1975, recommended substantial increases in the research grant and training efforts of this Institute with regard to diabetes and related endocrine and metabolic diseases.

Within its present resources, the NIAMDD has been following various leads for improved understanding and treatment of diabetes. For example, it is now known that a pancreatic hormone other than insulin, glucagon, plays an important role in diabetes, and that a hormone produced in the brain, somatostatin, may one day be of value in the treatment of diabetes. Although somatostatin is effective in research measurements, its beneficial effect is short-lived, and the Commission has recommended that these studies of glucagon and somatostatin be pursued vigorously with a view to obtaining better control of elevated blood sugar levels in diabetes than is now possible. Epidemiologic studies also are continuing of the Pima Indians of Arizona, in an attempt to determine why half the women in this tribe have diabetes by the age of 50 years; the work of the Epidemiology and Field Studies Branch and the planned studies of the Clinical Research Unit in Phoenix will take advantage of this extraordinary opportunity to gain greater insight into the basic processes of onset and development of this disease.

At the hearings, the Director of the Institute pointed out that the cause of diabetes is not yet known and that much more needs to be learned about the metabolism or body chemistry of the disease before better care and control and, eventually, prevention of the disease become realizable goals. The Committee agrees that fundamental research on these basic chemical and physiological processes is essential but it is certainly not convinced that all progress must wait on a complete understanding of diabetes. The physicians armamentarium is full of treatments for which there is no scientific explanation and probably many for which the generally accepted explanation is, in fact, wrong. It is true that a major illumination of a fundamental process, such as the discovery of bacteria, will rapidly solve many disease problems but it is also true that very effective treatments, such as vaccination for smallpox, were discovered when the mechanism by which they worked was not at all clearly understood. The Committee, therefore, does not agree that the only proper way to attack the problems of diabetes (or many other diseases) is to wait patiently for a revelation of their true causes—as the Institute seems to have been doing. The

Committee admonishes the Institute to take the recommendations of the Diabetes Commission seriously and to provide the determined and imaginative leadership in their execution which the Congress and, indeed, the public has come to expect of NIH.

One of the recommendations of the National Commission on Diabetes is the establishment of Diabetes Research and Training Centers to engage in basic and clinical research and to help overcome a shortfall in both quality and quantity of trained personnel for diabetes research and treatment. An authorization for such centers is contained in the National Diabetes Act. An increase of \$6 million is recommended for the initiation of these centers.

A highlight of current research in arthritis is a cooperative program between the U.S. and the U.S.S.R. focused on the elevation of various forms of treatment. Of particular concern is juvenile rheumatoid arthritis, because of its severity, as well as lupus erythematosus, osteoarthritis and rheumatoid arthritis. Steady progress is being made in the therapeutic use of such drugs as penicillamine, gold salts, a combination of cyclophosphamide and prednisone, and in surgical treatment of crippling arthritis, including the replacement of diseased joints with artificial ones. Furthermore, recent research has linked the presence of certain "histocompatibility antigens" (inherited blood cell and tissue types) to several different forms of arthritis, suggesting that they may have a common inherited susceptibility to the cause of the particular disease.

To stimulate research and training in the most effective ways of treating arthritis, the Committee is recommending an increase of \$2,500,000 for the initiation of Arthritis Research Centers.

In addition to diabetes and arthritis, the NIAMDD also conducts and supports research in an extraordinary number and diversity of diseases comprising our most prevalent chronic afflictions, such as inherited errors of metabolism, digestive diseases including diseases of the liver and gallbladder, endocrine gland disorders, diseases of the blood and bone, urological and kidney diseases, and such other fields as orthopedic surgery, dermatology, and nutrition. Research in digestive diseases has focused upon a medical means, rather than a surgical means, of controlling gallstones which afflict 15 million Americans, the relationship of fiber in the diet to several intestinal tract diseases, and the role of various toxins, including alcohol, on liver disease.

The Committee is convinced that cystic fibrosis research deserves priority attention and therefore directs that a study be undertaken and completed within the next year on what is being done in research and patient care in cystic fibrosis and allied diseases. The study should include a compilation of cystic fibrosis research and treatment activities within the Public Health Service, including NIH, and the outlook for future research breakthroughs.

The bill includes funds for the restoration of 28 positions eliminated in the budget, increases of \$6,000,000 for diabetes centers, \$2,500,000 for arthritis centers, and \$2,000,000 for research training. The additional funds will allow the Institute to award a total of \$19,200,000 for new research grants of which \$12,500,000 is for research related to diabetes.

#### NATIONAL INSTITUTE OF NEUROLOGICAL AND COMMUNICATIVE DISORDERS AND STROKE

The bill includes \$153,132,000, an increase of \$6,600,000 over the amount requested and \$8,425,000 over the comparable 1976 appropriation.

The National Institute of Neurological and Communicative Disorders and Stroke is responsible not only for research on the chronic neurological disorders but also on disorders of hearing and speech which are among the most prevalent chronic disabilities in the United States. An estimated 14 million people have significant hearing loss and some 10 million are handicapped by speech disorders. Recent advances in research techniques now make it possible to observe disorders of the vocal cord using fiber optics, to test hearing of infants and comatose patients by brain stem audiometry, and to confirm the damaging effects of noise and certain drugs on the inner ear. Recommendations of the workshops on cochlear implants continue to be implemented.

Last year further progress was made in multiple sclerosis research, particularly through epidemiological studies in the Shetland and Orkney Islands and the investigation of the effects of slow and latent virus investigations. A substantial increase in interest by the biomedical research community has resulted from the stimuli provided by the National Multiple Sclerosis Commission and by increased funding by the Institute and the National Multiple Sclerosis Society.

The Committee expects that with the additional funds provided in the bill, the total funding level for research specifically relevant to multiple sclerosis will be \$10,000,000 in fiscal year 1977. The Committee has long held the tenet that the support of research mandates cooperation and collaboration of the public and private sector and thus, supports the recommendation of the Advisory Commission on Multiple Sclerosis that this should apply to multiple sclerosis research. The Institute is requested to provide this Committee with a report, prior to hearings on the 1978 budget, on the implementation of the Commission's recommendations.

For a number of diseases for which no cures are yet available, there has been useful progress in the development of drugs to alleviate the disabilities.

A new class of drugs for Parkinson patients is now being tested by Institute scientists which may be more effective than L-Dopa. These drugs, called dopamine receptor agonists, work more directly than L-Dopa. Research has shown that the muscle weakness suffered by myasthenia gravis patients is caused by a circulating immunoglobulin which interferes with normal muscle stimulation. An effective immunosuppressant (prednisone) continues to provide definitive treatment for many of these patients. Effective collaboration between the pharmaceutical industry, FDA, physicians, and the Institute last year made possible the introduction of another new drug, clonazepam, to treat epilepsy and still another new drug is expected next year. Three comprehensive epilepsy programs are in operation in Oregon, Minnesota, and Virginia; establishment of one or two more is expected this year.

A large percentage of diabetics have some peripheral nerve involvement, especially in the legs, and some are totally disabled. As part of the NIH-wide effort to mount a more effective research attack on all aspects of diabetes, the Institute will expand its diabetic neuropathy research and will initiate a fellowship program to provide more investigators for this important area of research. The Committee directs that some of the additional funds provided for new research grants and for research training be used for these purposes.

The Committee was pleased to learn that the Institute has now held a workshop on autism with outstanding leaders in the field and hopes that some of the promising lines of research that were discussed will be pursued during the coming year.

Stroke, ranking third as the cause of death in the U.S., continues to be a major problem. It is encouraging, however, to learn of recent progress. The use of drugs that lower blood pressure appears to be responsible for a gradual decrease in stroke incidence rates of 20 percent for men and 32 percent for women over the past 25 years, in some study populations, and mortality from hemorrhagic stroke has decreased by 20 percent through better acute management and surgical techniques. Increasing attention is being focused on the transient ischemic attack (TIA) as one of the few warning signs that may precede a stroke. The Institute plans a prospective study of a large enough population group to produce valid guidelines for the observation and interpretation of these warnings.

While it is gratifying that the Institute has more than doubled its research in the past five years on the regeneration of the spinal cord and central nervous system, the magnitude of the problem would seem to justify much more emphasis on finding more effective ways to treat and rehabilitate the thousands of young accident victims who are disabled by spinal cord damage. Some of the additional funds provided for the support of new research projects might well be devoted to this problem.

The funds added by the Committee will restore the 32 positions eliminated in the budget, provide an additional \$2 million for research training, and \$12 million for new research grants with primary emphasis on multiple sclerosis, stroke, and spinal cord and nerve regeneration research.

#### NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

The bill includes \$139,615,000, an increase of \$4,000,000 over the amount requested and \$12,452,000 over the comparable 1976 appropriation.

The National Institute of Allergy and Infectious Disease conducts and supports research for the prevention or improved diagnosis and treatment of illnesses caused by infectious agents, allergies and other immunologic disorders.

Much of the Institute's increased budget request is to support research on the body's complex "immune system" which is now thought to include the bone marrow, the thymus, the spleen, the lymph nodes and the white blood cells. Research in immunology is not only important to the control of infectious diseases but plays a major role in furthering an understanding of such chronic diseases as arthritis, kidney disease and cystic fibrosis.

The Institute has the world's most complete collection of reagents used for tissue matching and its Serum Bank now supplies such materials for more than 95% of the kidney transplants done in this country and it is the main source of supply for scientists, mostly supported by other Institutes, who are trying to unravel the genetic basis for chronic diseases. Recent research has shown that certain genetic markers can be associated with an increased susceptibility to various chronic conditions, including multiple sclerosis and a form of arthritis affecting the spine. Serum Bank materials are also being used in matching blood platelet and white blood cell transfusions for cancer patients. Due to the increasing demand for scarce tissue-matching reagents the Institute must increase its investment in materials for the Serum Bank.

At the Committee's urging, the Institute has steadily increased its support of research on sexually-transmitted diseases during the past 4 years. A third center for such research was established in 1975. Significant progress has been made in classifying strains of gonococcus, the organism that causes gonorrhea, which is essential before scientists can develop a reliable blood test for gonorrhea and track its epidemic spread. Much work is also being done on another sexually-transmitted disease, non-gonococcal urethritis, which is twice as common as gonorrhea; two organisms that cause this disease have so far been identified. In view of the need to broaden the attack to include several other sexually-transmitted diseases, such as herpes, the Committee believes that the Institute's efforts should be increased, including the establishment of two more research centers.

Influenza and pneumonia rank fourth as a cause of death and acute respiratory diseases rank first in causing bad disability. The Institute is playing a major role in the evaluation of vaccines against the swine influenza virus recently isolated at Ft. Dix, New Jersey, and should accelerate its efforts to develop live influenza vaccines and to improve present killed preparations. Clinical trials of pneumococcal pneumonia vaccine should yield definitive results by next year and it is hoped that these data, together with data from other trials, will result in the licensing of a pneumonia vaccine for adult use within two years.

Although hepatitis, as a blood transfusion problem, has been greatly reduced, an estimated 250,000 to 300,000 cases of non-transfusion-related hepatitis still occur annually. More than half of these are estimated to be hepatitis B. A vaccine against hepatitis B, for use in high-risk groups, has been undergoing safety and efficacy tests in chimpanzees and a cautious trial on volunteers will begin in 1977.

The Institute has sponsored a field trial of meningococcal type A vaccine (already licensed in this country for use in adults) in children in Finland which should provide data that will lead to its being licensed in the U.S. for children under 5 years of age who are a high risk group.

Efforts to transfer the genetic material, DNA, from one species to another offers hope of a new technology which may make it possible to produce pure insulin and other hormones cheaply in large-scale bacterial fermentation systems. However, scientists active in this field of 'genetic engineering' are seriously concerned about the hazards involved. NIH recently held a conference on this subject and the NIAID now has additional responsibility for implementing NIH

safety guidelines. An essential step in this implementation will be to renovate space and purchase special equipment to ensure adequate containment at grantee institutions where such research is being done. The Committee recommends that \$2.5 million of the increase provided in the bill be used for these purposes.

The increase also includes an additional \$1,000,000 for research training and \$500,000 for the restoration of the 34 positions eliminated in the budget.

#### NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

The bill includes \$198,435,000, an increase of \$5,000,000 over the amount requested and \$11,047,000 over the comparable 1976 appropriation.

The Institute supports research and research training in a broad spectrum of sciences basic to medicine. Its programs are aimed at research that falls within the purview of more than one other Institute, especially in research to understand the structure and function of cells, to improve the prevention and control of genetic disorders to meet the urgent need for better care of better methods of treatment for severely injured patients, and to improve the safety and efficacy of therapeutic drugs.

Recent work in pharmacology and toxicology, which embraces all aspects of drug-related research, has resulted in new techniques for exact and complex analysis of very small samples of biological fluids, such as a pin-prick of blood, which will greatly facilitate pediatric drug studies. Such studies have been very limited in the past, because it was not possible to obtain from young children the large samples of fluids required for drug analysis. The Institute plans to exploit this new opportunity in pediatric pharmacology during the coming year. Over 70 percent of all drugs listed in the Physician's Desk Reference currently bear the label disclaimer: "This Drug Not Approved For Use in Children or Pregnant Women." Many drugs are metabolized very differently in infants and young children, and thus the toxic reactions in children are very different from those in adults but very little is known about these differences. Because of its importance to the more knowledgeable treatment of children, research on pediatric pharmacology-toxicology should be vigorously supported. The Committee has included an increase of \$1 million in the appropriation for this purpose.

The Genetics Program of the Institute is aimed at the prevention and control of hereditary diseases. In recent years much progress has been made in fundamental studies on the mechanisms of heredity and it has been consistently found that much of this work turns out to be highly relevant to the treatment of major diseases, including cancer and heart disease. The program is thus a resource for generating many of the medical concepts and technologies of the future. This includes research on the transfer of genetic material (DNA) from one species to another which might result in accidents hazardous to man if the new safety guidelines that NIH has recently developed are not strictly observed. To assist grantee institutions at which such research is being done to renovate laboratories and purchase the spe-

cial containment equipment needed, the Committee has included an increase of \$1,000,000 in this appropriation. In addition to the ten centers for genetic research, the Institute supports the Human Mutant Cell Repository, now in its fourth year, which provides investigators in this country and abroad with cell culture lines representative of human genetic disease. The Institute is also responsible for the surveillance of recombinant DNA research.

The Cellular and Molecular Basis of Disease Program supports a wide range of investigations on the structure and function of cells and on the altered molecular processes within diseased cells. As the cell is the basic unit of all living systems, such knowledge is essential to the ultimate control of most forms of disease. The program supports efforts to elucidate how normal cells regulate, with great precision, the activity of a myriad of different enzyme systems. When these processes are defined, a rational basis will exist for probing specific diseases.

Each year more than 10,000 deaths are due to burns, 29 percent in children under 15 years. Even with rapid transport and excellent hospital care, death may occur from early undefined biochemical and physiological changes or from fulminating infection. Therefore research on severe trauma and burns continues to be a major concern within the Institute's Clinical and Physiological Sciences Program. Support is provided for multidisciplinary research centers where both clinical and basic laboratory studies lead more rapidly to improved patient care, and for project grants where in-depth studies are performed on specific aspects of the problem, such as skin grafts, fluid balance, nutrition, pulmonary complications and sepsis. At one research center, the mortality rate for persons with burns covering 85 percent of their body surface has been reduced from 100 percent to less than 50 percent.

The Committee has already made clear its strong concern that the training of future scientists continue as a crucial part of the medical research effort. As NIGMS provides more than two-thirds of all NIH support for predoctoral training in the sciences basic to medicine, its training programs will clearly have a major determinant of the future course and rate of progress in virtually all biomedical endeavors. The Committee, accordingly, endorses the Institute's decision to emphasize multidisciplinary programs that will offer highly qualified and promising young men and women a background in basic biomedical science that is both broad and rigorous. Only in this way can the Nation ensure that it will have a cadre of well-trained, versatile scientists to take full advantage of future research opportunities.

The bill includes funds for the restoration of 11 positions eliminated in the budget and to make approximately \$6.7 million available for grants for new research projects, in addition to the \$1 million earmarked for pediatric pharmacology.

#### NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

The bill includes \$140,343,000, an increase of \$10,460,000 over the amount requested and \$3,770,000 over the comparable 1976 appropriation.

The mission of this Institute is carried out under programs of the Center for Population Research which focuses on population dynamics and reproduction, and through the Center for Research for Mothers and Children which supports studies involving maternal health, child health, and human development. These extramural, grant and contract programs are supplemented by the intramural research conducted in clinics and laboratories in Bethesda.

The Population Research Program is designed to produce new knowledge to facilitate safe and convenient control of childbearing and to overcome the misfortune of infertility. The principal components of this program are fundamental research in reproductive biology, the development and evaluation of contraceptive methods, and studies leading to an understanding of the social and behavioral forces affecting population change.

Fundamental research in reproductive biology and endocrinology has yielded new knowledge on the impact of environmental factors on reproductive physiology. Stress, for example, induces increased sex steroid hormones from the adrenal gland which appear to have a role in controlling hormones that regulate the ovaries and testes. Research on new contraceptives has yielded significant advances in the development of family planning methods for men as well as for women. These include the combined use of two steroids to inhibit sperm production, injectable drugs, a post-coital contraceptive, and the use of synthetic male hormones for male contraception. Hazards associated with the use of certain fertility regulating methods, which continue to be evaluated include increased risk of premature or low birthweight infants resulting in the induced abortion of a previous pregnancy and of congenital malformations resulting from the use of oral contraceptives early in pregnancy. Another problem which requires research into motivational factors is that the number of illegitimate births to teenage mothers has continued to increase, to a rate of more than 125,000 a year.

The Committee is encouraged by the progress in basic research that the Institute is making on the mechanisms underlying fertility and infertility and has added funds to the President's budget request for the expansion of research in basic reproductive biology. Information in this general area is vital to the understanding of the mechanisms that control fertility and infertility and will permit men and women to regulate their fertility with many methods, including natural family planning, so that they may have children when desired and at the healthiest possible interval.

The program of research on the special health problems of Mothers and Children focuses on the Sudden Infant Death Syndrome (SIDS), other causes of infant mortality, intrauterine growth, nutritional deficiencies, mental retardation and developmental disabilities, and learning and cognitive development.

The Committee is pleased to learn that the Institute has completed the planning for a national network of research centers devoted to the study of diseases and disorders of pregnancy, infancy and early childhood in order to reduce infant mortality and morbidity. To provide the additional funds needed to launch these Major Research Programs for Mothers and Infants, which will be distributed through-

out the United States, the Committee has included an increase above the President's budget in the bill.

A recent and related Institute initiative is the Perinatal Biology Center, an intramural facility established for the conduct of clinical investigations of high risk infants. This is the first in-patient service of the NIH devoted exclusively to the needs of infants.

The Institute continues to provide support for a significant program of research dealing with the growth of children from infancy through adolescence. Matters under investigation include the effect of diet early in life in the prevention of obesity; dyslexia, a special learning dysfunction reflected in reading failure; the impact of childhood diseases on development; drug dosage complications and methods to avoid this occurrence; hereditary diseases; developmental abnormalities; and endocrine diseases of childhood. Twelve Mental Retardation Research Centers have been established for multidisciplinary and collaborative research between biomedical and behavioral scientists on the complex causes of mental retardation and other developmental disabilities. A recently developed automated system for chromosome analysis, after testing and final development, should provide a useful instrument for mass screening for genetic defects at greatly reduced cost. The Committee expects at least \$1,000,000 of the additional funds included in the bill to be used to expand support of the mental retardation research centers.

The bill provides funds for the restoration of the 23 positions eliminated in the budget, an increase of \$2,000,000 for research training support and \$7,000,000 for research grants. This brings the amount available for new research projects to approximately \$12,500,000 of which a major portion is to be spent on research for mothers and children including \$3,000,000 for research on pregnancy and diabetes and on contraception and diabetes.

#### NATIONAL INSTITUTE ON AGING

The bill includes \$29,200,000, an increase of \$2,980,000 over the amount requested and \$9,812,000 over the comparable 1976 appropriation.

The National Institute on Aging, the newest of the NIH Institutes, was established, pursuant to the Research on Aging Act of 1974 (Public Law 93-296), in October, 1974, to serve as the focal point for federally supported aging research. The NIA is concerned with the aging process and the biomedical and behavioral effects of this process on the elderly. Through an aggressive research program, the Institute expects to obtain an understanding of the degenerative aging processes that begin early in life and result in the disabilities in middle and later life. Once this understanding is obtained, the debilitating consequences may be averted through prevention and treatment.

The nucleus of the NIA is the Adult Development and Aging Branch, which administers the extramural grants and contracts program, and the Gerontology Research Center, which houses the intramural program, both of which were transferred from the National Institute of Child Health and Human Development in July, 1975. As a result of this transfer, and with the additional 20 positions authorized by the fiscal year 1976 Appropriations Bill, the Institute is beginning to function as an independent Institute within the NIH. The fiscal



year 1977 budget, however, would eliminate these 20 positions. The Committee has included funds in this appropriation to retain the 20 positions and to fund an additional 7 for this new Institute.

The Committee is pleased to learn that no disruption in the continuity of aging research at NIH occurred as a result of the transfer of aging research activities from the NICHD to the NIA. Basic research continues to learn why the functional capabilities of various bodily systems decrease with age. Scientists in the Gerontology Research Center have been able to stimulate one such system—the immune system, which gives the body its ability to protect itself from disease—to resume a “youthful” function by means of chemical agents and the infusion of certain cells from young animals to older animals, a phenomenon that may lead to a better understanding of why certain deteriorative processes occur with age.

Clinical research is of particular importance to aging research. Recently, NIA researchers have shown the utility of a bio-feedback technique—called “operant conditioning”—in teaching the elderly to slow their heart beat, lower their blood pressure, and control bowel function. Clinical trials of this technique will now be conducted in broader institutional settings such as the Veterans' Administration Hospitals with which the NIA is developing cooperative studies. Other areas of clinical research that need special emphasis include research on the role of cholesterol and other fatty substances in causing atherosclerosis, studies on how and why drugs are metabolized differently in the elderly, and efforts to understand why the life expectancy of women significantly exceeds that of men. The Committee desires that particular emphasis be given to the bio-feedback technique and research on drug metabolism in allocating the \$9 million which the Institute will have available, with the increases provided, for the award of new research grants to understand the latter phenomenon. The Committee also directs that some of the increased funds and staff be used to include women in the Baltimore Longitudinal Study, now confined to men, to investigate the reasons for the difference in life expectancy.

The Committee is pleased to note that the NIA, in developing the comprehensive plan for a research program required by the Act, has developed liaison with and coordination between federal agencies involved with the aged in order to avoid unproductive and unnecessary overlap and duplication of effort. The Committee looks forward to seeing the research plan as soon as it has been completed.

#### NATIONAL EYE INSTITUTE

The bill includes \$56,270,000, an increase of \$9,320,000 over the amount requested and \$5,985,000 over the comparable 1976 appropriation.

More than 10.6 million Americans suffer from visual impairments that cannot be fully corrected by eyeglasses or contact lenses. In addition, each year approximately 525,000 Americans receive hospital care for eye disorders other than those caused by injuries. The direct and indirect costs to the nation of visual disorders and disability now exceed \$5.1 billion a year—the costs of eye care drugs and optical goods alone exceeds \$560 million per year.

The Institute conducts and supports research on all aspects of diseases of the eye and visual disabilities. The Committee was pleased to note, at the hearings, that considerable progress is being made. It was reported, for example, that recent developments are bringing closer the time when some forms of cataract can be treated with drugs to slow down the onset of the disease or even to prevent it completely, rather than relying on the costly surgical removal of the lens. Research on cataract has already resulted in delaying, in experimental animals, the onset of a type of cataract associated with diabetes. Work on the nature and function of the thin layer of tissue behind the retina, the pigment epithelium, has shown that this relatively inconspicuous tissue may play a major role in certain retinal diseases, such as retinal degeneration, retinitis pigmentosa, and retinal detachment.

The Committee was particularly pleased to learn of the research progress in the area of diabetic retinopathy, the primary eye complication of diabetes. The Institute has underway two nationwide, multicenter clinical trials to determine the safety and effectiveness of two possible treatments for diabetic retinopathy: one, photocoagulation, attempts to prevent the onset of blindness by employing finely focused beams of light to seal ruptured blood vessels which leak into the eye; the second treatment, vitrectomy, is performed to restore sight to eyes otherwise considered hopelessly blind. Initial results from the photocoagulation study recently showed that this treatment can be beneficial in many cases of diabetic retinopathy in reducing the likelihood of blindness. The results have been widely disseminated to the medical community and to the public, including a special mailing of educational materials to over 13,500 ophthalmologists, diabetologists and other health professionals involved in the care of diabetics. It can be expected that many who otherwise would find themselves dependent upon family, government and philanthropic assistance, now will be able to lead normal, productive lives. New means of detecting a possible susceptibility to glaucoma through blood tests are being developed. In the Institute's cornea research program, good progress has been made in the identification of new drugs to treat infections, especially those caused by a virus that attacks the eye. Major advances in corneal transplantation have been made in the past year due to NEI support, and the new preservation techniques developed promise to reduce the rate of corneal graft rejection by assuring healthier donor tissue. Some progress is also being made in saving the sight of children with motor disorders such as strabismus (cross-eye) and amblyopia (reduced visual function without obvious organic cause).

The Committee has been informed that the second edition of the Vision Research Program Planning Report is being prepared by a subcommittee of the National Advisory Eye Council and it awaits with interest this follow-up to the earlier report which identified needs and opportunities in vision research for the next few years.

The bill includes funds for the restoration of 11 positions eliminated in the budget and to maintain the research training program at its fiscal year 1976 level. A total of \$9.5 million is available for the support of new research projects, of which \$3.5 million is for research relating to diabetic complications affecting the eye.

## NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

The bill includes \$49,141,000, an increase of \$3,000,000 over the amount requested and \$11,361,000 over the comparable 1976 appropriation.

The Institute was established, almost ten years ago, as the principal Federal agency responsible for conducting research into the health effects resulting from man's interaction with his environment. Throughout this period the NIEHS has been challenged to carry out research in an ever-widening circle of major health issues and has now become the national focus for the conduct and coordination of environmental health research.

In view of the importance of and growing public concern about the environmental impact on health, the Committee last year provided an increase of \$2.7 million, an increase of 14 percent in its staff and \$25 million to begin construction of a permanent laboratory building. The Committee believes that further program development is essential and is pleased that the President's budget also reflects the growing importance of this Institute's programs. However, while the budget requests additional funds it not only makes no provision for the staff necessary to carry forward an expanding program but actually proposes a reduction by 33 positions. To rectify this inconsistency and to provide for the additional activities which the Committee believes should be undertaken immediately, funds are included to restore the 33 positions omitted from the budget and to increase the staff by 60 additional positions in order to strengthen the Institute's intramural research and management of its extramural programs as well as the requisite central management and support services.

For the past several years the Committee has been increasingly impressed by development of sensitive short-term tests for quickly and cheaply screening chemicals and consumer products for possible toxic and genetic effects on simple organisms, such as microbes, and singling out suspect compounds for more detailed evaluation in higher organisms. Exploratory testing of environmental chemicals and other compounds is turning up new examples of genetic effects (mutagenicity) in products in widespread use. For example, almost all commercially available hair dyes were recently discovered to be genetically active in some of the newly-developed short-term tests. NIEHS has therefore initiated studies to determine whether hair dye can cause genetic damage in other experimental organisms in order to evaluate the risk for the estimated 20 million people in this country who dye their hair. The Committee believes that it is very important to this country's future well-being that NIEHS launch a program of testing for mutagenicity all compounds produced in commercial quantities.

The short-term tests may also offer answers in another area of concern. While the relationship between mutagenicity and carcinogenicity (cancer-causing ability) is still a matter of considerable scientific controversy, contract work—supported by the National Cancer Institute and developed with NIEHS assistance—is clearly showing a high correlation between the two types of activity. Thus the newly-developed short-term tests appear to offer a means of detecting both potential mutagenic and carcinogenic effects in man. After hearing extensive

testimony on this subject, the Committee is convinced that these new short-term tests have been developed to the point that they merit large scale testing for determination of their applicability as a prescreen for the bioassay program of the National Cancer Institute.

Over the years, the bioassay program of the National Cancer Institute has provided a wealth of information regarding the carcinogenicity of a wide range of compounds. The Committee understands, however, that some of the potential of this program is being lost because it is focused solely on the cancer-causing effects of the products tested though the same, or a slightly modified, test procedure could also reveal other toxic effects of interests to other areas of the health field. The Committee believes it is important that a broader testing program be begun and directs the NIEHS to embark on a collaborative program with the National Cancer Institute aimed at testing compounds in the NCI system for a wide range of physiological, neurological, and behavioral effects. It is understood that this effort can be undertaken as an expansion of the NCI program, thereby insuring a more efficient utilization of an existing national resource. The Committee also directs the NIEHS to insure that the results of this work are promptly communicated to other interested Institutes and agencies.

An additional \$3,000,000 is included in the bill to expand the mutagenesis, testing program, to initiate the collaborative bioassay program with the National Cancer Institute, and to fund the 33 restored and 60 new positions.

## RESEARCH RESOURCES

The bill includes \$136,299,000, an increase of \$43,957,000 over the amount requested and \$5,999,000 over the comparable 1976 appropriation.

The Division of Research Resources manages programs that are designed to facilitate biomedical research in institutions throughout the country by fostering and providing basic support for specialized facilities or services such as sophisticated instrumentation, the breeding of laboratory animals, the maintenance of primate colonies, general clinical research centers, and computerized handling of chemical and biological information. These facilities and services are used by investigators whose research projects are supported from other resources, including the other NIH Institutes. The Division thus provides resources that are essential to the research missions of all the Institutes. The Clinical Research Program, for example, supports approximately 785 research beds in the 83 General Clinical Research Centers located in the main teaching hospitals of medical schools throughout the nation. Some 3,900 biomedical researchers used these Centers last year. This program provides funds for more than 75 percent of all the extramural research beds maintained by NIH. About 20 percent of all NIH regular and special research grants were awarded to investigators who use these Centers. The Committee expects the Division of Research Resources to continue to encourage as many investigators as possible to utilize the facilities of the clinical research centers.

The seven Primate Centers supported by this appropriation provide investigators with the proper environments for the development of the non-human primate as models for use in studies on diseases relevant to human health. These centers now breed fifty percent of their annual requirements for non-human primates. They fall short, however, of meeting the total national demand for primates for medical research. Importation of animals caught in the wild has been sharply curtailed in recent years. The fact that 51 species of primates are now officially listed, or are proposed to be listed, as endangered or threatened species and a growing concern to prevent exploitation of wildlife have caused a number of countries to drastically limit the exportation of primates. In order to meet the need for research animals, which is also growing, domestic primate breeding programs have been established for animals that were formerly imported. These programs give every indication of being feasible and successful but, as currently projected, they will supply only about 17 percent of our present national needs. This effort must be significantly increased to assure an adequate supply of non-human primates for medical research for which these animals are essential. The Committee has therefore added \$2,000,000 to this appropriation for the primate center and primate breeding programs.

The purpose of the Division's Minority Biomedical Support Program is to increase the numbers of ethnic minority faculty and student investigators engaged in biomedical research—a major effort by the National Institutes of Health to increase the involvement of ethnic minorities in biomedical research by strengthening the biomedical research capabilities of minority institutions and utilizing the technical and scientific skills of minority biomedical investigators. As the amount requested for this program (\$7.8 million) is virtually the same as the amount available in fiscal year 1976, the Committee has added \$1,000,000 to the appropriation so that this relatively new and worthwhile effort can be gradually expanded.

During the hearings, it was brought to the Committee's attention that the Minority Biomedical Support Program is the only nonformula grant program at NIH not permitted to pay indirect costs to the institutions that receive these grants. It was pointed out that these institutions are not as strong financially as those that can compete for regular research support which entitles them to substantial amounts for the indirect costs of the projects. In order to enable it to consider the matter in connection with next year's appropriation, the Committee intends to request the General Accounting Office to conduct a factual and objective study of the actual economic impact on the recipient institutions of the policy of not paying indirect costs.

The Division manages the Biomedical Research Support Program which provides funds for pilot projects, new ventures by young investigators, centrally shared research facilities, such as costly instruments that can be shared by a number of investigators within an institution, and unexpected requirements for which no provision was made in the institute's research budget. This program (formerly known as the General Research Support Grants Program) was specifically authorized by the Congress and public witnesses at the annual appropriation hearings have constantly attested to the important role it plays in generally undergirding institutional research activities.

Last year, at the Committee's request, the guidelines for the program, which had been in operation for more than a decade, were reviewed and revised in a manner which, in the Committee's view, will make it even more effective. The Committee has included in this appropriation \$40,957,000 for this program for which no funds were requested in the budget.

The Committee has also restored the 3 positions that were eliminated in the budget.

#### JOHN E. FOGARTY INTERNATIONAL CENTER FOR ADVANCED STUDIES IN THE HEALTH SCIENCES

The bill includes \$7,992,000, an increase of \$500,000 over the amount requested and \$2,298,000 over the comparable 1976 appropriation.

The Fogarty International Center serves as a focal point for NIH international activities providing advice and assistance to the Institutes and Divisions on such activities and administers a number of international programs.

The International Research Fellowship Program provides opportunities to promising young foreign scientists to obtain advanced research training and to participate in collaborative research under the tutelage of American scientists at many of the major United States educational and research institutions, as well as at the National Institutes of Health. This program has been in existence for 17 years and during that time has made awards to over 1,700 foreign scientists. A large percentage of former fellows are now engaged in teaching and research on a full time basis and many have achieved important and influential academic positions in their countries.

The Senior International Fellowships Program, launched last year, provides opportunities for foreign study and research experience to outstanding mid-career faculty members from U.S. schools of medicine, osteopathy, dentistry, and public health who have demonstrated productive scholarship and attained recognized stature in their profession.

The Center also sponsors advanced international studies on aspects of biomedical research that are of clear interest to the several Institutes and includes comparisons of differing national experiences and problems where it is believed that the information will yield results of value to NIH and the health-science community.

Several years ago, responsibility for funding the Gorgas Memorial Laboratory was transferred to the Fogarty International Center. In past years funding for the Laboratory has been provided from various NIH sources. The Committee believes that it will be more orderly and appropriate if the core support for the Gorgas Memorial Laboratory is provided solely from the appropriation for the Fogarty International Center. It was agreed during the hearings that an amount equivalent to that made available to the Laboratory from all NIH sources, approximately \$1,400,000, be considered as the level of that core support. As the budget request for the Fogarty Center includes only \$500,000 for the Laboratory, the Committee has added \$500,000 to the bill and directs that \$400,000 be transferred from the scholars' program to the Gorgas Memorial Laboratory which will make avail-

able a total of \$1,400,000 for the Laboratory. As the scholar's program has a budget increase of \$1,750,000 (90 percent above the fiscal year 1976 level) the reduction of \$400,000 will not seriously impede the proposed expansion of a program of whose merit the Committee is well aware.

The provision of core support through this appropriation does not preclude application by the Gorgas Memorial Laboratory to any of the Institutes for research grants. In fact the committee encourages such applications, which shall be judged solely on their merits in normal competition with all other research applications.

#### NATIONAL LIBRARY OF MEDICINE

The bill includes \$35,234,000, the amount requested and an increase of \$5,990,000 over the comparable 1976 appropriation.

The National Library of Medicine has national responsibility for acquiring, organizing and disseminating scientific and other information which is important to medicine and the public health.

The increase provided in the budget request will be utilized primarily for the Medical Library Assistance Program, in efforts designed to facilitate the transfer of biomedical information through the application of advances in computer and communications technology, and to enable the Library to meet increasing demands for its basic library services.

Because local, state and regional medical libraries must operate under increasingly constrained budgets, it is imperative that the programs of Medical Library Assistance be strengthened. The Committee commends the efforts underway to encourage resource sharing, cooperative acquisitions and technical processing of library materials to avoid costly duplication of effort and resources.

The major research and development arm of the National Library of Medicine is its Lister Hill National Center for Biomedical Communications which encourages the application of computer and communications technology to the solution of problems of biomedical information transfer, including the development of new and improved uses of technology for scientist to practitioner communications. The Committee is pleased to learn that construction bids for the Lister Hill Center Building will shortly be solicited. This specialized communications facility will bring the varied activities of NLM together and will provide special-purpose space for the National Medical Audiovisual Center which is conducting outstanding programs to utilize audiovisuals in support of health professional education.

#### BUILDINGS AND FACILITIES

The bill includes \$67,400,000, an increase of \$42,000,000 over the amount requested and \$13,400,000 over the 1976 appropriation.

The budget request includes \$21.7 million for the first phase of the construction of a major addition to the Clinical Center on the Bethesda campus of NIH to serve as an Ambulatory Care Research Facility, for which plans have already been completed. There has been a rapid growth in the use of ambulatory patients, instead of bed patients in clinical research partly as a result of the general shortening of hos-

pitalization; partly because many diagnostic and therapeutic procedures that formerly required hospitalization can now be done, more conveniently for the patient and at less cost, on an out-patient basis; and partly because biomedical research now needs a greater number of normal subjects who usually do not need to be kept over-night. During the past five years the number of out-patient visits at the Clinical Center has doubled—there are now 77,000 a year and the number would be higher if present facilities were not already being used to more than this intended capacity. The new facility is designed to accommodate 190,000 out-patients a year. It will also make it possible to bring together in the new structure various technical services, now scattered throughout the Clinical Center, that are needed for out-patients. Also included in the overall plan and cost estimates is the renovation of parts of the Clinical Center, which, when it was opened 22 years ago, was one of this country's most modern hospitals but is now obsolete due to the great technological changes in the practice of medicine and in medical research during these two decades.

The Committee heartily endorses this project and hopes that, by making funds for the first phase of its construction promptly available, the usual long delay between planning and building can be considerably shortened.

The Congress included in last year's appropriation bill \$25 million for construction of phases I and II of the permanent research facilities for the National Institute of Environmental Health Sciences at Research Triangle Park, North Carolina to replace the inadequate temporary quarters in which the Institute has been housed since its establishment nine years ago. The Committee has now included in this bill the remaining \$42 million needed to complete the project.

#### OFFICE OF THE DIRECTOR

The bill includes \$16,234,000, the amount requested and an increase of \$909,000 over the comparable 1976 appropriation. The office of the Director provides for the overall direction of the National Institutes of Health, for program planning and evaluation, scientific and public communications; and supporting management services including financial management, personnel management, and grant and contract management.

#### ALCOHOL, DRUG ABUSE AND MENTAL HEALTH ADMINISTRATION

##### ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH

The bill includes \$737,441,000, an increase of \$190,615,000 over the budget request and \$35,088,000 over the comparable 1976 appropriation. The budget request included \$76,505,000 which was not considered by the Committee due to the lack of authorizing legislation.

This appropriation supports the activities of the Alcohol, Drug Abuse, and Mental Health Administration which is responsible for developing knowledge, manpower, and services to prevent mental illness, to treat and rehabilitate the mentally ill and to prevent the abuses of drugs and alcohol. The Committee regards the geographic maldistribution of providers of mental health, alcoholism, and drug

abuse services as a matter of growing concern, and is encouraged that ADAMHA is committed to addressing this important issue as a high priority in the coming year. The Committee is aware that ADAMHA initiatives, such as community mental health and alcoholism and drug treatment centers programs, are a major effort to make services available to patients on an equitable basis. However, the Committee expects that particular attention will also be given to special problems of mental hospitals and related facilities, in addition to the centers programs, in securing adequate services of fully qualified psychiatrists and other professionals. The Committee is concerned about the persistent staffing difficulties of many of these facilities, especially those which care for patients with the most serious mental illness and substance abuse problems, and the extent to which they have become increasingly dependent upon the supply of foreign medical graduates. Finally, the Committee notes with approval the recently increased support by ADAMHA for training of primary health care providers in problems of alcoholism, drug abuse, and mental health.

The amounts recommended by the Committee for each of the programs and activities funded by this appropriation, together with the budget request and comparable appropriations for fiscal year 1976, are shown in the table below.

Activity	1976 comparable appropriation	1977 budget	1977 bill
<b>1. General mental health:</b>			
(a) Research.....	\$95,908,000	\$83,000,000	\$95,908,000
(b) Training.....	85,100,000	30,000,000	85,100,000
(c) Community programs:			
(1) Planning.....			
(2) Operations:	1,500,000		1,000,000
(i) 1st year.....			
(ii) Continuation:	24,000,000		15,000,000
Grants initiated under new law			
Converted staffing grants.....			21,840,000
(3) Conversion.....	20,000,000		54,768,000
(4) Consultation and education.....	4,000,000		20,000,000
(5) Financial distress.....	4,000,000		8,000,000
(6) Continuations under old law:	4,000,000		7,000,000
(i) Staffing.....	135,363,000	110,526,000	78,891,000
(ii) Child mental health.....	26,844,000	20,274,000	14,847,000
(d) Management and information.....	22,229,000	20,414,000	22,714,000
<b>Total, mental health.....</b>	<b>418,944,000</b>	<b>264,214,000</b>	<b>425,068,000</b>
<b>2. Drug abuse:</b>			
(a) Research.....	34,000,000	34,000,000	34,000,000
(b) Training.....	10,000,000	4,000,000	10,000,000
(c) Community programs:			
(1) Project grants and contracts.....	139,051,000	160,000,000	160,000,000
(2) Grants to States.....	35,000,000	35,000,000	40,000,000
(d) Management and information.....	14,121,000	14,827,000	15,472,000
<b>Total, drug abuse.....</b>	<b>232,172,000</b>	<b>247,827,000</b>	<b>259,472,000</b>
<b>3. Alcoholism:</b>			
(a) Research.....	11,808,000	10,000,000	11,808,000
(b) Training.....	7,458,000	2,000,000	6,500,000
(c) Community programs:			
(1) Project grants and contracts.....	12,859,000	2,546,000	12,859,000
(2) Grants to States.....	(43,549,000)	(30,905,000)	( <sup>c</sup> )
(d) Management and information.....	(55,500,000)	(45,600,000)	( <sup>c</sup> )
Total, alcoholism.....	8,053,000	7,011,000	8,346,000
<b>4. Program direction.....</b>	<b>40,178,000</b>	<b>21,557,000</b>	<b>39,513,000</b>
<b>Grand total, alcohol, drug abuse, and mental health.....</b>	<b>702,353,000</b>	<b>546,826,000</b>	<b>737,441,000</b>

Not considered due to lack of authorizing legislation.

### Mental health

The bill includes \$95,908,000 for mental health research, an increase of \$12,908,000 over the budget request and the same amount as the comparable 1976 appropriation. The Committee is aware that the cost to the economy of direct health care related to mental illness is approximately \$15 billion annually. Therefore, it is clear to the Committee that a national research program focusing on developing new knowledge and approaches to the causes, diagnosis, treatment, control and prevention of mental illness should be maintained if the problems of mental health are to be solved. It should be noted that \$3,000,000 is included in this activity for research on rape prevention and control. The Committee is supportive of the research efforts of the special mental programs, and considers these activities important in addressing the crucial social problems facing the urban and rural communities.

For mental health training the bill includes \$85,100,000, an increase of \$55,100,000 over the budget and the same amount as the 1976 appropriation. The purpose of this activity is to train personnel for clinical service and teaching; to develop and evaluate models of innovative training for new types of mental health personnel; and to provide continuing education for existing mental health manpower. In addition, this activity supports hospital staff development grants, and mental health fellowships. The Committee restored this program to the 1976 level not only because it believes there is a need for trained mental health manpower, but because it heard testimony from the officials of the Alcohol, Drug Abuse and Mental Health Administration that they are committed to addressing the problem of maldistribution of mental health personnel. The Committee expects to be kept informed of the progress the Department is making in solving the maldistribution problem.

For grants for planning community mental health centers the Committee recommends \$1,000,000 a decrease of \$500,000 from the 1976 appropriation. There was no budget estimate submitted for this item. Planning grants were also authorized under the old legislation, with funds provided through a provision which permitted up to 5 percent of staffing grant appropriations to be used for planning purposes. Under title III of Public Law 94-63 planning assistance for community mental health centers is established as a separate section of the law. Planning grants will be awarded to public and non-profit private entities in order to (1) assess the needs of a specific area for mental health services, (2) design a community mental health center for the area based on such assessment, (3) obtain within the area financial and professional assistance and support for the program, and (4) initiate and encourage continuing community involvement in the development and operation of the program.

The Committee recommends \$15,000,000 for initial operation grants a decrease of \$9,000,000 from the 1976 appropriation. No budget estimate was submitted for this activity. The initial operation grant replaces the old staffing support, covering a portion of the grantee's cost of operation during the first year after establishment of a center. It is estimated that this level of funding will support the initiation and first year support of at least 16 new community mental health centers.

The bill provides \$21,840,000 for continuation grants to community

mental health centers which received their initial operational grant in fiscal year 1976. No budget request was submitted for this item. Grants for initial operation and subsequent continuation are made to a community mental health center to help cover its costs of operation during the first eight years of its establishment. Grants are awarded on a percentage of a center's total operational cost.

For converted staffing grants the bill provides \$54,768,000. There was no budget request for this program activity. These funds will be awarded to those existing community mental health centers which will switch and begin receiving federal grants based on a percentage of their total operational cost. Previously, these centers received grants which were calculated on a percentage of staff cost only. In addition, these centers will begin to expand their service base to include such mandated new services as specialized care for children and the elderly, half-way houses, and followup care for patients discharged from a mental health facility.

For conversion grants for community mental health centers the bill includes \$20,000,000, the same amount as the 1976 appropriation. No budget request was submitted for this program. These grants are intended to enable existing community mental health centers to meet the additional costs associated with converting to the more comprehensive service requirements set forth in the new legislation.

The bill includes \$8,000,000 for consultation and education services. This is an increase of \$4,000,000 over the 1976 appropriation. No budget estimate was submitted for this item. These grants are intended to ensure that all community mental health centers give adequate attention to preventive efforts and early detection of mental illness. The consultation and education services provided under this activity can help reduce the costs of mental illness to society.

Included in the bill is \$7,000,000 for financial distress grants. This is an increase of \$3,000,000 over the 1976 appropriation. No budget request was submitted for this item. Financial distress grants will be awarded to community mental health centers which have completed their eighth and final year of regular Federal support, but which have not been able to achieve self-sufficiency. Under this activity, community mental health centers may receive up to an additional three years of support while attempting to improve collections of third party payments.

For community mental health centers staffing grants and child mental health services the bill provides \$93,738,000, a decrease of \$37,063,000 from the budget request and a decrease of \$68,469,000 below the 1976 appropriation. These grants are made to centers established under the old Community Mental Health Center Act, and are intended to meet the continuation cost of the centers in accordance with the prescribed formula. The reduction made by the committee reflects the conversion of some centers from the old staffing grant form of support to the new operational form of support, as provided by Public Law 94-63.

The bill provides \$22,714,000 for management and information, an increase of \$2,300,000 over the budget request and \$485,000 over the 1976 appropriation. The Committee increase restores the positions eliminated in the budget for this activity. These funds support the

staff who are responsible for planning, development and administration of the grant, contract and intramural programs relating to the area of general mental health.

#### *Drug abuse*

For drug abuse research the bill includes \$34,000,000, the same amount as the budget request and the 1976 appropriation. The research work supported by the National Institute of Drug Abuse ranges from investigating psychosocial and epidemiological factors influencing drug abuse, to studying the basic chemistry of abused drugs.

The Committee recommends \$10,000,000 for training, an increase of \$6,000,000 over the budget request and the same amount as the 1976 appropriation. The program seeks to ensure the continued availability of qualified manpower in drug abuse treatment, prevention, and research projects.

The amount included for drug abuse community project grants and contracts is \$160,000,000, the same amount as the budget request and an increase of \$20,949,000 over the 1976 appropriation. Through the projects funded under this activity, the National Institute of Drug Abuse administers a comprehensive program of drug abuse treatment, treatment demonstration, prevention and education activities. With the funds provided in this bill, a total of 102,000 drug abuse treatment slots will be supported.

For drug abuse formula grants the bill provides \$40,000,000, an increase of \$5,000,000 over the budget request and the 1976 appropriation. These funds are allocated to states based on a formula which measures the relative population, financial, and program need of each state. The financial assistance provided to the States supports planning, development, implementation and coordination of projects for more effective drug abuse prevention activities. The Committee directs the Department to work closely with the States in establishing more effective drug abuse prevention programs.

For management and information the bill includes \$15,472,000 an increase of \$645,000 over the budget and \$1,351,000 over the 1976 appropriation. Included in this activity is the drug abuse information program which collects and disseminates scientific, technical and programmatic information on drug abuse for Federal and State drug abuse prevention efforts. The increase restores the 43 positions eliminated in the budget.

#### *Alcoholism*

The Committee has provided \$11,808,000 for research, an increase of \$1,808,000 over the budget request and the same amount as the comparable 1976 appropriation. The Committee believes that there is still much to learn about the causes of alcoholism, and in light of the many unanswered questions about this problem has provided funds to restore the research program to the comparable 1976 level.

For training the bill includes \$6,500,000 an increase of \$4,500,000 over the budget request and a reduction of \$958,000 from the comparable 1976 appropriation. The funds provided by the Committee will enable the National Institute of Alcohol Abuse and Alcoholism to maintain a program of training individuals in such fields as medi-

cine, social work, public health, psychiatry and psychology. Training grants and fellowships are awarded to defray institutional costs of training facilities and to provide stipends to individuals enrolled in the training program. This activity also supports area alcoholism education and training programs which have provided a focused assessment of the manpower needs of the States and localities.

The bill contains \$12,859,000 for community projects, an increase of \$10,313,000 over the budget request and the same amount as the 1976 appropriation. Project grant and contracts include a variety of programs in support of community efforts in the areas of alcohol treatment, rehabilitation and prevention. The budget request included \$33,451,000 for community projects which the Committee did not act on due to the absence of authorizing legislation. The Committee wishes to note that any future action on this program will also include funds for the Indian Alcohol projects which the budget proposed to transfer to the Indian Health Service.

For management and information the bill includes \$8,346,000 an increase of \$1,335,000 over the budget and \$293,000 over the 1976 appropriation. This activity includes the resources to support the staff of the Alcohol Institute who plan, direct and execute the Institute's programs. The additional funds restore the positions to the 1976 level. During the past fiscal year the Committee's investigative staff examined the alcohol program of the National Institute on Alcohol Abuse and Alcoholism (NIAAA), and the National Highway Traffic Safety Administration. This examination indicates a need for greater coordination of program activities between these agencies. The Committee directs NIAAA to take the necessary steps to help ensure better coordination among the various alcohol programs administered by the Federal government.

The bill provides \$13,388,000 for program direction for the Alcohol, Drug Abuse, and Mental Health Administration, an increase of \$160,000 over the budget request and \$2,329,000 over the 1976 appropriation. The additional funds will restore the positions to the 1976 level.

#### ST. ELIZABETH'S HOSPITAL

The Committee recommends \$60,464,000 for St. Elizabeth's Hospital, an increase of \$2,500,000 over the budget request. The additional funds will provide for the annualized cost of the 175 positions included in the Second Supplemental Appropriation Bill for fiscal year 1976. St. Elizabeth's Hospital provides mental health treatment, care and rehabilitation services. The hospital operates a security treatment facility and a community mental health center which services the District of Columbia residents in the Southeast quadrant of the city. St. Elizabeth's also conducts a clinical research program and provides clinical training for professional and related personnel.

#### HEALTH RESOURCES ADMINISTRATION

##### HEALTH RESOURCES

The bill includes \$351,896,000, an increase of \$128,596,000 over the budget and a reduction of \$33,517,000 below the comparable 1976 appropriation. The budget request includes \$283,000,000 which was not

considered by the Committee due to the lack of authorizing legislation.

The mission of the Health Resources Administration is to identify and correct current and anticipated imbalances, inefficiencies and deficiencies in the distribution, supply, access, utilization and costs of health care resources and services. The amounts recommended by the Committee for each of the programs and activities funded by the appropriation, together with the budget request and comparable appropriation for fiscal year 1976, are shown in the table below.

##### HEALTH RESOURCES

Activity	1976 comparable appropriation	1977 budget request	1977 bill
1. National health statistics.....	\$25,636,000	\$24,000,000	\$27,636,000
2. Health planning and resources development.....	112,500,000	90,000,000	120,000,000
3. Health services research.....	26,000,000	24,000,000	26,000,000
4. Health manpower:			
(a) Health professions institutional assistance:			
(1) Capitation grants.....	(101,100,000)	(120,000,000)	(1)
(2) Start-up and conversion.....	(3,000,000)	(1,000,000)	(1)
(3) Financial distress.....	(5,000,000)	(3,000,000)	(1)
(b) Health professions student assistance:			
(1) Loans.....	(24,000,000)		(1)
(2) Scholarships.....	(3,500,000)		(1)
(3) Loan repayments.....	(6,000,000)		(1)
(4) National health service scholarships.....	(22,500,000)	(35,000,000)	(1)
(c) Health professions special educational assistance:			
(1) Family medicine.....	(15,000,000)	(39,000,000)	(1)
(2) Primary care.....		(18,000,000)	(1)
(3) Area health education centers.....	(12,000,000)	(19,000,000)	(1)
(4) Physician extenders.....	(8,000,000)	(8,500,000)	(1)
(5) Dental health.....	(8,442,000)	(7,500,000)	(1)
(6) Special project grants.....	(86,424,000)	(24,000,000)	(1)
(7) Other.....	(27,525,000)	(8,000,000)	(1)
(d) Nursing institutional assistance:			
(1) Capitation grants.....	44,000,000		44,000,000
(2) Financial distress grants.....		1,000,000	
(3) Advanced nurse training.....	2,000,000	3,000,000	9,000,000
(4) Nurse practitioner training.....	3,000,000	7,000,000	9,000,000
(5) Special projects.....	15,000,000	15,000,000	15,000,000
(e) Nursing student assistance:			
(1) Loans.....	21,000,000	5,000,000	22,500,000
(2) Scholarships.....	6,000,000	2,000,000	6,500,000
(3) Traineeships.....	13,000,000		13,000,000
(4) Loan repayments.....	2,500,000	3,000,000	3,000,000
(f) Nursing education research grants and contracts.....			2,000,000
5. Health facilities construction:			
(a) Medical facilities:			
(1) Formula grants.....	40,382,000		
(2) Project grants.....	11,378,000		
(b) Health teaching facilities interest subsidies.....	3,000,000		
(c) Special medical facilities.....	11,575,000		4,000,000
6. Program management.....	48,484,000	49,300,000	50,260,000
Less: Trust fund transfer.....	-42,000		
<b>Total, health resources.....</b>	<b>385,413,000</b>	<b>223,300,000</b>	<b>351,896,000</b>

<sup>1</sup> Not considered due to lack of authorizing legislation.

For health statistics the bill includes \$27,636,000, an increase of \$3,636,000 and 20 positions over the budget request and \$2,000,000 over the 1976 appropriation. This activity provides for the collection, analysis, and publication of national health statistics through the operation of a number of national systems. The Committee recommendation will continue the implementation of the cooperative health statistics system which is designed to produce comparable and uniform health information at the Federal, State and local level. The data to be produced by the Cooperative Health Statistics System will be used by Federal and State agencies as well as the new Health Planning Agencies for planning, management and evaluation of health programs. Also, the addi-

tional funds are intended to provide the center with the resources to complete the processing of 1972 health statistics. Due to staff shortages and a general lack of resources, only a sampling of the data has been processed to date. The Committee views the National Center for Health Statistics as the Federal focus for health data collection, and is concerned about the proliferation of health data collection systems throughout the Public Health Service. The Committee requests the Assistant Secretary for Health to review all existing health data systems, especially those in their initial stages of development, to determine the amount of duplication that may exist between these various systems and the National Center for Health Statistics. The Committee is especially concerned with those situations where a health agency has contracted outside the Government for data collection that could have been provided by the National Center for Health Statistics. The Committee will expect a report on this matter prior to the hearings on the 1978 budget.

The Committee recommends \$120,000,000 for health planning and resources development, an increase of \$30,000,000 over the budget request and \$7,500,000 over the 1976 appropriation. The purpose of this program is to establish and support local and State health planning agencies, centers for health planning, and rate review projects, designed to improve the quality and delivery of health services throughout the Nation, contain health care costs and prevent unnecessary duplication of health resources. Specifically, the Committee provided \$92,000,000 for local health systems agencies (an increase of \$28,000,000 over the 1976 level); \$19,500,000 for State health planning, \$2,000,000 for rate review activities, and \$6,500,000 for planning methods and technical assistance.

The bill contains \$26,000,000 for health services research, an increase of \$2,000,000 over the budget request and the same amount as the 1976 appropriation. The mission of National Center for Health Services Research is to improve the organization, delivery, quality and financing of health services. The additional funds provided by the Committee will, among other things, restore the intramural research positions to the 1976 level of 38 positions. The Committee views the 38 positions for intramural research as a floor and not a ceiling for this new program effort, and encourages the National Center for Health Services Research to utilize other members of its staff to perform intramural research as opportunities arise. The Committee believes that the National Center for Health Services Research should also utilize, to the extent possible, the staff and facilities of the other components of the Public Health Service in carrying out its intramural research program.

For nursing capitation grants the bill provides \$44,000,000, the same amount as the 1976 appropriation. No budget request was submitted for this item. Capitation grants are awarded on a formula basis to eligible nursing education programs that expand enrollments and provide specialized training of nurse practitioners. The Committee continues to be impressed with the need to expand the skills and functions of nurses and to provide increased utilization of paraprofessional manpower. It is the Committee's opinion that this program requires continued support if the nursing manpower needs of this country are to be met.

The bill includes \$15,000,000 for special project grants, the same amount as the budget estimate and the comparable 1976 level. Special projects grants are awarded on a competitive basis to schools of nursing and/or health agencies for the improvement of nurse training and the distribution of nurses by geographic area or specialty group, and the development of new methods in the delivery of health care.

For the advanced nurse training program the bill provides \$9,000,000, an increase of \$6,000,000 over the budget request and \$7,000,000 over the 1976 appropriation. Advanced nurse training grants will provide assistance to collegiate schools of nursing to meet the costs of projects to plan and develop programs for the advanced training of nurses to teach, serve in administrative capacities, or to serve in other nursing specialties.

Included in the bill is \$9,000,000 for the Nurse Practitioner program, an increase of \$2,000,000 over the budget request and \$6,000,000 over the 1976 appropriation. Grants are awarded to nursing schools for programs to expand the level of responsibility of the registered nurse in order to provide comprehensive health care to individuals, families and groups in a variety of settings. The Committee believes that special consideration should be given to programs which emphasize training respecting the special problems of geriatric patients and the particular needs of nursing home patients.

The Committee recommends \$22,500,000 for nursing student loans, an increase of \$17,500,000 over the budget request and \$1,500,000 over 1976 appropriation. The nursing student loan program provides financial aid to needy students particularly those from disadvantaged and minority groups. Loan funds are awarded to participating schools of nursing on the basis of statutory formulas, and the schools in turn award funds to students on the basis of individual need and resources. The budget proposed to phase-out this program. However, the Department was unable to provide satisfactory evidence that the need for this type of nursing student assistance is no longer required.

For nursing scholarships the bill provides \$6,500,000, an increase of \$4,500,000 over the budget estimate and \$500,000 over the 1976 appropriation. Scholarships are awarded to young people in exceptional financial need to attend nursing schools. The budget proposed to phase-out the scholarship program; however, here again, the Department was unable to support its contention that the basic educational opportunity grants in the Office of Education can meet the needs of the individuals eligible for nursing scholarships. Thus, the Committee has provided the resources to assure continuance of this program.

The bill provides \$13,000,000 for nursing traineeships, the same amount as the 1976 appropriation. No budget request was submitted for this program. Traineeships provided stipends, tuition, and dependence allowances which enable nurses to prepare for positions as teachers, administrators or supervisors for nursing services in institutional and community settings. It is estimated that approximately 3,000 students will receive support at this level of funding. Here again, the Department was unable to support its position that nursing students needing financial assistance in the future, would be able to get that assistance from the guaranteed loan program in the Office of Education.



The bill provides \$3,000,000 for loan repayments, the same amount as the budget request and \$500,000 over the 1976 appropriation. This program provides for the repayment of nursing educational loans of nurses who agree to serve in a shortage area for at least 2 years. It is estimated that 1,000 nurses will participate in 1977.

For nursing educational research grants and contracts, the Committee has included \$2,000,000. No budget request was submitted for this item. These funds will support such areas as developing measures of the quality of nursing care in hospitals and to develop ways to improve the distribution and delivery of nursing care.

For special medical facilities the bill contains \$4,000,000 for Georgetown University's Concentrated Care Center and Children's Hospital National Medical Center. No budget request was submitted for this item. Each institution will receive \$2,000,000 to purchase equipment in order to make the facilities completely operational.

For program management the bill includes \$50,260,000, an increase of \$960,000 over the budget estimate and \$1,818,000 over the 1976 appropriation. The additional funds will restore the positions eliminated from the budget. This activity supports the operations and management personnel associated with the Health Resources Administration programs. Distribution of program management positions and dollars follows :

	1976 appropriation		1977 estimate	
	Positions	Amount	Positions	Amount
National health statistics.....	44	\$1,095,000	44	\$1,205,000
Health planning and resources development.....	410	12,206,000	410	12,533,000
Health services research.....	225	6,958,000	225	7,704,000
Health manpower.....	618	20,137,000	618	20,324,000
(Nursing activities).....	(55)	(2,039,000)	(55)	(2,039,000)
(Dental health activities).....	(97)	(3,700,000)	(97)	(3,700,000)
Office of the Administrator.....	267	8,046,000	267	8,494,000
<b>Total.....</b>	<b>1,564</b>	<b>48,442,000</b>	<b>1,564</b>	<b>50,260,000</b>

\*Headquarters staff only.

#### MEDICAL FACILITIES GUARANTEE AND LOAN FUND

The bill includes \$31,000,000 for the Medical Facilities Guarantee and Loan Fund, the same amount as the budget request and an increase of \$21,000,000 over the 1976 appropriation. These funds will pay interest subsidies on guaranteed loans to nonprofit sponsors and for making direct loans. The budget request plus funds available from prior fiscal years will award approximately \$50,773,000 in direct loans for medical facilities and will pay \$34,100,000 in interest subsidies.

#### PAYMENT OF SALES INSUFFICIENCIES AND INTEREST LOSSES

The bill provides \$4,000,000 for Payment of Sales Insufficiencies and Interest Losses, the same amount as the budget request and the comparable 1976 appropriation. This appropriation provides for the mandatory interest payments to the Treasury Department and the Government National Mortgage Association which arise from two student loan revolving funds.

### ASSISTANT SECRETARY FOR HEALTH

#### SALARIES AND EXPENSES

The bill includes \$22,416,000 for the Office of the Assistant Secretary for Health, an increase of \$200,000 over the budget request and an increase of \$798,000 over the comparable 1976 appropriation. This appropriation supports the administrative staff of the 10 Regional Health Administrators, President's Council on Physical Fitness and Sports, and staff for the Assistant Secretary for Health. The additional funds provided by the Committee are for the President's Council on Physical Fitness and Sports. The Committee is aware that the Department is considering the transfer of some Public Health Service responsibilities to the DHEW Regional Director. We believe that care should be exercised to insure that operating health programs have all the programmatic and administrative delegations required to effectively carry out their responsibilities. The Committee, therefore, wishes to be kept informed regarding any increase in delegated authorities to the regional directors at the expense of the health agencies.

#### RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS

For retirement pay and medical benefits the bill provides \$52,352,000 the same amount as the budget and an increase of \$7,339,000 over the comparable 1976 appropriation. This activity provides for mandatory payments to public health service commissioned officers who have retired for age, disability or specified period of service in accordance with provisions of law. Provision is also made for the cost of medical care provided in non-Public Health Service Facilities to dependents of officers of the Public Health Service Commissioned Corps.

#### SCIENTIFIC ACTIVITIES OVERSEAS

##### (SPECIAL FOREIGN CURRENCY PROGRAM)

The bill includes \$1,500,000 for Scientific Activities Overseas, the same amount as the budget request. This activity is carried out under the authorities provided by Section 104(b) of Public Law 83-480, and section 3 of Public Law 86-610. Funding under this appropriation is entirely with U.S. owned "excess" foreign currencies. The money made available through this appropriation is used by the six health agencies to finance cooperative health research projects, training, symposiums and conferences and related activities in the participating foreign countries.

#### EDUCATION DIVISION

##### OFFICE OF EDUCATION

##### ELEMENTARY AND SECONDARY EDUCATION

The bill includes \$2,658,500,000, an increase of \$451,812,000 over the budget request, and \$234,908,148 over the comparable amount available for fiscal year 1976. Of the total amount included in the bill, \$2,444,000,000 is advance funding for fiscal year 1978.

The following table shows a detailed comparison of the Committee's recommendations, the budget estimate, and the amounts available for fiscal year 1976:

	1976 appropriation	1977 estimate	1977 bill
Grants for disadvantaged.....	\$2,050,000,000	\$1,900,000,000	\$2,250,000,000
Support and innovation grants.....	184,521,852 <sup>1</sup>	172,888,000	194,000,000
Bilingual education.....	98,970,000	90,000,000	115,000,000
Right to read.....	23,800,000	12,000,000	22,000,000
Follow through.....	59,000,000	30,000,000	59,000,000
Drug abuse education.....	2,000,000	-----	2,000,000
Environmental education.....	3,000,000	-----	3,000,000
Education broadcasting facilities.....	(12,500,000)	(7,000,000)	( <sup>2</sup> )
Ellender fellowships.....	500,000	-----	500,000
Ethnic heritage studies.....	1,800,000	1,800,000	2,500,000
State equalization grants.....	( <sup>3</sup> )	-----	10,500,000
Total.....	2,423,591,852	2,206,688,000	2,658,500,000

<sup>1</sup> Advance appropriation—Funds are spent in the following school year.

<sup>2</sup> \$3,000,000 appropriated for the transition quarter in second supplemental appropriation bill (H.R. 13172).

<sup>3</sup> Not considered due to lack of authorization.

For Title I grants for disadvantaged children, the bill includes \$2,250,000,000 in advance funding for fiscal year 1978, an increase of \$350,000,000 over the budget request, and \$200,000,000 over the amount available for the previous year. This level of funding in 1978 will provide compensatory educational services to 5.6 million children in local school districts, including Bureau of Indian Affairs schools, and over 900,000 children in State agency schools. Under Part A, grants to local educational agencies will continue to be spent for the special needs of educationally deprived, public and nonpublic, school children living in low income areas, institutionalized and delinquent children supported by local school districts, and Indian children in Bureau of Indian Affairs schools. The funds will be concentrated upon schools most heavily impacted with children from low-income families. Support will also be provided through State administered programs for migrant, neglected and delinquent and handicapped children. Part B provides special incentive grants to those States whose effort index is greater than the national effort index. The States make these funds available for innovative projects to those local school districts with above average effort indexes which have the greatest need for assistance. An amount of \$24,769,000 is included for this purpose.

The Committee has approved \$194,000,000 for advance funding for fiscal year 1978 for support and innovation programs, an increase of \$21,112,000 over the budget request and \$9,478,148 over the amount that was appropriated in 1976. Funds appropriated for this activity are made available for expenditure according to the State's annual program plan based on State priorities. This plan will provide an opportunity whereby a State can shift the emphasis among the programs according to its own needs. States will continue to support programs to strengthen State departments of education, local projects for supplementary educational services, demonstration projects to improve nutrition and health services, and projects designed to reduce the number of children from low income families who fail to complete secondary school. The level of support for each of these activities will be

determined by the State. As required by the basic law 15% of the funds appropriated will be used for programs for handicapped children. The bill includes sufficient funds to assure that no State shall receive less for these programs in fiscal year 1978 than it received in the previous year.

The Committee recommends \$115,000,000 for bilingual education, an increase of \$25,000,000 over the budget. With these funds the Federal government will expand aid to local schools in meeting the additional responsibilities resulting from the 1974 Supreme Court decision on *Lau v. Nichols*. That decision affirmed the responsibility of local educational agencies to develop appropriate programs to ensure equal education opportunity for students of limited or non-English speaking ability. The amount allowed by the Committee will expand the number of projects from 580 in fiscal year 1976 to about 680 projects next year. Funds are also included to expand the number of personnel trained in bilingual education, materials development and dissemination activities. Assistance to State educational agencies for administering and coordinating bilingual education programs is also provided by the amount included in the bill.

For the right to read program, the bill includes \$22,000,000 to help eliminate functional illiteracy by providing services and resources to stimulate educational institutions, governmental agencies, and private organizations to improve and expand their activities related to reading. The amount recommended will provide support for activities to strengthen reading instruction programs and language arts programs for elementary and preschool children; determine the effectiveness of intensive instruction by reading specialists and reading teachers; and furnish reading assistance and instruction to out-of-school youth and adults in community-based reading academies. It is the intent of the Committee that the "right to read programs" are to be continued at the 1976 program level. The Committee has provided \$5,000,000 additional in funds to continue the "inexpensive book distribution program for reading motivation" authorized by Public Law 94-194.

The bill includes \$59,000,000 to continue the Follow Through program at the same level as in fiscal year 1976. The budget proposed to phase out the program over a three-year period. The amount allowed by the Committee is to continue all existing projects and to maintain the same level of participants as are currently enrolled.

The bill includes \$2,000,000 for alcohol and drug abuse education programs, for which the budget requested no funding. The amount allowed is designed to continue existing projects in elementary and secondary schools and in local communities.

For environmental education, the bill includes \$3,000,000 to restore this program to its existing funding level. Through a variety of relatively small projects, teaching and classroom methods are developed to educate young people about dealing with environmental problems.

The bill includes \$500,000 to continue the Ellender fellowship program at its current funding level. This will provide approximately 1,500 fellowships to provide practical experience for secondary school students and teachers in understanding federal government activities.

The Committee has included \$2,500,000 for ethnic heritage studies,

an increase of \$700,000 over the budget request. This amount will allow expansion of projects so that more regions of the country may participate. At the present time projects are now operating in only 35 States.

The bill includes \$10,500,000 to fund the balance of the requirements for State equalization grants. Initial funding of \$3,000,000 was included in the Second Supplemental Appropriations Bill for 1976 (H.R. 13172), to cover applications to be received through September 1976. All States are expected to participate during fiscal year 1977. In the event that the processing of applications should be delayed, the Committee has extended the availability of funds through September 30, 1978.

For educational broadcasting facilities, the budget request includes \$7,000,000. This program was not considered by the Committee due to the absence of authorizing legislation.

#### SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

The bill includes \$788,000,000, an increase of \$463,000,000 over the budget estimate and \$84,000,000 over the appropriations for 1976.

The President's budget for Public Law 874, maintenance and operations, includes \$315,000,000 based upon a revision of the basic law which would have the effect of eliminating payments for category B children (primarily those whose parents work on federal property but live in the community) and for children in low-rent public housing. The Committee did not act on this proposal because it requires a change in the authorizing legislation.

The Education Amendments of 1974 (Public Law 93-380) substantially revised the entitlement and payment provisions of impact aid effective for fiscal year 1976. Unfortunately, little reliable information is available on the amounts of entitlement and payment for local school districts under the revised provisions. The appropriation for 1976 is intended to fully fund payments required for tier 1 and tier 2, and to meet all of the four hold harmless provisions which are designed to limit the loss in payments to school districts whose entitlements are affected because of changes made by the basic law. Based on the best estimates available, the Committee is recommending \$768,000,000 to permit payments to school districts on the same basis as fiscal year 1976.

Because there are no accurate data available for even the current fiscal year, it is not possible to determine the exact amount required for fiscal year 1977. The greatest uncertainty lies with the hold harmless provisions. For this reason it is understood that if the amount provided in the bill is not sufficient to fund all of the hold harmless provisions, it is expected that a supplemental appropriation would be forthcoming to meet any shortage in funds required for this purpose.

For school construction under P.L. 815, the Committee has included \$20,000,000, an increase of \$10,000,000 over the budget request, and the same amount that was appropriated for fiscal year 1976. This will support construction of 30 additional classrooms for Indian children, as well as other school facilities needed as a result of federal activity.

#### EMERGENCY SCHOOL AID

The bill includes \$249,700,000, the amount requested and a decrease of \$22,000,000 from the 1976 funding level. Of the total amount, \$215,000,000 relates to programs authorized by the Emergency School Aid Act and \$34,700,000 relates to programs authorized by Title IV of the Civil Rights Act. The Emergency School Aid Act provides desegregation assistance to local school districts. Grants are made to (1) meet educational needs incident to elementary and secondary school desegregation, (2) encourage voluntary elimination of minority group isolation in local schools, and (3) overcome educational disadvantages resulting from minority group isolation. Up to 64 percent of the appropriation is distributed among the States on the basis of minority group children aged 5 to 17. The balance of the appropriation may be used for various special projects awarded on a competitive basis.

For the State apportionment provisions of the basic law, the bill provides \$176,300,000, the amount requested in the budget for these provisions. States may use these funds for various activities including remedial services, supplemental staff, teacher aides, teacher training, guidance/counseling, curriculum development, community activities, and minor construction projects. Grants are also available to support innovative programs in reading and math and to support special programs conducted by non-profit organizations.

For special projects, an amount of \$8,600,000 is provided for bilingual education projects to assist local school districts and organizations in meeting the needs of minority children from non-English speaking backgrounds. Educational television projects in the amount of \$6,450,000 would be supported to develop and produce children's television programs designed to increase understanding and cooperation among racial and ethnic groups. In addition, \$21,500,000 is included for special programs to support a wide range of activity in school districts experiencing particular problems with desegregation. This latter amount would be used to provide emergency assistance to additional school districts expected to come under court order to desegregate. Based upon pending or completed cases pending, it is expected that as many as thirteen additional school districts may come under court order during fiscal year 1977.

For Title IV of the Civil Rights Act, \$34,700,000 is included in the bill, an increase of \$8,000,000 over the 1976 funding level. These funds would be used to support programs designed to insure adequate response to education problems occasioned by (1) desegregation, (2) unequal access to education of those national origin minority children who are not fluent in the English language, and (3) sex discrimination. The amount provided in the bill will support a total of 314 training and technical assistance advisory awards, including 187 for desegregation activities, 65 for sex discrimination elimination and prevention activities, and 62 for bilingual education activities occasioned by the *Lau v. Nichols* Supreme Court decision.

#### EDUCATION FOR THE HANDICAPPED

The bill includes \$426,375,000, an increase of \$190,000,000 over the budget request and \$100,000,000 over the amount appropriated for fiscal year 1976.

The increase over the budget relates to the State formula grant program for which the Committee has included \$300,000,000 compared with \$110,000,000 proposed in the budget. The funds in this bill provide an advance appropriation for school year 1977-78. The funding for school year 1976-77 in the amount of \$200,000,000 was appropriated in fiscal year 1976. The Committee feels that the Federal government has a responsibility to help the States meet the additional cost required to provide adequate education for all handicapped children.

The Education for All Handicapped Children Act (Public Law 94-142) enacted in November, 1975 mandates that the States begin to establish plans and procedures to provide a free appropriate education to all handicapped children by 1978. While the burden falls mainly on the States, the new law implies that the federal government will provide a gradually increasing share of the cost of educating handicapped children. The State grant program is designed to assist in the initiation, expansion, and improvement of services to handicapped children at the preschool, elementary, and secondary levels. Under the Committee recommendation a total of \$300,000,000 will be distributed to the States for use during the academic year 1977-78.

In addition to the funds provided to the States to aid in the implementation of plans to serve all handicapped children, a total of \$126,375,000 is included in the bill for a variety of discretionary programs designed to improve the quality and availability of special educational programs.

To support the deaf-blind centers program, \$16,000,000 is included which will maintain and improve diagnostic and full-time services to more than 4,500 deaf-blind children in the United States.

An amount of \$3,250,000 is included for the severely handicapped program to demonstrate effective educational and training programs and the long-term benefits of providing services to severely handicapped children, now designated as a priority population by the Education for All Handicapped Children Act. As a result of this program, it is expected that the capacity of State and local governments will be enlarged to provide quality specialized services to the severely handicapped through replication and adaptation of demonstrated practices.

The bill provides \$22,000,000 to continue the early childhood education program which aims at stimulating State provision of educational services to the estimated 1,000,000 preschool-aged handicapped children. Fiscal year 1977 funding will support 244 demonstration projects which directly impact on approximately 14,000 children. Direct Federal support will be offered to individual States as they develop priority plans and establish programs for preschool children.

In the specific learning disabilities program \$5,000,000 is included to support 35 demonstration projects having direct impact on 8,700 children. The centers will continue efforts to stimulate, develop and expand diagnostic, prescriptive, and evaluative services for children with specific learning disabilities.

An amount of \$2,000,000 is provided to support regional vocational, adult and postsecondary programs. This will provide for the continuation and expansion of programs for the handicapped by provid-

ing special support services for handicapped persons so that they may adapt to and benefit from existing academic, vocational, and adult education programs.

The bill includes \$11,000,000 for innovation and development to support applied research to aid in the development of new curricular materials, technological advancements, and support of mandated research evaluative studies related to P.L. 94-142.

With a funding level of \$16,000,000 the media services and captioned films program will support efforts, through centers on educational media and materials, to develop specialized media materials needed by classroom teachers for handicapped children. In addition, continued support will be given to the Captioned Films for the Deaf Program and for the marketing and implementation of curricula, materials, and devices which have been developed for the handicapped as a result of the latest technological advances.

The \$9,750,000 provided for the regional resource center program will be used to continue development of child appraisal and exemplary educational programming practices to meet the specialized educational needs of handicapped children. Additionally, this program will develop model programs to establish and institutionalize one-stop direction for handicapped children and their parents to the comprehensive services they require.

The increase of \$500,000 over fiscal year 1976 in the recruitment and information program will be devoted to the establishment of local information units, heavily dependent upon the involvement of parents of handicapped children, which will offer information and referral services as well as train parents and professionals to assess the effectiveness of the services secured.

Finally, \$40,375,000 is included for continuation of the special education manpower development program to support universities and State education agencies in training special education personnel, teachers, and students. It is expected that 32,740 persons will be trained under this program with fiscal year 1977 funds.

The Committee directs that at least \$250,000 be provided for research and development activities conducted by the American Printing House for the Blind. The Committee expects that this procedure will avoid undue delays in the availability of funds for research activities of the Printing House.

#### OCCUPATIONAL, VOCATIONAL, AND ADULT EDUCATION

The bill includes \$928,553,000, an increase of \$328,865,000 over the budget request considered by the Committee.

Except for basic grants, research and State advisory councils, there is no authorization for vocational education programs for fiscal year 1977 at this time. The Committee took no action on expiring programs pending the enactment of extension legislation.

State grants for vocational education are among the few education programs that are not either advance funded or forward funded. As the federal budget shifts to a new fiscal year (October 1 through September 30) the Committee believes that fiscal year 1977 is an ideal opportunity to provide advance appropriations for vocational education.

For basic State grants under part B of the Vocational Education Act, the bill includes \$337,500,000 for the period October 1, 1976 through June 30, 1977. This amount, together with funds already appropriated for the transition quarter, will provide an annual rate of \$450 million, compared with the 1976 level of \$415,529,100. The bill also includes an advance appropriation of \$475,000,000 for basic grants for 1978, to help the States meet the cost of increased enrollments in vocational education.

Enrollments in basic vocational education are expected to increase from 16.2 million in fiscal year 1976 to more than 17.6 million in the next fiscal year. Federal funds account for less than 20 percent of the total cost of vocational education. Basic grants assist the States in a variety of activities including institutional support, vocational guidance and counseling, teacher training, curriculum development, construction and equipment. Forty percent of the Federal allotment must be used for specific purposes: disadvantaged students (15 percent); handicapped students (10 percent); and postsecondary programs (15 percent).

For grants to States for research, the bill includes \$13,500,000 for the period October 1, 1976 through June 30, 1977. This amount, together with funds already appropriated for the transition quarter, will provide an annual rate of \$18,000,000, or the same level as in 1976. The bill also includes \$18,000,000 as an advance appropriation for 1978. These funds support activities of State research coordinating units and other agencies and institutions in the development of programs and projects designed to meet the research needs of vocational education.

For grants to support the State advisory councils, the bill includes \$3,237,000 for the period October 1, 1976 through June 30, 1977. This amount, together with funds already appropriated for the transition quarter, will provide an annual rate of \$4,316,000, or the same level as in 1976. The bill also includes \$4,316,000 as an advance appropriation for 1978. These councils serve to advise State boards of vocational education about the development and administration of State plans for vocational and occupational education programs.

For adult education, the bill includes \$77,000,000 on an advance funding basis for use in school year 1977-78. This is an increase of \$9,500,000 over the budget, and \$5,500,000 over 1976. These funds will allow the States to provide skill training in reading, writing, and speaking to about 1,000,000 adults with less than a high school level of education. Persons participating in these programs seek to benefit from occupational training and to increase their opportunities for more productive and profitable employment. At least \$11,550,000 will be used by the states for special projects demonstrating the use of innovative methods, systems, materials, or programs and for State funded teacher training opportunities for persons engaged in or preparing to engage in adult education programs.

#### HIGHER EDUCATION

The bill includes \$350,170,000, an increase of \$11,890,000 over the budget request considered by the Committee. The Committee took no action on the budget request of \$1,655,971,000 for programs not au-

thorized for fiscal year 1977. These programs will be considered as soon as extension legislation is enacted.

For subsidized insured loans, the bill includes \$325,000,000, the amount requested in the budget. These funds are required to pay interest benefits, special allowances, death and disability benefits on loans guaranteed in prior years by the federal government. Students borrow from private lenders with the loan either guaranteed by State or private agencies or insured by the federal government. The federal government pays interest on behalf of eligible students while they are in school, during a maximum 12-month grace period following graduation or withdrawal from school, and during authorized periods of deferment.

The bill includes \$11,920,000 requested in the budget for teacher and military loan cancellations. Under the national direct student program, there is authorization for repayment to institutions of the principal of loans cancelled for subsequent service by the borrower in the military or as a teacher. Direct loans made after June 30, 1972 are reimbursed at 100 percent of the loan amount.

For foreign language and area studies authorized by the Mutual Educational and Cultural Exchange Act (Fulbright-Hays Act), the bill includes \$3,000,000, an increase of \$1,640,000 over the budget request and the amount available for fiscal year 1976. These funds will be used for faculty training and research with emphasis on advanced language training in Chinese, Japanese, and Indonesian. In total, about 300 projects would be supported.

The Committee recommends \$9,500,000, the same amount as fiscal year 1976 for aid to land grant colleges, authorized by the Bankhead-Jones Act. The budget proposed to terminate this program. The amount allowed would provide grants to 72 institutions, ranging from \$200,000 to \$355,000 per jurisdiction.

For training for disadvantaged persons in the legal profession, administered by the Council on Legal Educational Opportunity (CLEO), the Committee recommends \$750,000, the same amount as in fiscal year 1976.

#### LIBRARY RESOURCES

The bill includes \$204,079,000, an increase of \$15,000,000 over the budget request considered by the Committee. The Committee took no action on college library resources, library training and demonstration, or undergraduate instructional equipment because these programs were not authorized for fiscal year 1977 at the time the bill was considered.

For public libraries the Committee recommends \$56,749,000, an increase of \$5,000,000 over the amount appropriated for fiscal year 1976. The Committee feels that federal support is needed to help improve public library services in areas without such services or with inadequate services. Most rural areas of the country are without adequate public library services.

An amount of \$147,330,000 is included for Title IV-B of the Elementary and Secondary Education Act which authorizes grants to States for school library and instructional resources, including guidance, counseling, and testing. This is an increase of \$10,000,000 over the budget request, and the same amount as appropriated in 1976. This activity consolidates into a single authorization the school library re-

sources program, equipment and minor remodeling, and the guidance, counseling and testing portion of the supplementary services program. An amount of \$147,330,000 was appropriated in fiscal year 1976 as advance funding for fiscal year 1977; and the same amount is included in the bill as advance funding for use in 1978. This amount is the minimum amount required for consolidation as specified by the basic law. It is expected that these funds will provide the same benefits to children and teachers as the separate categorical programs did in the prior years. The consolidated grant, however, will provide local authorities greater responsibility in determining their own educational priorities and flexibility for focusing on these needs.

#### SPECIAL PROJECTS AND TRAINING

The bill includes \$45,493,000, an increase of \$15,643,000 over the budget request, and an increase of \$8,600,000 over the amount available for comparable programs in fiscal year 1976.

The Committee recommendation restores all programs to current funding levels and provides an increase for packaging and field testing. The following table provides a comparison of the Committee recommendation with the budget estimate and the amounts available for fiscal year 1976:

	1976 appropriation	1977 estimate	1977 bill
Metric education.....	\$2,090,000	\$1,045,000	\$2,090,000
Gifted and talented.....	2,560,000	1,280,000	2,560,000
Community schools.....	3,553,000	1,777,000	3,553,000
Career education.....	10,135,000	10,135,000	10,135,000
Consumer education.....	3,135,000	1,567,000	3,135,000
Women's educational equity.....	6,270,000	5,896,000	6,270,000
Arts in education programs.....	750,000	750,000	750,000
Packaging and field testing.....	1,400,000	3,900,000	10,000,000
Educational TV programming.....	7,000,000	3,500,000	7,000,000
<b>Subtotal.....</b>	<b>36,893,000</b>	<b>29,850,000</b>	<b>45,493,000</b>

The Education Amendments of 1974 (Public Law 93-380) authorizes a new Special Projects Act the purposes of which are to experiment with new educational and administrative methods, techniques, and practices; to meet special or unique educational needs or problems; and to place special emphasis on national educational priorities. The legislation specifies the following seven activities: 1) metric education, 2) education for the gifted and talented, 3) community schools, 4) career education, 5) consumer education, 6) women's educational equity, and 7) the arts in education programs.

Metric education projects are designed to encourage educational agencies to prepare students in the use of the metric system of measurement. About 70 projects would be supported.

The purpose of the gifted and talented children program is to increase the capacity of the States and other administrative systems to initiate, operate, and extend educational opportunities for gifted and talented children. About 65 projects would be supported.

The community schools program will fund projects directed toward providing educational, recreational, cultural, and other related community services in accordance with needs, interests and concerns of the community. About 70 projects would be supported.

The career education program proposes to develop information about the needs for career education of all children, develop State and local plans for implementing career education, provide for the training and retraining of persons for conducting career education programs, promote a national interest in career education and demonstrate the best of current career education programs and practices. Of the \$10,135,000 included in the bill, \$7,135,000 would be used for new projects in career education.

The funds for consumers' education will fund projects at the elementary and secondary, postsecondary, and adult education levels to promote consumer education through research, demonstration and pilot projects. About 200 projects would be supported.

Grants and contracts will be awarded to provide educational equity for women at all levels of education through the improvement and expansion of special and innovative programs. About 60 projects would be supported.

Arts in education involve grants and contracts to encourage and assist State and local education agencies to establish and conduct programs in which the arts are an integral part of elementary and secondary school education through arrangements with the John F. Kennedy Center for the Performing Arts.

The program of packaging and field testing is a dissemination effort designed to accelerate the replication of successful educational approaches and products developed and demonstrated in Office of Education-supported programs. The amount recommended includes \$7,500,000 under the authority of the General Education Provisions Act for the national diffusion network, restoring the project to its current funding. The budget proposed a reduction on the assumption that the States may use other funds to continue it. The Committee allowance will assure that funding is available.

Educational television programming provides assistance to support the development, production, installation, and utilization of innovative children's educational television programs. These are designed to help children learn, especially the disadvantaged, in the school or at home. The Committee has included \$5,000,000 for the continued support of Sesame Street and the Electric Company, and \$2,000,000 for new educational programs.

The Committee took no action on appropriations for the Teacher Corps or other educational personnel training because these programs were not authorized for fiscal year 1977 at the time the bill was considered.

#### EDUCATIONAL ACTIVITIES OVERSEAS

##### (SPECIAL FOREIGN CURRENCY PROGRAM)

The bill includes \$2,000,000, the amount requested and the same amount appropriated for fiscal year 1976.

This program seeks to improve the quality of foreign language and area studies instruction in the United States primarily by developing or upgrading the technical capabilities of potential teachers, practicing teachers, and others in leadership positions in education. Most of the program participants engage in a variety of research and training activities, develop instructional materials for use in U.S. institutions,

and acquire firsthand knowledge of the languages and cultures they expect to teach. The bill authorizes \$2,000,000 in U.S. owned excess foreign currencies to assist American education in providing selected training and research programs abroad in foreign languages, area studies and world affairs. These funds will support approximately 69 projects or about the same number as in fiscal year 1976.

#### SALARIES AND EXPENSES

The bill includes \$115,434,000, the budget request, and an increase of \$6,967,000 over the comparable appropriation for 1976.

The Committee has allowed the request for 200 new positions to assist in preventing further cases of fraud, and controlling program abuse in student assistance programs. The distribution of the 200 new positions is as follows: 47 positions for the basic opportunity grant program; 70 positions for college-based programs consisting of college work-study, national direct student loan, and supplementary educational opportunity grants; 9 positions for accreditation and institutional eligibility; 2 positions for the State student incentive grant program; and 72 positions for the guaranteed student loan program.

In addition, 94 non-permanent positions are included to further reduce the backlog of nearly \$100 million in uncollected defaulted loans in the guaranteed student loan program. Partially offsetting the new positions, is a proposed decrease of 58 currently authorized positions in selected areas to be determined by the Commissioner.

The National Advisory Council on Extension and Continuing Education was established by Congress in order to review the administration and effectiveness of all federally supported extension and continuing programs and made recommendations concerning improvements in these programs. That advisory council was established under the same title of the Higher Education Act of 1965 as the program of grants to the States for community service and continuing education, which program is only one of more than one-hundred programs for which the advisory council has responsibility.

The Administration has, for the past several years recommended the termination of the Community Service Program, and on each occasion, operated on the assumption that, if that program is terminated the advisory council is also terminated. The Congress has not permitted the Community Service Program to be terminated; however, the uncertainty as to the extension of the advisory council impedes proper planning and has impaired its ability to carry out its legal responsibilities effectively.

For this reason, the Committee wishes to make clear that the functions of the National Advisory Council on Extension and Continuing Education are broader than the Community Service Program and are not dependent upon the duration of that Program.

The Committee has had evidence of a need for funding to enable the advisory council to carry out its responsibilities and expects the Commissioner to make the necessary amount available from the salaries and expenses account for fiscal year 1977.

In the event that additional funds are required to accommodate the Committee recommendation, it is expected that appropriate adjustments will be made in the amounts budgeted for program evaluation, information clearinghouses, or if necessary, program administration.

#### STUDENT LOAN INSURANCE FUND

No additional budget authority was requested for 1977 and none is included in the bill for the student loan insurance fund. The fund was authorized to enable the Commissioner of Education to pay claims for defaults on federally insured and federally reinsured student loans out of insurance premiums, collections on defaulted loans, and other receipts, as well as from funds appropriated for this purpose.

No new appropriations are required for fiscal year 1977 since an unused appropriation from prior years brought forward \$154,219,000 and available receipts of \$36,300,000 will be more than sufficient to support estimated obligations totalling \$141,550,000. Of the total amount of anticipated obligations, \$84,150,000 would apply to the Federal insurance program, and \$57,400,000 would be applicable to the Federal reinsurance program. Loans outstanding at the end of fiscal year 1977 are anticipated to amount to an estimated \$7 billion for both programs, with more than 9,000,000 loans disbursed amounting to \$9.8 billion. There are nearly 20,000 lenders and over 9,200 schools eligible to participate in the program.

A number of separate factors collectively contribute to the unused appropriation from prior years. Concerning the Federal insurance program, the default percentage for fiscal year 1975 has declined from 18 percent previously estimated to 16.5 percent. The fiscal year 1976 percentage is now estimated at 16.7 percent compared with the previous estimate of 19.0 percent. The default percentage is expected to level off in fiscal year 1977 at 17 percent. This leveling off is anticipated due to improved program management along with new Federal regulations protecting student borrowers as well as new performance criteria for schools and lenders. These regulations also include due process procedures for limitation, suspension, and/or termination of participation of lenders and educational institutions not complying with program regulations.

The Committee has long been concerned over the high default rate and, in an effort to weed out the worst abusers in this regard, urges the Department to consider making lenders with excessively high default rates, such as over 30%, ineligible to continue in the program. The latest statistics show that 182 lenders across the country have default rates in excess of 30%, at a cost to the government of \$13.4 million. It would appear that no lender who has exercised the due diligence required by law should have default rates that high, and the elimination of such lenders from the program ought to set an example for the others and, at the same time, place the overall program on a sounder footing.

#### HIGHER EDUCATION FACILITIES LOAN AND INSURANCE FUND

The bill includes \$2,119,000, the amount requested and a decrease of \$73,000 from the amount appropriated for fiscal year 1976.

The Participation Sales Act of 1966 established a revolving fund for loans made under title III of the Higher Education Facilities Act, now subsumed by title VII, part C, of the Higher Education Act, and authorized the pooling of such loans as collateral for participation certificates sold to the private credit market. Since the interest received on these loans is less than the interest paid on the participation certificates, appropriations are needed each year to cover the difference. In fiscal year 1976, the amount needed is \$3,401,000 of which \$1,282,000 is covered by a permanent indefinite appropriation for sales authorized in fiscal year 1967.

#### OFFICE OF THE ASSISTANT SECRETARY FOR EDUCATION

##### SALARIES AND EXPENSES

The bill includes \$21,446,000, the amount requested and an increase of \$446,000 over the amount appropriated for fiscal year 1976. The Committee took no action on the \$11,500,000 requested for the fund for the improvement of postsecondary education because this program was not authorized for fiscal year 1977 at the time the bill was considered.

The Education Amendments of 1972 established an Office of the Assistant Secretary for Education to provide direction and supervision for the Education Division. Responsibilities of the Office include development of general policies within the Education Division, coordination of educational activities throughout the Federal level, and facilitation of communication between the public and the Department on educational policy.

The bill includes \$13,000,000 for the national center for educational statistics. These funds are used for contracts with State and local organizations in conducting surveys and studies in the field of education. Also included are funds for special studies, common core of data, and the national assessment project.

#### SOCIAL AND REHABILITATION SERVICE

##### PUBLIC ASSISTANCE

The bill includes \$18,036,150,000 for public assistance activities. This is the same amount as the budget estimates for the mandatory public assistance programs plus an increase of \$13,950,000 to restore the training and child welfare services programs to their 1976 levels. There is an increase of \$795 million over the total amounts appropriated in 1976 including the Second Supplemental Appropriations Bill.

With the exception of research, training and child welfare services this appropriation provides for mandatory payments for the federal share of costs under various provisions of the Social Security Act. Estimates of requirements are based on quarterly projections of expenditures for the current and succeeding fiscal years prepared by the States. This year's request has been calculated based on the August 1975 State estimates adjusted by HEW for such items as quality control savings. More recent data supplied in February indicates that the 1977 figures may be understated.

*Maintenance assistance.*—\$6.2 billion is provided for these activities. This represents an increase of \$317 million over fiscal year 1976 mostly in payments to individuals under the Aid to Families with Dependent Children (AFDC) program. Although the budget anticipates a reduction of 200,000 persons on the welfare rolls, an increase in the average payment level per individual from \$70 to \$77 will result in the net increase in funding. The Committee continues to be supportive of all efforts designed to effect reductions in error rates and unnecessary payments under the AFDC program. The Child Support Enforcement program is a major element of this effort. With the new positions recently made available to HEW for this program, rapid implementation will be anticipated. The Committee is aware of questions arising concerning the validity of reported savings from AFDC quality control efforts and will be watching carefully the actions of HEW in the application of penalties for excessive error rates in the AFDC as required by the law.

*Medical assistance.*—\$9.3 billion is provided to pay the Federal share of health services to the poor provided under State Medicaid programs. This share varies between 50% and 78% depending on the average per capita income in the State. The average level of Federal participation is 55%. All States and territories with the exception of Arizona participate. The key element in the \$782 million increase is the rise in the health price index which is estimated to have increased by 12% since last fiscal year. In addition the number of Medicaid recipients is estimated to grow to 23.6 million despite projected reductions in the AFDC caseload. The committee continues to be concerned about allegations that significant state and federal moneys are being expended under the Medicaid program for fraudulent or otherwise abusive charges and supports the initiatives in this area with the new positions added in 1975 and 1976.

*Social Services.*—The bill provides \$2,400,000,000, the amount of the budget request and a \$142 million increase over FY 1976 spending levels for Title XX of the Social Security Act. Because of the substantial advances from the 1976 appropriation to pay for 1975 claims, there is an actual decrease of \$298 million in year to year appropriations. There is ceiling of \$2.5 billion on this account which provides for a 75 percent Federal match for a variety of social services chosen through an open planning process in each State. Family planning services are matched at 90 percent. Federal participation is limited based on income level and public assistance status of recipients. Increases are the result of a larger number of States approaching their individual ceilings under the \$2.5 billion overall limitation. Social Services are directed at maintaining or restoring self sufficiency to welfare recipients through a wide range of activities.

The budget estimate and the bill include \$60,000,000 to support the 75 percent Federal share of State and local social services training. The request also asks, however, that expenditures for this item be limited through appropriation bill language to the \$60 million level. The Committee feels that this can be achieved by administrative means and has rejected the inclusion of bill language. The amount estimated is a \$6.8 million increase over the program level in 1976.

The budget requests \$46,000,000 for child welfare services. The Com-



mittee has recommended \$52.5 million, the same as in fiscal year 1976. These funds are used by child welfare agencies to provide services for the protection and care of homeless, dependent and neglected children. Such services include foster care, adoption services, child abuse prevention, homemaker services, and day care. The Federal share of costs in these areas is small but the Committee cannot accept the Administration position that no change in service levels would result from the requested reduction.

For research and evaluation of public assistance programs, the Committee recommends \$9.2 million, the same amount as in 1976 and the same amount as the budget request. This money will permit the agency to undertake comprehensive management studies of State public assistance programs and to initiate new evaluation activities in the areas of social services and child support enforcement.

No budget request was submitted for child welfare training. The Committee believes that there is a continuing need for trained social work manpower in this area. The \$7,450,000 provided in this bill will continue funding of these activities at last year's level.

#### WORK INCENTIVES

The bill includes \$370,000,000 for the work incentives program. This is an increase of \$55 million over the budget request which is necessary to assure the same program level as fiscal year 1976. The budget assumed administrative and legislative changes designed to directly place participants in jobs and reduce the emphasis on institutional training and public service employment. The success of this plan is largely dependent on the job market and general economic recovery. Because of the uncertainty as to when or if such changes might be implemented, the Committee has made its recommendation based on continuing the program at the same level as 1976.

The work incentives program authorized by Title IV of the Social Security Act, provides manpower and employment services to about 1.3 million recipients of aid to families with dependent children (AFDC) who are expected to be registered for employment or training during fiscal year 1977. This is a State administered program designed to assist welfare recipients to achieve self-support through training, work experience, employment, child care, and other supportive services. The 1971 amendments to the work incentives legislation expanded and redirected the program by requiring most AFDC recipients to participate in the program and accept jobs or job training. The program now focuses on employment rather than training and emphasizes on-the-job training and public service employment.

The Department of Labor has the major responsibility for determining employability and placement of participants. Of the 1.3 million individuals registered in the program at employment service offices, about 800,000 are expected to be appraised for either direct job placement or job preparation. It is estimated that 200,000 individuals will be placed in jobs during fiscal year 1977, the same number placed in the previous year. An amount of \$243 million is provided for these purposes.

The Department of Health, Education, and Welfare has responsibility for providing participants with supportive services which include child care and homemaker services. Child care may be provided

in the participant's home or in day care centers. About 70,000 child care years of services are expected to be provided to participants during fiscal year 1977; 110,000 manyears of other supportive services will also be provided.

#### PROGRAM ADMINISTRATION

The bill includes \$63,095,000 the same as the budget request and an increase of \$2,717,000 over the fiscal year 1976 level. No new positions are authorized and increases are entirely for mandatory items. These funds provide for the federal administrative support for public assistance activities which are expected to serve nearly 30 million Americans in fiscal year 1977. 2,124 positions are authorized to provide oversight for the \$18 billion of federal expenditures under the Federal-State program. These staffs administer various grant and contract programs. In addition to salary and expenses, this money provides necessary supportive services such as travel and contracts.

The Committee supports recently expanded efforts to control the public assistance budget. Positions have been added in the last two years to address this problem, particularly in the Medicaid program. Some return on this investment had been expected by this time. For a variety of reasons, however, including recruitment problems, no real impact from these allocations is as yet evident. The Committee expects better results and will examine this matter in the coming months.

#### SOCIAL SECURITY ADMINISTRATION

##### PAYMENTS TO SOCIAL SECURITY TRUST FUNDS

The bill includes \$6,713,902,000, the same as the budget request and an increase of \$2.6 billion over the comparable fiscal year 1976 appropriation for payments to the Social Security Trust Fund. These funds provide for payments from federal funds for certain benefits and related administrative costs not financed by contributions.

The bill provides \$5.053 billion in payments for supplementary medical insurance under part B of the medicare program. These funds, together with the premiums paid by aged and disabled enrollees finance supplementary medical insurance benefits and administrative costs. The amount included in the bill is an increase of \$2.114 billion over the 1976 funding. The increase is attributable in part to increases in physicians' fees, number and type of services rendered, and greater use of hospital outpatient services. About \$1.0 billion of the increase, however, results from a higher federal matching rate of total costs than the 50% envisioned in the original legislation. This matching rate variation results from a technical error in the law which has delayed a rise in the enrollee premium rate that normally would have taken place on July 1, 1975. This error has now been corrected but the federal match remains out of proportion because of this delay.

Payments to cover the costs of hospital and related care for certain aged persons who are not insured under the social security or railroad retirement systems are estimated to reach \$803 million in fiscal year 1977. This is an increase of \$193 million over the amount estimated for fiscal year 1976 and results mainly from expected increases in medical care costs and utilization.

An amount of \$632 million is estimated to be required for reimbursement of benefits paid on the basis of military service credits of veterans of World War II and certain other veterans. The \$327 million increase for fiscal year 1977 results primarily from adjustments to the rate of contribution as a result of the redetermination made in September 1975, which is required by law every five years. These funds finance benefits which are based on periods of service for which no contributions were made. The recent calculation includes the additional costs resulting from future automatic cost of living increases, a feature which became a part of the program since the last redetermination was made.

An additional \$235.9 million is provided to finance payments of certain uninsured individuals. These funds are used to reimburse the trust fund for payments made to individuals who retired before the enactment of Social Security or before their occupations were covered by the Act. There is a decrease from the 1976 appropriation of \$32,415,000 which results from expected decreases in number of eligibles. In fiscal year 1975, there were 240,000 beneficiaries, compared to 323,000 the year before, and a high of 723,000 in 1967. Other increases in payments to the trust include \$150 million for transition quarter adjustment for hospital insurance and a \$313 million prior year cost adjustment.

#### SPECIAL BENEFITS FOR DISABLED COAL MINERS

The bill provides \$913,897,000, the amount requested, and a decrease of \$85,881,000 from the amount appropriated for fiscal year 1976. Of the total amount, \$906,000,000 is for benefit payments and \$7,897,000 for administrative costs. This appropriation provides for cash benefits to miners who are disabled because of black lung disease, and to widows and children of miners who were entitled to these benefits or whose deaths were caused by black lung disease.

The Social Security Administration was responsible for the taking, processing and payment of claims from December 30, 1969 through June 30, 1973. Since that time, it has continued to take claims, but forwards most of them to the Department of Labor for adjudication and payment. The Social Security Administration still has jurisdiction for some new claims from survivors of miners or widows who were on its rolls at the time of death; and will continue to pay benefits and maintain the beneficiary roll for the lifetime of all persons who filed during its jurisdiction. At the end of fiscal year 1977, there are expected to be 470,000 miners, widows, and dependents who will be receiving monthly benefits which are paid by the Social Security Administration from this appropriation. This is a decrease of 23,000 from fiscal year 1976 and is part of the trend of decreasing numbers of beneficiaries as the Labor Department assumes more responsibility for the program.

Of the amount included for benefit payments, \$9,000,000 is for the annualization of the October 1975 Federal employee pay raise of 5 percent. The basic black lung benefit is 50 percent of the amount paid to a disabled Federal employee in step 1 of grade GS-2. Based on existing law, there will be a further benefit increase in fiscal year 1976

amounting to \$28,000,000 to reflect a projected 3 percent increase in salaries to be paid to Federal employees effective October 1976. The final cost will depend on the actual increase granted for Federal salaries. These increases are partially offset by a \$60,000,000 decrease due to a decline in the number of claims with retroactive payments and a \$32 million decrease associated with the decreased number of beneficiaries. Administrative costs will decrease from \$28.2 to \$7.9 million.

The Social Security Administration's responsibilities in fiscal year 1977 will be to complete appellate actions on claims filed before the Labor Department takeover and make changes to the continuing beneficiary roll to assure proper and correct payments. The Commissioner has assured the Committee that the staff estimated for 1977 will be adequate to meet this need.

#### SUPPLEMENTAL SECURITY INCOME PROGRAM

The bill includes \$5,895,122,000, a decrease of \$15 million from the amount requested, and an increase of \$374,472,000 over the 1976 appropriation. The Social Security Amendments of 1972 established this federally administered program of basic cash payments for aged, blind and disabled people with very low income. It replaced the State and local programs of aid to these groups, and the first payments under Federal administration were made in January, 1974. The program is in its third year.

The Committee has made the reduction of \$15 million in the budget estimate based on updated information on projected cost-of-living increases. The budget assumed a 6.7 percent projected increase in the cost-of-living. The actual increase, as measured by the latest consumer price index, is projected at 6.3 percent.

The number of beneficiaries on the rolls is expected to increase from 4.5 million to 5.1 million by the end of fiscal year 1977. A total of 7 million persons are estimated to be potentially eligible. Total benefit payments are estimated to be \$5.230 billion, a net increase of \$700 million over the amount estimated for fiscal year 1976. Most of the increase results from the rise in payments to recipients and the additional number of recipients expected to be enrolled during fiscal year 1977. The bill provides an additional \$55 million in Federal contributions toward State supplementary payments designed to protect beneficiaries against reductions in income as a result of the federal takeover (so-called hold-harmless protection); \$52.8 million for vocational rehabilitation services provided by State agencies to blind and disabled recipients; and \$500.3 million for repayments to the social security trust funds for the cost of administering the program.

The federalization of these programs was expected to result in a significant reduction in the number of errors which had historically plagued State aged and disabled programs. It is clear now that this expectation was overly optimistic and error rates continue at near the 25% level. Although a substantial element of this problem is the complexity of the federal law, the Committee hopes that some progress can be achieved throughout this next year in reducing error rates.

The Committee is aware of the recent GAO findings regarding referrals of SSI recipients to State rehabilitation agencies. This study has indicated that very few recipients are referred, and that those that are tend to be the easiest cases who would probably be rehabilitated on their own rather than those who would be best served by the State rehabilitation agencies. Because of the large potential return both in human and dollar savings possible thru effective rehabilitation services, the Committee expects that appropriate action will be taken to maximize the number of referrals for services.

#### LIMITATION ON SALARIES AND EXPENSES

The bill includes authority to spend \$2,561,773,000 from the social security trust funds for administrative costs. This is the amount requested and an increase of \$164,000,000 over the limitation approved for fiscal year 1976. Of the total amount provided, \$1,286 million is for administering the cash benefit programs of old-age, survivors and disability insurance, \$750 million is for medicare, and \$500.3 million is for the supplemental security income program. The total manpower available would be increased by 1,950 to a ceiling level of 78,309 full-time authorized positions. These new positions are expected to substantially reduce SSA dependence on overtime and will also provide more man years of effort throughout the program. Money is provided for increased training for these new and other employees.

The budget contains 214 positions and \$2,454,000 in contract funds specifically targeted to the advanced systems planning project which will eventually overhaul most of the present data processing system. This project is estimated to cost approximately \$400 million when fully implemented. Because of this cost, the Committee expects to be advised of developments throughout the various phases of the project.

#### LIMITATION ON CONSTRUCTION

The bill provides authority to spend \$14,400,000 from the social security trust funds for purchase contract payments on three new program center buildings, expansion of headquarter facilities and construction of district offices. The amount would cover the estimated purchase contract costs for buildings expected to be occupied during fiscal year 1977. In addition, the Committee has approved the reprogramming of \$4,000,000 of previously authorized program center funds for use in completing several headquarters projects in Baltimore.

#### SPECIAL INSTITUTIONS

##### AMERICAN PRINTING HOUSE FOR THE BLIND

The bill includes \$2,762,000, the amount requested and an increase of \$354,000 over the amount appropriated for fiscal year 1976.

The Printing House was chartered in 1858 to manufacture, on a nonprofit basis, books and materials for the education of blind children. Over the years the original charter has been broadened so that at the present time the Printing House serves all blind pupils of less than college grade including those attending private non-profit educational institutions.

The amount included in the bill when taken together with the \$10,000 permanent appropriation will supply an estimated additional 1,500 blind students and all current pupils with educational materials. The estimated 1977 per capita rate of \$93.40 represents a 9 percent increase over 1976 and will serve 28,820 eligible blind children at about the same level of services provided during the past few years. An amount of \$80,000 for expenses of advisory committees and field representatives is the same amount available for 1976 and will make it possible for these committees to continue to evaluate and recommend to the Board of Trustees, for approval on an annual basis, the necessary educational materials and aids to be produced.

#### NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

The bill includes \$12,675,000, the amount requested and an increase of \$2,839,000 over the amount available for fiscal year 1976 for the academic program.

This Institute was authorized in 1965 by Public Law 89-36 and is supported by federal appropriations and student fees. It is designed to serve three fundamental purposes: (1) to prepare deaf citizens for direct technical employment and for full participation in community living; (2) to train professional personnel to serve the deaf nationally; and (3) to influence education, training and career placement of deaf citizens through applied research. The amount in the bill will support an enrollment of 940 full-time deaf students, 400 individuals in educational extension programs, 935 individuals in sign language programs, 90 individuals in interpreter training programs, and 155 individuals in graduate training programs.

The amount provided in the bill would support an additional 54 positions for technical education, personal and social development, communication skills, and administration. Most of the additional positions are related to increased enrollment which is estimated to grow from 730 this year to 940 in fiscal year 1977.

#### GALLAUDET COLLEGE

The bill includes \$40,840,000, the amount requested and an increase of \$18,009,000 over the amount available for fiscal year 1976. Also included under this appropriation heading are the Model Secondary School for the Deaf and the Kendall Demonstration Elementary School.

For the academic program of Gallaudet College, the bill provides \$14,790,000, an increase of \$2,300,000 over the amount available for the previous year. The increase relates to faculty salary increases, student services, curriculum development, continuing education, administrative services, and library materials.

The bill provides \$7,260,000 for the Model Secondary School for the Deaf, an increase of \$1,887,000 over the amount available for 1976. The increase is for faculty salary increases, custodial care, utility plant, building maintenance and security.

The bill provides \$3,215,000, an increase of \$502,000 over the 1976 appropriation for the Kendall School. This amount will cover faculty salary increases, additional faculty positions based on increased enrollment, parent education program, equipment and testing services.

An amount of \$15,575,000 is included for construction of a new facility for the Kendall School to serve approximately 50 percent of the eligible hearing-impaired students residing in the Washington Metropolitan Area, or approximately 300 students. Included in the proposed construction are diagnostic and evaluation center, an early childhood center, and an elementary center, a central resources center, a student residential center and a central administration center. Also, included are funds to provide for expansion of central heating and cooling services to new facilities to be constructed beginning in 1977.

#### HOWARD UNIVERSITY

The bill includes \$82,909,000, an increase of \$1,000,000 over the budget request, and a decrease of \$3,649,000 from the amount available for fiscal year 1976. The decrease results from the fact that several construction projects were supported in fiscal year 1976 which are non-recurring items.

For the academic program, the bill includes \$60,026,000, an increase of \$4,031,000 over the 1976 funding level. Additional funds are provided for faculty salary increases, partial support of the university's retirement plan, eleven new faculty positions for the college of medicine, equipment, and library materials. These increases represent efforts to correct accreditation deficiencies; to comply with recent Federal legislation; and to remain competitive with similar educational institutions in regard to salary ranges. No funds were requested for new programs or to expand existing programs other than to meet needs required for accreditation purposes.

For construction, the bill provides \$1,000,000 for the annual payment on current deferred note for the acquisition of the Dunbarton campus property, \$1,000,000 to continue the renovation program of the buildings on the Dunbarton campus, and \$1,000,000 for development of property held by the University in Beltsville, Maryland. Possible uses of the Beltsville site under consideration by the University include a facility for the breeding of animals for use in medical research. The Committee is providing funds so that Howard will be assured of the opportunity to retain the site, which was originally obtained in 1971 under the Surplus Property Act. The funds included in the bill are subject to final approval by the Committee of a study to be conducted by the University on the best use of the site. The study should include proposed plans, total cost estimates, explanation of alternative methods of processing laboratory animals, a specification for the whole Beltsville site, the benefit for the University's academic programs, comparisons with similar activities of other Washington area Universities and its relative priority to other Howard academic plans.

#### ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT

##### HUMAN DEVELOPMENT

The bill includes \$1,873,514,000, an increase of \$300,825,000 over the budget request, and \$171,148,682 over the amount available for fiscal year 1976. Also included is authority to spend \$600,000 from the social security trust funds.

The Committee recommends \$475,000,000 for the Head Start program, an increase of \$40,700,000 over the budget request, and an increase of \$20,500,000 over the amount appropriated for fiscal year 1977. Head Start is a comprehensive preschool program which serves children and their families, primarily those with low incomes. It includes a wide range of activities in full-year and summer programs with special emphasis on parental involvement. The basic law mandates that at least 10 percent of the total enrollment must be handicapped children. Several experimental activities are conducted, along with preparation and training of staffs of local project sponsors and provision for certain kinds of health services for children enrolled in the program. Grants are made to public and private non-profit community agencies, with the Federal share comprising 80 percent of the total project cost. The Committee has added funds to help meet increased operating costs and to offset some of the costs of special training and related services to handicapped children.

For research and demonstration projects authorized by Section 426 of the Social Security Act, the Committee recommends \$14,700,000 an increase of \$4,000,000 over the budget. This is the same amount as available for fiscal year 1976 and will assure continuation of projects relating to day care, child development, and handicapped children. An amount of \$18,928,000 is included to continue activities authorized by the Child Abuse Prevention and Treatment Act. Some of these activities include demonstration centers providing a broad range of services to child and their families, research projects exploring the causes of child abuse and neglect, and grants to States to assist in developing and carrying out programs for the prevention and treatment of child abuse and neglect.

The Committee has allowed \$8,000,000 to maintain current funding for the runaway youth program. This program provides temporary shelter care as well as services designed to meet the immediate emotional, psychological, physical, and social needs of runaway youth.

For community service programs authorized by Title III of the Older Americans Act, the Committee recommends \$150,000,000 an increase of \$51,765,000 over the budget request, and \$26,200,000 over the appropriation for fiscal year 1976. The increase allowed by the Committee is to cover the cost of inflation and to provide expansion of local project coverage. These funds are used to support the preparation and carrying out of annual plans by state and local agencies on aging. At the present time, 462 area agencies have been established to serve as the focal point for delivery of services to the aging. In addition these funds are used for model projects, many of which are directed toward specific problem areas such as housing, transportation, and legal services.

The Committee has included \$203,525,000 for the nutrition program for the elderly, authorized by Title VII of the Older Americans Act. This is an increase of \$115,525,000 over the budget request and \$78,525,000 over the amount appropriated for the program in fiscal year 1976. In this program funds are allotted to the States by a formula grant that is based on each State's 60 and over population as it relates to the 60 and over population in all States. Funds are used to pay up to 90 percent of the cost of establishing and maintaining nutrition

projects, including the cost of supporting social services such as transportation of eligible individuals between their residences and the nutrition project sites. In fiscal year 1977, the Committee expects that allotments by HEW to the States will be made at \$225,000,000. Allotments at this level would be provided from the sum appropriated in this bill and \$21.5 million previously appropriated during the transition quarter but planned for use by the States in 1977. Allotments totalling \$225,000,000 permit the States to serve an estimated 430,000 daily meals, five days per week, to about 600,000 older persons. Many of these meals will be served in congregate settings while about 13 percent will be delivered to homes. The program will continue to give priority to the low income and minority elderly.

The Committee recommends \$25,000,000 for research and training under the Older Americans Act, for which the budget proposed \$5,765,000. The funds are used to support the service delivery program by providing the latest information on serving the elderly and meeting the needs for trained manpower in the field of aging. Funds are also provided to expand multidisciplinary centers of gerontology to develop and disseminate new ways to improve the lives of older persons.

The bill includes \$10,000,000 for expanding the multipurpose senior centers program authorized by title V of the Older Americans Act. The Committee received testimony about the need for one-stop referral services for providing information to the elderly about health, welfare, housing, and transportation services. This program is not envisioned as a major construction program but rather as a modest one involving relatively small sums for repairs, alterations, or acquisition of existing facilities.

The bill includes \$740,000,000 for grants to States for basic vocational rehabilitation services, an increase of \$20,000,000 over the budget request and the amount appropriated for fiscal year 1976. Allotments are made to States based upon a formula that takes into account population and per capita income, with each State allotted a minimum of \$2 million. The financial participation is 80 percent Federal and 20 percent State. In addition to basic grants, States receive other Federal funds for rehabilitation services from the supplemental security income program and the beneficiary rehabilitation program authorized under provisions of the Social Security Act. From all funds available for vocational rehabilitation, States will be able to serve over 1.8 million handicapped persons and rehabilitate approximately 360,000.

The amount provided by the Committee for basic grants is the full amount authorized. Information available to the Committee indicates that States have sufficient funds on hand to match the authorized allotment of \$740,000,000. There is no justification for delaying the appropriation of the full amount required as the budget had proposed to do.

The Committee has included \$18,000,000 for innovation and expansion grants for which the budget proposed no funding. These programs serve to supplement the basic grant and enable the States to design special programs to meet the needs of the poor and severely handicapped. For special projects the Committee recommends \$10,000,000 an increase of \$1,500,000 over the budget request. Most of the

increase allowed by the Committee is to expand projects with industry, a program which has shown excellent results in providing job opportunities for the handicapped in the private sector. For training and facilities grants, including construction authorized by section 301 of the Rehabilitation Act of 1973, as amended, the Committee recommends \$10,000,000 an increase of \$2,600,000 over the budget request. The Committee believes that the federal government should continue the leadership and incentive for states to renovate and expand rehabilitation facilities with regional potential such as The Georgia Warm Springs Rehabilitation Complex. Since the days when Franklin Roosevelt benefited from the use of these facilities, Warm Springs has pioneered in the development of innovative services for the handicapped. The Committee recognizes that, in order for Warm Springs to maintain its current standard of excellence, funds for the implementation of planned renovation and expansion of the Complex are necessary. The Committee also expects that the Rehabilitation Services Administration will make every effort to ensure this funding during Fiscal Year 1977.

The Committee recommends \$24,000,000 to continue the rehabilitation research program at the 1976 funding level. The basic law requires that 25 percent of the research funds be used to support rehabilitation engineering research centers. The Committee urges that maximum effort be directed toward studies in the areas of end-stage renal disease, spinal cord injuries and other severe handicaps. The bill includes \$25,000,000 for rehabilitation training, which together with funds available from previous years will maintain a program level of \$31,000,000. A portion of the funds provided may be used for international rehabilitation research, demonstration and training including the development of a domestic center to assist in coordinating information, research, and training relating to the rehabilitation of handicapped individuals.

For programs authorized by the Developmental Disabilities Services and Facilities Construction Act, the Committee recommends \$57,125,000, an increase of \$3,500,000 over the budget request and \$1,500,000 over the amount for fiscal year 1976. The total provides \$30,058,000, the amount requested for allotments to the States for planning, administration, construction, and services for persons with developmental disabilities. This will provide services to approximately 48,000 developmentally disabled persons.

To assist States in establishing systems for the protection and advocacy of rights of the developmentally disabled, the bill provides \$3,000,000. The basic law requires that States establish advocacy systems before September 1977 in order to be eligible to receive their basic allotment under the State grant program. An amount of \$4,250,000 is included to continue support of university affiliated facilities. These funds would be used to meet the cost of administering and operating about 37 demonstration facilities and for training personnel serving the developmentally disabled.

For rehabilitation service projects for the developmentally disabled, the bill provides \$19,817,000 an increase of \$3,500,000 over the budget request. These funds are used to improve care in institutions, initiate and expand community programs, rehabilitate the mentally retarded, and provide in-service training.

The bill includes \$33,000,000 for special programs for Native Americans, an increase of \$1,000,000 over the budget request. This program provides funds to tribal organizations or other public and private nonprofit agencies to meet special needs of Indians and Native Hawaiians and Alaskans. Financial assistance would be provided to 87 tribal groups and 58 urban Indian centers. Training and technical assistance would be available to strengthen the self-government capability of Native Americans.

The Committee has approved the budget request of \$47,725,000 for salaries and expenses. This amount is sufficient to cover built-in increases for annualization of prior year costs, within grade advances, and administrative expenses.

The Committee is concerned over the Departmental failure to carry out language in last year's report calling for the allocation of \$1,000,000 and 20 full-time permanent positions to the Architectural Barriers Compliance and Review Board. In order that there be no misunderstandings, the Committee reiterates its position that such funds and positions be provided out of existing appropriations. The Committee expects the Secretary to allocate these funds and positions to the Board in the event they cannot effectively be allocated within the Office of Human Development itself.

#### DEPARTMENTAL MANAGEMENT

##### OFFICE FOR CIVIL RIGHTS

The bill includes \$29,685,000, the same as the budget request, and an increase of \$4,466,000 over the amount appropriated for fiscal year 1976. Also included is authority to spend \$919,000 from the social security trust fund.

The Committee has allowed the request for 150 new positions of which 50 are for implementing section 504 of the Rehabilitation Act of 1973 which prohibits discrimination against the handicapped by recipients of Federal assistance. Compliance reviews would be made in 600 school districts, 100 universities, and 125 health and welfare agencies regarding discrimination against handicapped persons.

For compliance enforcement in the area of elementary and secondary education, 65 new positions are approved. These positions would be used in enforcing title VI of the Civil Rights Act, title IX of the Education Amendments of 1972, and recent court decisions.

An additional 35 positions are approved to meet expanded workload due to law suits and court orders, more complex legal cases, and new and revised legislation.

##### GENERAL DEPARTMENTAL MANAGEMENT

The bill includes \$92,661,000, a reduction of \$1,000,000 from the budget request, and an increase of \$3,150,000 over the amount available for 1976, adjusted for comparability. In addition, \$12,872,000 is authorized to be transferred from the social security trust funds.

This appropriation supports two basic categories of activities: (1) those associated with the Secretary's roles as policy officer and general

departmental manager, and (2) specialized staff services which are performed for the operating agencies on a central basis to avoid duplication of effort.

The present staff totals 3,267 authorized positions. No new positions are recommended, and none were requested, for fiscal year 1977. Additional funds have been allowed to cover mandatory, built-in increases such as salary increases allowed for fiscal year 1976, and for increased administrative costs. The reduction of \$1,000,000 from the budget request is for standard level user charges for space rental and reflects a downward adjustment from 15 percent budgeted to 6 percent allowed as the rate of increase for these charges.

For several years the Committee has been urging the Department to fully implement a manpower management program, and is distressed by the testimony of Departmental witnesses that they themselves are not satisfied with the progress of this effort. The effective implementation of a manpower utilization program is of particular interest to the Committee, especially with the growth in HEW personnel from 112,748 in 1972 to 147,036 in 1976. The Committee recognizes that there are many different types of programs being administered by the Department, but cannot accept diversity of programs as an excuse for the slow implementation of this program. The Committee strongly urges the Secretary to assign a high priority to the manpower management program in fiscal year 1977.

##### POLICY RESEARCH

The bill includes \$24,950,000 the same amount as the budget request, and the same amount as the comparable appropriation for fiscal year 1976. These activities are authorized by Section 232 of the Community Services Act of 1974 and Section 1110 of the Social Security Act.

The major areas of research under this appropriation are income maintenance, employment, health insurance, education, poverty, and human development services. About 60 percent of the funds are used to support income maintenance and health insurance experiments.

The amount included in the bill is sufficient to continue existing projects at the current level of support.

##### INDIRECT COSTS

Testimony at the hearings conducted on the 1977 budget indicated that there has been a steady increase over the past ten years in the percentage of funds appropriated for grants and contracts which are being used to pay for overhead costs of recipient institutions.

The Committee is concerned about this trend and urges the Department of Health, Education, and Welfare to devote greater attention to overhead costs and to assuring that these costs are strictly associated with the Department's grants and contracts and not with other activities of the recipients.

The Committee is aware of and commends the fact that grant recipients currently share some of the costs of Federal research and recognizes that, in many instances, this contribution is a significant one. However, it is the firm objective of this Committee that the

appropriations contained in this bill be devoted, to the maximum degree feasible, to direct research efforts.

The Committee is aware of the efforts by the Department to revise Federal Management Circular 73-8, which sets forth cost principles pertaining to Federal grants and contracts with educational institutions. The Committee understands that the Department, together with the Office of Management and Budget, and other concerned Federal agencies, is currently discussing the Department's proposed revision of this Circular with representatives of educational institutions. The Committee wants to be kept informed of the progress of these deliberations. The Committee also believes that the Department should explore the possibility of including cost competition as an element of consideration in the grant approval process, in order to encourage economy and efficiency on the part of grant recipients.

The Committee will expect a report on these matters by the time hearings begin on the fiscal year 1978 budget.

### TITLE III—RELATED AGENCIES

#### ACTION

##### OPERATING EXPENSES, DOMESTIC PROGRAMS

The bill includes \$56,800,000 for the older American volunteer programs of Action, an increase of \$1,500,000 over the budget request and \$6,408,000 over the comparable 1976 appropriation. The Committee is deferring consideration of the budget request for the remaining domestic programs of Action because the authorizing legislation was only very recently extended.

The bill includes \$19,000,000, an increase of \$1,500,000 over the budget and over the 1976 appropriation, for the Retired Senior Volunteer Program. The increase over the budget will ensure that sufficient funds are available to cover the cost of continuing existing projects.

The bill includes the budget request of \$34,000,000 for the Foster Grandparents program, an increase of \$5,653,000 over the 1976 appropriation. The increase over last year will fund 45 new projects, increase the volunteers' transportation allowance, and increase the number of volunteers funded from 13,150 in 1976 to 16,450 in 1977.

For the Senior Companion program, the bill includes the budget request of \$3,800,000, a reduction of \$745,000 from the 1976 appropriation. However, the program level will actually increase from 1976 to 1977, and the volunteers' transportation allowance will be increased. The number of volunteers funded will increase from 1,700 in 1976 to 3,110 in 1977, and the number of projects will increase by 14. The program increases are possible because continuation cost requirements will be reduced in 1977 as a result of unexpended project funds remaining in new grants funded during fiscal year 1976 and the three-month transition period.

#### COMMUNITY SERVICES ADMINISTRATION

##### COMMUNITY SERVICES PROGRAM

The bill includes \$496,000,000, an increase of \$162,000,000 over the budget request, and a decrease of \$24,152,000 from the 1976 appropriation.

The Committee has added \$70,000,000 over the budget for community action programs to restore the 1976 level of funding. These funds provide support for the administration and general operating costs of community action agencies throughout the nation and provide for a wide variety of local programs operated by CAP agencies. The bill includes the budget request of \$10,000,000 for the Senior Opportunities and Services program. The Committee has added \$5,000,000, for which there was no budget request, to expand the rural housing development and rehabilitation program.

The Committee recommends restoring the State economic opportunity offices and the emergency energy conservation services program to their 1976 funding levels of \$12,000,000 and \$27,500,000, respectively. The budget proposed to eliminate both programs. The bill includes \$46,500,000 for community economic development, an increase of \$7,500,000 over the budget, and the same amount that was appropriated in 1976. The budget proposed to eliminate the community food and nutrition program. The Committee recommends an appropriation of \$15,000,000.

The bill includes \$23,000,000 for youth recreation programs, consisting of \$17,000,000 for the summer youth recreation and transportation program for the summer of 1977 and \$6,000,000 for the national youth sports program. These are the same amounts that were provided in 1976 for these programs, for which there was no budget request.

The Committee has added \$2,000,000 over the budget to provide for the continuation in 1977 of 60 permanent positions proposed for elimination in the budget. The total amount in the bill for program administration is \$27,000,000. The Committee feels strongly that the Community Services Administration should make every effort to improve its monitoring of grants and contracts in the field.

#### CORPORATION FOR PUBLIC BROADCASTING

##### PUBLIC BROADCASTING FUND

The bill includes \$96,750,000 for fiscal year 1977, an increase of \$26,750,000 over the budget request and \$18,250,000 over the 1976 appropriation. The bill also includes advance appropriations for fiscal years 1978 and 1979. For 1978, the bill includes \$107,150,000, an increase of \$27,150,000 over the budget request. For 1979, the bill includes \$120,200,000, an increase of \$30,200,000 over the budget request. The Committee expects to consider appropriations for fiscal year 1980 in connection with the fiscal year 1978 appropriations bill.

Virtually all of the increase over the budget in each of the three fiscal years is for grants to local public television and radio stations, including radio expansion grants. These funds are distributed by the Corporation directly to the local stations which have a great deal of discretion as to how the funds are used. Approximately 70% of these local station grants is spent on programming, including a significant amount of local program production.

The increase of \$18,250,000 over the 1976 appropriation is accounted for primarily by increased grants to the local stations, with small increases in other areas, such as common broadcast services and program direction and administration.

The Committee has included language in the bill to ensure that the funds are spent in accordance with the provisions of titles VI and VII of the Civil Rights Act and title IX of the Education Amendments of 1972.

#### FEDERAL MEDIATION AND CONCILIATION SERVICE

##### SALARIES AND EXPENSES

The bill includes \$20,328,000, the amount of the budget request, and an increase of \$1,996,000 over the 1976 appropriation. The Committee has approved the 25 new permanent positions requested in the budget, consisting of 20 positions for the field offices and 5 for the national office. The Committee has also approved the request for 70 part-time and temporary positions, of which 50 will be used for health care boards of inquiry pursuant to Public Law 93-360, which extended the coverage of the National Labor Relations Act to private nonprofit hospitals and health care facilities. The increase over the 1976 appropriation is accounted for largely by the cost of the new permanent positions to be added and by several mandatory items, such as the cost of annualizing the most recent Federal pay raise.

#### NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

##### SALARIES AND EXPENSES

The bill includes \$517,000, the amount of the budget request, and an increase of \$49,000 over the 1976 appropriation. The Committee has approved the request for the two new secretarial support positions requested in the budget. The increase over the 1976 appropriation is accounted for primarily by several mandatory increases, such as within-grade promotions and increased printing costs, partially offset by reduced travel costs and reduced per diem payments to the Members of the Commission.

#### NATIONAL LABOR RELATIONS BOARD

##### SALARIES AND EXPENSES

The bill includes \$77,776,000, a reduction of \$428,000 from the budget request, and an increase of \$8,179,000 over the 1976 appropriation. The Committee has approved the 231 new positions requested in the budget, consisting of 177 positions for the field offices and 54 for the national office. The Board's workload, particularly in the unfair labor practice area, is climbing sharply. The case backlog is over 16,000, and case processing time has been increasing. The Committee hopes that this substantial increase in positions will enable the Board to keep pace with its workload. The Committee has approved the remainder of the budget request, with the exception of reducing the request for payment of space rental charges to the General Services Administration by \$428,000.

The increase over the 1976 appropriation is accounted for by the cost of the 231 new positions, the cost of annualizing new positions received in 1976, within-grade promotions, increased reporting costs, and other items that are generally considered mandatory.

#### NATIONAL MEDIATION BOARD

##### SALARIES AND EXPENSES

The bill includes \$3,606,000, the amount of the budget request, and an increase of \$201,000 over the 1976 appropriation. No new positions were requested in the budget. The increase over the 1976 appropriation is accounted for entirely by increases that are generally considered mandatory, such as within-grade promotions and the annualization of the most recent Federal pay raise.

#### OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

##### SALARIES AND EXPENSES

The bill includes \$6,280,000, the amount of the budget request, and an increase of \$511,000 over the 1976 appropriation. The Committee has approved the six new positions requested in the budget, which will provide two additional attorneys for the legal staff of each of the three Commissioners. The increase over the 1976 appropriation is accounted for by the cost of the new positions, annualization of the cost of new positions received in 1976, within-grade promotions, increased reporting costs, and other increases that are generally considered mandatory. These increases are partially offset by decreases in printing costs, as a result of discontinuing the printing of Commission decisions in printed volumes in favor of a new microfiche system; decreases in computer costs; and decreases in equipment rental costs.

#### RAILROAD RETIREMENT BOARD

##### PAYMENTS TO RAILROAD RETIREMENT TRUST FUNDS

The bill includes \$250,000,000, the amount of the budget request, and the same amount that was appropriated in 1976. This is the second annual appropriation for this account to cover the cost of phasing out the "windfall" portion of benefits received by persons covered by both the railroad retirement system and the social security system. Under the Railroad Retirement Act of 1974, the "windfall" portion of these dual benefits is to be phased out over a 25-year period on a level cost basis. The funds in this account will be paid into the Railroad Retirement Trust Fund to cover the cost of doing this.

##### REGIONAL RAIL TRANSPORTATION PROTECTIVE ACCOUNT

The bill includes \$40,000,000, the amount of the budget request, and an increase of \$2,400,000 over the 1976 appropriation. This account provides for the payment of certain benefits to protected employees who are adversely affected in the establishment of the Northeast and Midwest rail system under the Regional Rail Reorganization Act of 1973. The amount in the bill provides for the payment of separation and displacement allowances to eligible railroad employees. The bill includes \$100,000 for the administrative expenses of the Board that are related to making the payments.



## LIMITATION ON SALARIES AND EXPENSES

The bill includes \$33,723,000, the amount of the budget request, and an increase of \$4,231,000 over the 1976 appropriation. This account is a limitation on the amount in the railroad retirement account which may be used by the Railroad Retirement Board for administrative purposes. The Board requested no new positions for 1977. The increase over the 1976 appropriation is accounted for by increases that are generally considered mandatory, such as postage increases, the annualization of the most recent Federal pay raise, and within-grade promotions; by one-time costs of \$1,275,000, of which \$1,000,000 is associated with the Board's plan to relocate to a different building in 1977; and by increased annual rental charges of \$1,000,000 as a result of the relocation.

## SOLDIERS' AND AIRMEN'S HOME

## OPERATION AND MAINTENANCE

The bill includes authority to use \$15,373,000 from the Soldiers' and Airmen's Home Permanent Fund, the amount of the budget request, and a decrease of \$292,000 from the authorization for 1976. No new positions were requested for 1977. The decrease from 1976 is accounted for primarily by a slight decrease in employment, a decrease in recurring maintenance costs, and a decrease in equipment purchases.

## LIMITATIONS AND LEGISLATIVE PROVISIONS

The following limitations and legislative provisions not heretofore carried in connection with any appropriation bill are recommended: On page 31 in connection with "Human development":

*Provided further.* That the allotment level for the nutrition services for the elderly program shall be \$225,000,000 per annum.

On page 36 in connection with "Corporation for Public Broadcasting, Public broadcasting fund":

\* \* \* and in accordance with the provisions of titles VI and VII of the Civil Rights Act of 1964 (Public Law 88-352) and title IX of the Education Amendments of 1972 (Public Law 92-318) \* \* \*

## CHANGES IN EXISTING LAW

Pursuant to clause 3, rule XXI of the House of Representatives, the following statements are submitted describing the effect of provisions in the accompanying bill which directly or indirectly change the application of existing law.

1. In many cases, the Committee has recommended appropriations which are less than the maximum amounts authorized for the various programs which are funded in the bill. Whether these actions constitute a change in the application of existing laws is subject to individual interpretation, but the Committee felt that this fact should be mentioned.

2. The bill provides that appropriations shall remain available for more than one year for a number of programs for which the basic authorizing legislation does not presently authorize such extended availability.

3. On page 7 of the bill is a provision which was carried in the appropriation bill for the current fiscal year, which authorizes the Secretary of Labor to appoint qualified persons to conduct certain hearings without meeting the requirements for hearing examiners appointed under 5 U.S.C. 3105. Similar language is included on page 26 with respect to the Commissioner of Social Security.

4. On page 19 of the bill the Committee has included a provision that amounts appropriated for carrying out title I of the Elementary and Secondary Education Act in the fiscal year 1977, shall be available for carrying out section 822 of Public Law 93-380.

5. A proviso has been inserted on page 19 of the bill to assure that the allocation to each State under title IV of the Elementary and Secondary Education Act for fiscal year 1978 does not fall below the amount allocated to that State for comparable purposes for fiscal year 1977.

6. On page 28 of the bill is a provision authorizing expenditure of funds for administration within the United States of the social insurance program of the United Kingdom, under terms of an agreement wherein similar services will be provided by the United Kingdom in that country for administration of the social insurance program of the United States. This provision was carried in the fiscal year 1976 appropriation act.

7. On page 38 of the bill is a provision requiring that appropriations to the NLRB shall not be available to organize or assist in organizing agricultural laborers or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers as referred to in section 2(3) of the Act of July 5, 1935 (29 U.S.C. 152), and as amended by the Labor-Management Relations Act, 1947, as amended, and as defined in section 3(f) of the Act of June 25, 1938 (29 U.S.C. 203), and including in said definition employees engaged in the maintenance and operation of ditches, canals, reservoirs, and waterways when maintained or operated on a mutual non-profit basis and at least 95 per centum of the water stored or supplied thereby is used for farming purposes.

This provision has appeared in many previous appropriation acts.

8. Sections 201-208 and Title IV of the bill contain a number of general provisions, all of which have been carried in previous appropriation acts, which place limitations on the use of funds in the bill and which might, under some circumstances, be construed as changing the application of existing law.

## INFLATIONARY IMPACT STATEMENT

Pursuant to clause 2(1)(4), rule XI of the House of Representatives, the Committee estimates that enactment of this bill would have little overall inflationary impact on prices and costs in the operation of the national economy.

The total budget authority recommended in the bill exceeds the budget request by \$3,567,000,000. This increase relates primarily to

programs and activities which the budget proposes to reduce below the anticipated funding level for fiscal year 1976:

#### COMPARISONS WITH BUDGET RESOLUTION

In accordance with Section 308(a)(1)(A) of the Congressional Budget Act of 1974 (Public Law 93-344), the following table provides comparisons between the new budget authority targets set forth in the First Concurrent Resolution on the Budget, as allocated by the Committee on Appropriations under Section 302 of the Act, and the budget authority contained in the accompanying bill.

[In thousands]

Function	Resolution target	Committee bill	Difference
450—Community and regional development.....	\$607,902	\$552,800	—\$55,102
500—Education, training, employment, and social services.....	23,006,967	14,723,364	—8,283,603
550—Health.....	21,051,341	20,229,709	—821,632
600—Income security.....	21,497,298	20,326,350	—1,170,948
700—Veterans benefits and services.....	15,373	15,373	.....
750—Law enforcement and justice.....	29,685	29,685	.....
<b>Total.....</b>	<b>66,208,566</b>	<b>55,877,281</b>	<b>—10,331,285</b>

<sup>1</sup> Excludes advance appropriations for 1978 and 1979 for the Corporation for Public Broadcasting.

The amounts in the bill fall short of the resolution targets for functions 450, 500, and 550 chiefly because the Committee has as yet taken no action on fiscal year 1977 appropriations for programs for which authorizing legislation remains to be enacted. Disease prevention, alcoholism prevention and control, health manpower, higher education, vocational education, and public service jobs are major programs which are still unauthorized for fiscal year 1977, and for which it will be necessary to appropriate substantial amounts at a later date. The targets for functions 500, 550, and 600 contain allowances for anticipated increases in programs such as unemployment insurance, Medicaid, supplemental security income, aid to families with dependent children, and social services, where payments are fixed by law. It will undoubtedly be necessary to provide additional appropriations, over and above the amounts in the bill, for many of these "uncontrollable" programs when firmer estimates of requirements are available.

#### FIVE-YEAR PROJECTION OF OUTLAYS

In accordance with Section 308(a)(1)(B) of the Congressional Budget Act of 1974 (Public Law 93-344), the following table contains 5-year projections of the outlays associated with the budget authority provided in the accompanying bill.

Budget Authority: \$56,104,631,000.

Outlays:

1977—\$41,501,663,000.  
 1978—\$12,264,510,000.  
 1979—\$2,059,753,000.  
 1980—\$207,195,000.  
 1981—\$16,322,000.

#### ASSISTANCE TO STATE AND LOCAL GOVERNMENTS

In accordance with Section 308(a)(1)(C) of the Congressional Budget Act of 1974 (Public Law 93-344), the new budget authority and outlays provided by the accompanying bill for financial assistance to State and local governments are as follows:

New budget authority: \$29,526,935,000.

Fiscal year 1977 outlays resulting therefrom: \$19,229,448,000.

SUPPLEMENTAL VIEWS OF CONGRESSMAN EDWARD  
J. PATTEN

I would first like to strongly concur with the committee report language on the matter of environmental causes of cancer and the apparent lack of attention this serious area is being given by the National Cancer Institute. Dr. Rauscher, in his testimony before the Labor-HEW Subcommittee, indicated that the amount being devoted by the NCI to research and nonresearch work in the environmental causes is adequate.

I would disagree with the Director of the National Cancer Institute. A very great percentage of suspected carcinogens are just that—suspected. Work on confirming those suspicions has obviously not been considered a priority by the Director. I am concerned that there has been little followup on the wealth of data and scientific information that tends to place the onus on numerable environmental/occupational factors.

New Jersey has apparently a significant cancer problem as do many other highly industrialized urban areas. I believe that not only should the NCI increase its work in the area of research of environmental causes of cancer, but expand its field efforts in New Jersey and some of the other problem areas. In conjunction with NIOSH, the NCI can develop programs in locations where it is highly suspected there would be significant numbers of people exposed to carcinogens. Such programs, in close cooperation with the States, will provide the opportunity to screen persons and detect cancer symptoms, determine exposure levels, and will contribute more data for the research work.

EDWARD J. PATTEN.

## SUPPLEMENTAL VIEWS OF REPRESENTATIVE EDWARD R. ROYBAL

I am generally encouraged by the positive thrust of the Committee's budget recommendations, especially in the area of community-based health care.

Specifically, the Committee has given strong endorsement to health programs which directly affect disadvantaged urban and rural communities, such as community health centers, migrant health, and maternal and child health. At the same time, it has expressed, in the health portion of its report, several concepts and directions that deserve further elaboration and expansion.

First of all, the Committee acknowledges the serious problems that "cultural barriers" and other impediments to access present in the delivery of health care to underserved areas. Several Federally sponsored studies have documented and analyzed the consequences of these obstacles. One recent report, for example, found "accessibility, acceptability, and availability, to be problems in all areas of health care" for underserved Mexican American communities. Consequently, it is important that the problems of access and service delivery, including cultural and language barriers, be adequately addressed within HEW's community health and quality assurance programs, service corps, and planning initiatives.

A second element essential to improved health services is community or consumer participation in local health planning, management, and evaluation. Several Health Resources Administration studies have suggested the importance of such community involvement in health programs. And Congress, by various legislative actions, has endorsed this concept, particularly in the area of community health and mental health services. Further, under the 1974 health planning law, Congress has called for a substantial consumer participation in the local governing boards of the health systems agencies. It is recommended that HEW develop a plan to advance this participatory approach within community-based health activities.

A third element—and one enunciated in the Committee report—is the development of a cooperative approach among our health services and screening programs in addressing such problems as high risk teenage pregnancies or low immunization levels in underserved areas. This cooperative principle should be the cornerstone of all Federal health service efforts and, at the local level, should involve close communication and working arrangements among community-based health organizations, public health departments, schools and other providers. (Relevant is a recent National Institute of Mental Health-sponsored study which indicated that mental health services for children can be significantly improved when offered in a neighborhood health center providing pediatric care and community input.) HEW must make every effort to develop a total health response in assisting urban and rural communities. It is recommended that the Department work to develop

cooperative health action plans and service networks in underserved areas. These efforts should include provisions for referral and total family or personal care, and adequately respond to the problem of manpower and maldistribution.

A final element involves the establishment of closer working ties between HEW's health research and service components. Similarly, linkage should be established between health research centers and facilities, and service delivery programs in the community. It is apparent, for instance, that child health problems, such as handicapping conditions, nutrition, and child abuse and neglect, would directly benefit from a cooperative approach, since they require a research, training and service connection.

It is my strong belief that cooperative health action will greatly enhance the coverage and quality of care to our communities, and lead to the development of an effective health policy based on cost and consumer principles.

EDWARD R. ROYBAL.

#### ADDITIONAL VIEWS OF CONGRESSMAN BILL ALEXANDER

The Departments of Labor, and Health, Education, and Welfare, and Related Agencies Appropriations Bill, 1977, continues fiscal support of the "urban bias" in federal policy that heavily favors urban residents at the expense of rural residents.

Growing problems of inadequate health facilities, personnel and care in rural areas have been the subject of study after study for many years. Numerous schemes for solving these problems have been proposed and some have been put into operation at the cost of millions upon millions of federal dollars. Throughout all these activities the adequacy of health care for countryside residents has continued to deteriorate and the quantity of health care personnel working in heartland communities has continued to decline.

The solution to the problem of national maldistribution of health personnel, facilities and services will have to be a complex and coordinated one because of the complexity and interrelationship of various aspects of the countryside health care problems.

Despite the federal programs which have been implemented with the declared objective of encouraging more health personnel to locate in rural areas, the numbers of doctors, nurses, dentists and other health personnel in the countryside communities is decreasing while their numbers are increasing in the cities.

Available research studies do little to encourage us to rely on the training of more health personnel as the solution to rural area personnel shortages. Other nations which have higher per capita availability of health personnel also have distribution problems in countryside areas.

Despite federal programs which have been promoted as a means of providing improved health care facilities in rural areas, the health care facilities in these areas have generally and steadily deteriorated, and in some instances have disappeared.

Even as we have experimented with positive programs in search of solutions to rural health care problems, we have been following an official, federal policy that is counterproductive to our efforts. I am referring to the double-standard policy of paying health personnel in the countryside less for services they provide under Medicare and Medicaid programs than is paid to their colleagues in the cities for the same services.

Data developed by the Department of Health, Education and Welfare shows that per enrollee Medicare payments in metropolitan areas of the United States are 30 percent higher than those for services in nonmetropolitan areas. The implications of this for the success of efforts to increase health services available to countryside residents are especially negative in light of data showing that the costs of establishing medical practices in rural areas are apparently much greater than the cost of establishing urban medical practices.

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While the final solution to this problem of different pay scales for the same health services will no doubt have to come through legislative action, I, as a member of the Committee on Appropriations and as a Member of Congress long concerned with improving health care for countryside residents, most strongly object to appropriating money for the federal Medicare and Medicaid programs so long as they operate under policies which discriminate against countryside residents.

BILL ALEXANDER.

SUPPLEMENTAL VIEWS OF CONGRESSMAN CHARLES WILSON OF TEXAS TO THE DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES APPROPRIATION BILL, 1977

I respectfully urge the Committee to recognize that the Cancer Center Exploratory Grant Program is important to the achievement of the goals under the 1971 National Cancer Act's "War on Cancer." In light of the substantial number of applications for Cancer Center Exploratory Grants approved by the National Cancer Advisory Board, but unfunded by the National Cancer Institute, I suggest that the Committee voice its intent that the Director of the National Cancer Institute allocate sufficient money to fund all the Exploratory Grant applications approved to date, and adequate funding thereafter. Further, I request that we urge the Director of the National Cancer Institute to give due consideration to the allocation of a portion of the Division of Cancer Control's FY-77 appropriation to the funding of all approved Cancer Center's Exploratory Grant applications.

CHARLES WILSON.

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DISSENTING VIEWS OF HONS. LOUIS STOKES, DAVID  
OBEY, EDWARD R. ROYBAL, SILVIO O. CONTE, YVONNE  
B. BURKE, EDWARD I. KOCH, SIDNEY R. YATES, AND  
EDWARD J. PATTEN

We intend to offer an amendment eliminating the Byrd Amendment (Section 208) from this Bill.

The ill-conceived Byrd Amendment can only serve to widen the divisions that have developed in many areas of our nation over the difficult task of reversing discrimination in our schools. It is equally clear that such a provision violates the House rule prohibiting legislation in an appropriation bill. Even if an exception could be found in this case, the complexities and moralities involved in this issue render it inappropriate for treatment through the appropriations process.

The busing issue is, first and foremost, a constitutional issue. The controversies that have arisen result from judicial rulings concerning Constitutional requirements. With all due respect, we submit that the Appropriations Committee is ill prepared and ill equipped to alter those rulings or their effects, except by depriving affected school districts of critically important technical and financial assistance. The House itself is not and will not be prepared to engage in such alteration in the absence of comprehensive hearings, findings and recommendations by its Judiciary Committee—the Committee with competent jurisdiction to deal with Constitutional issues.

To illustrate our position, we need only to point out that the Byrd amendment imposes a restriction upon the administrative enforcement of Title VI of the Civil Rights Act of 1964, and Section 215(a) of the Equal Educational Opportunity Act of 1974 (Title II of Public Law 93-380, enacted August 21, 1974). That restriction could result in the effective denial of equal educational opportunity, a right guaranteed to all children by the United States Constitution. To the extent that it will place the federal government in the posture of financially supporting unconstitutionally segregated public schools, the provision also violates the Fifth Amendment of the U.S. Constitution.

An Appropriations Bill is hardly a suitable vehicle for deliberation and discussion on such issues. We oppose the misuse of the appropriations process represented by the Byrd Amendment.

LOUIS STOKES.  
DAVID OBEY.  
EDWARD R. ROYBAL.  
YVONNE BURKE.  
EDWARD I. KOCH.  
SIDNEY R. YATES.  
EDWARD J. PATTEN.  
SILVIO O. CONTE.

## MINORITY VIEWS—LABOR HEW APPROPRIATIONS FOR FISCAL YEAR 1977

The majority has come forth with a bill which is \$3.6 billion over the Administration's Budget, which projects an increase of at least \$5.1 billion over that budget when the various unauthorized programs are funded, and which sets forth the possibility of an even larger increase totaling \$9.6 billion if a very wasteful public service jobs program is fully funded.

At a time when the American people are rightfully demanding change in the form of a more responsive, less bureaucratized, more efficient governmental system, this bill perpetuates the status quo by continuing and expanding the same old centralized, categorical programs, many of which have outlived their usefulness or show minimal accomplishment for the dollars spent.

At a time when the public is rightfully concerned over the relationship of government to the special interests, this bill represents a field day for the special interests. Their intensive lobbying for preservation and expansion of their own fiefdoms has paid off, as the Majority has come down on the side of the vested interests, at the expense of good government and the taxpaying public.

There can be little question about the important role the Federal government must play in promoting equal educational opportunity, health research, improved health care, a better life for our elderly citizens, expanded opportunities for the handicapped, and job training and placement. Pursuit of this role, however, does not automatically require an ever increasing expenditure of federal funds. Nor does it require never-ending adherence to existing, centralized programs, simply because they are on the books. The federal role should be designed to enhance the ability of states, localities, and individual citizens to meet the problems at hand. It should not supplant them. The Federal government should supply the resources where necessary, but it should never supply them in such amounts that it destroys the incentive of local entities to raise their own resources. Nor should it supply them in such amounts that local officials and individuals become beholden to these resources, and sell their souls if need be to keep the dollars flowing. Nor should it supply resources in such amounts that the demand for a continuation of funds overcomes the willingness to judge the merits and effectiveness of programs and undertake changes where necessary.

The evidence is clear that State and local officials, school officials, health personnel, and individual citizens are increasingly tired and frustrated with the ever-growing web of federal rules and regulations which accompany federal programs and federal dollars. It is becoming just as clear, however, that these individuals have become so dependent on federal dollars that they are reluctant to approve any change out of fear that the flow of dollars will be interrupted. This



only leads to greater unhappiness, the perpetuation of waste, inefficiency, and ineffectiveness, and an ever increasing burden on the average taxpaying citizen.

The Administration's Budget in the Labor-HEW area is not sacred, but it did seek to redress these grievances and pressures. It sought to incorporate numerous categorical programs into overall block grant programs designed to provide State and local officials the necessary flexibility to allocate funds according to local needs. It sought to phase out programs which have largely accomplished their intended purpose. It sought to stabilize funding on programs which have not as yet fully proven their effectiveness. It was, in other words, a budget of change, a budget of reform, designed to promote a more efficient, more responsive, less oppressive governmental system.

The Majority, however, rejected the changes and reforms out of hand. It has opted for the status quo. It has sided with the vested interests. It has adopted the policy that merely spending more federal dollars is the solution to all problems. It has put together a bill and projections that will cost the average American family of four in excess of \$100 a year in lost tax reductions, with a potential loss upwards of \$200.

In specific terms, the major excesses of the bill are as follows:

*CETA Title I.*—\$1,880,000,000 is included for the manpower training program, an increase of \$300 million over the Budget. The increase is ostensibly to maintain the current program level and to provide for an increase in the minimum wage. In reality, the current program level is artificially high, due to the carryover of a substantial amount of unexpended funds from 1975 to 1976. The Budget would restore the program to a more even keel, and does in fact provide for a 20 percent increase in training slots over the 1975 level. It also takes into account the increase in the minimum wage. At a time when only 32 percent of those terminated from this program end up in jobs, thus in effect costing \$9000 for each job placement, a better performance record is in order before we undertake a substantial expansion.

*Community Service Employment for Older Americans.*—The bill provides \$90.6 million, all of it in excess of the Budget, to expand the program and fund it through September 30, 1978. The report also requires that the funds be distributed entirely through national contractors, an inequitable method of distribution which favors some regions as against others. Providing employment for the elderly is certainly a laudable objective, but it is questionable whether a categorical program such as this one is the best way to do so. We might better direct our attention toward elimination of the mandatory retirement age, which forces many to retire with good productive years still ahead of them.

*Health Services Programs.*—The bill includes \$981,021,000 for these programs, an increase of \$333 million over the Budget. The Budget proposed the folding of most of the categorical programs within this category into the overall health block grant proposal. These programs include Community Health Services, Comprehensive Health Grants to the States, Maternal and Child Health, Family Planning, Migrant Health, and Emergency Medical Services. This approach would allow the states the flexibility to determine which health services are most important to them, and to fund these services accordingly.

Additionally, if the States made a serious effort to eliminate the waste from Medicaid, which would also be included in the block grant, substantial additional sums would be available for health services, even over and above the amounts contained in this bill. Unfortunately, the high funding levels of the present categorical programs have generated opposition to any change in the status quo from those who have already established direct funding pipelines to Washington. A lower funding level thus very likely would soften the rigidity toward change, and would result in better government, better programs and better services.

*National Institutes of Health.*—The bill includes \$2,421,778,000 for NIH, an increase of \$256 million over the Budget. There is little question about the vital need for health research, but there does appear to be room for tightening up within this overall allocation, thus enhancing the actual research effort. For instance, the average grant length is 3.2 years. When that period is up, upwards of 80 percent of these recipients apply for renewal, and 90 percent of these renewals are approved. The tendency, in other words, is to keep funding the same people, and the question must be asked as to whether this condition is conducive to the introduction of new ideas and/or whether any special games of favoritism are being played.

Another concern is the high salaries accruing to researchers in many instances, which are being charged to the grants. For instance, in certain sample universities, the average salary for principal investigators two years ago was \$54,000. Obviously, the higher the cost per grant, the fewer the number of grants that can be funded.

Then, finally, there is the problem of indirect costs. The indirect cost rate for NIH is now up to 35 percent of direct costs, which means that over \$400 million of the funds ostensibly appropriated for health research are being siphoned off for non-research purposes. The National Advisory Neurological and Communicative Disorders and Stroke Council observes that full recovery of indirect costs results in the Government "supporting less research with more public dollars." A lower indirect cost rate would enable us to fund substantially increased research and still live within the Budget perimeters.

*Alcohol, Drug Abuse and Mental Health.*—The bill provides \$797,905,000 for these programs, an increase of \$193 million over the Budget. The bulk of this increase falls in two areas: Community Mental Health Centers and manpower training. The Budget proposed including the mental health centers under the health block grant program, and thus the comments under the health services section apply here as well.

The manpower training programs were established many years ago to meet a pressing need, and that need has been substantially met on a nationwide basis. The essential problem now is maldistribution, but you do not deal with that problem by continued funding of a general program. The fact is that many of those trained with federal funds do not go into community mental health centers, state hospitals, or other areas where the needs are most pressing. For example, 62 percent of the psychiatrists and 55 percent of the psychologists go into private practice or teaching. Any federal assistance here should for the most part come from the regular student assistance programs, where these individuals would compete equally with everybody else.

*Nursing Assistance.*—The bill provides \$124 million for nursing institutional and student assistance programs, an increase of \$88 million over the Budget. The Budget proposes a phasing out of these programs because, in the words of the American Nurses Association itself, "the supply of nurses appears to be approaching demand." The problem is again one of maldistribution rather than an overall shortage. Regular student assistance programs are available in ever increasing amounts to those interested in pursuing a career in nursing.

*ESEA Title I (Grants to the Disadvantaged).*—The bill includes \$2,250,000,000, an increase of \$350 million over the Budget, and \$200 million over the current level. The language of the Senate Appropriations report on the Second Supplemental is pertinent in this regard: "The question yet to be clearly answered is whether or not the Title I program is effective in helping increase and sustain student achievement. In this regard, the Committee has reviewed all available reports and studies on the subject, and found that there is still no clear answer. For this reason, together with the fact that as much as \$800 million in prior year Title I appropriations is presently available to the States, the Committee recommends no additional appropriation at this time." That ought to be the position on the House side as well. Until a program has proven itself, there is simply no justification for continuing to pile on more dollars. The \$800 million still in the pipeline makes this doubly the case with this program.

Additionally, there needs to be a more extensive use of pupil achievement projects which have proven successful and which are most cost effective. During our hearings, Office of Education officials testified that "There are some effective projects that school districts have been able to develop and to put into effect which are inexpensive and draw upon existing teachers and merely replace existing programs and use existing materials, so that the additional cost is very small. Others in the most effective group have cost as much as \$600 additional per pupil per year. There doesn't seem to be a consistent pattern on cost and effectiveness." Expanded use of the most cost-effective programs ought to permit greater progress with fewer dollars.

*Bilingual Education.*—The bill provides \$115 million, an increase of \$25 million over the Budget and \$17 million over 1976. The Budget request would support 513 projects, including 170 new starts. The Supreme Court called for the provision of bilingual education services, but this responsibility was placed on the States, not the Federal Government. The Federal government should assist the States in developing and setting up programs, but should not expand itself into the overall financing of these programs. It should also be noted that the Federal government is providing bilingual assistance in 15 other programs for a total commitment, including this item, of more than \$150 million.

*Follow Through.*—The bill contains \$59 million, a \$29 million increase over the Budget. This was designed as an experimental program to develop models for educating disadvantaged children in the early primary grades. It is now nearly 10 years old, and the results of a national, longitudinal study showing which models are effective will be

available this year. The program has, in other words, completed its mission, and now is clearly the time to begin phasing it out.

*State Equalization Grants.*—The bill includes \$10 million, all of it over the Budget. The idea of this program is to assist the States to develop plans providing for greater equalization of State funds to local school districts. It is purely a State matter, and there is no justification for the Federal government funding what the States should be doing for themselves.

*Impact Aid.*—The bill contains \$788 million for this program, an increase of \$463 million over the Budget and \$108 million over 1976. The Budget is based on revising the Impact Aid law by eliminating payments for Category B and low rent public housing. There are a variety of opinions on all sides about the validity of funding for Category B (parents who work in, but do not reside on, federal facilities), but there is very little justification for the funds relating to public housing. Direct funding for public housing pupils is up to \$73 million and rising. Most of this overlaps ESEA Title I funding, but this item is another one of those tied into a triggering device which most Members apparently feel ties our hands as far as appropriations are concerned.

What is not bound by the triggering device, however, is \$65 million in Part D hold harmless funds for school districts not to cover any losses to these districts, but to cover increases they would have received had the funds for public housing children gone for increased payments to A. and B. districts.

The key point, however, is that the public housing monies were added over and above the regular A. and B. payments. Had the monies not been appropriated for public housing, they would not have been appropriated, period. There is, in other words, no harm to these districts to be held harmless against. Providing hold harmless to them simply provides them a bonanza for which there is absolutely no justification.

*Education for the Handicapped.*—The bill provides \$426 million for this program, an increase of \$190 million over the Budget. When coupled with the \$120 million allocated for education of the handicapped under other programs, this results in a total for this purpose of \$646 million. All of the increase falls in the State grant program. The \$300 million in the bill for the State grant program represents a 50 percent increase over the 1976 level and a 200 percent increase over the 1975 level. There is a serious question as to whether the States can effectively utilize such a sizeable increase and to what extent are actually using these funds to substitute their own monies.

*Head Start.*—The bill level of \$475 million represents a \$41 million increase over the Budget. The program is a sound one, but there is some excess within the overall appropriation which could be eliminated and still permit operation of the program at the level contemplated in the bill. This includes \$19 million for training the Head Start staff and \$6 million for research and demonstration for a program that has been in operation for ten years. Another typical example of how we tend to perpetually fund items whose mission has been completed.

*Aging Community Services.*—The bill contains \$150 million for these programs, an increase of \$52 million over the Budget and \$26 million over the 1976 level. This represents a 44 percent increase in little over a year's time, since a substantial increase for 1976 was also included in the Second Supplemental recently adopted. There is no question about the importance of the services provided the elderly through the area agencies under this program, but there is a question as to whether these agencies can effectively spend such substantial increases over such a short period of time without considerable waste occurring. There is also a need to retain an incentive for States and localities to participate financially.

*Community Services Administration.*—The bill contains \$496 million for the various anti-poverty programs under this agency, an increase of \$160 million over the Budget.

The increase includes \$70 million for the Community Action Agencies. The Budget request was based on the requirements of the law requiring that the federal-local matching rate be reduced to 60-40 from 80-20, but that does not necessarily mean it will become law.

During the first part of the current fiscal year, when CSA was operating under the continuing resolution at the lower budget level, some two-thirds of the Community Action Agencies were able to meet the increased local match required (when the rate declined from 80-20 to 70-30). This indicates that it can be done, if there is a will at the State and local level to do it.

An interesting point is that 24 percent of Community Action Agency monies go into administrative costs.

The bill includes \$12 million for State Economic Opportunity Offices, all of it over the Budget. These basically represent an arm of the governor which are used mainly for lobbying and other similar purposes. The federal funds are mostly used to pay the salaries of State personnel.

The bill includes \$15 million for the Community Food and Nutrition Service, all of it over the Budget, but \$11.2 million under last year. It was revealed in the hearings that only \$12 million of the \$26.2 million allocated for this program actually goes for food, with the remainder going for recruitment for the food stamp program and other lobbying activities, such as financing a suit against the federal government to bring about increased nutrition funding for the elderly.

The cutback contained in the bill is good, but there is really no reason why we cannot go all the way and eliminate this program entirely. There are all kinds of other federal nutrition programs, such as Food Stamps, Nutrition for the Elderly, Meals on Wheels, School Lunch programs, and the Women, Infants, and Children's program operated by Agriculture. The Food Stamp and School Lunch programs also include outreach activities. A total of about \$7 billion is being spent annually on these programs.

In conclusion, the level of spending in this Bill is simply unconscionable, and will come out of the pockets of the average American citizen, either through high taxes or higher prices. The Bill's commitment to the status quo, vested interests, spending as a solution to all

problems, and a policy of opposition to change, evaluation and reform represents a continued commitment to an inefficient, costly, unresponsive, and overly burdensome federal government. The American people have demanded better, and we owe it to them to pursue that objective.

ROBERT H. MICHEL.  
ELFORD A. CEDERBERG.  
WILLIAM L. ARMSTRONG.  
CLAIR W. BURGNER.  
JACK EDWARDS.  
JACK KEMP.  
CLARENCE E. MILLER.  
JOHN T. MYERS.  
J. KENNETH ROBINSON.  
C. W. BILL YOUNG.

SUPPLEMENTAL MINORITY VIEWS OF THE HON.  
CLAIR W. BURGNER

I wish to associate myself with the comments submitted by my good friend, Congressman Bob Michel, who has done so much constructive and effective work on this matter. His comments present an excellent review of those features of this bill that raise serious questions for each and every Member of the House to consider.

One area of Mr. Michel's comments involves the subject of Impact Aid and I feel that it is necessary for me to point out the absolutely vital role this program plays in the operation of thousands of school districts throughout the nation.

There has, indeed, been a great deal of attention given to the application of Impact Aid in areas near the Nation's Capitol and many arguments have been raised which deserve careful consideration. Nevertheless, it is imperative that we keep in mind the effect of this program, especially category B programs to school districts which are not in the same situation as those in the suburban Washington area.

In my State of California, for example, school districts are restricted by state law in the options which would be available to them in dealing with a loss of revenue from the category B program. Without the option to change their property tax rates to compensate, loss of funds from this program would mean a real reduction in the quality of education they can provide. It would mean firing teachers, reducing budgets and eliminating important programs. Some of these school districts would simply not be able to fulfill their assigned task of providing quality education to children if this program were reduced.

Again, I commend my good friend, Bob Michel, for the work he has done and the leadership he has provided in the areas covered by this major bill and I wish to associate myself with his remarks in this report.

CLAIR W. BURGNER.

**SUPPLEMENTAL VIEWS TO THE MINORITY VIEWS,  
LABOR-HEW APPROPRIATIONS BILL, REPRESENTA-  
TIVE JOHN T. MYERS**

This appropriation is unbelievably over both last year's appropriation as well as the budget estimates. Certain specific increases above last year's level and the budget are justified, but it is not necessary to increase as much as has been done in every category.

This appropriation represents expenditures at a level of more than \$250 for every woman, man and child in this country. Many of the items are most appealing and extremely difficult to vote against. Some of these are mental health, drug abuse, nurse training, elementary and secondary education, education of the handicapped, vocational education, and aging programs, to name a few.

But there are some that are difficult to defend such as funds for programs that pay some researchers as much as \$54,000 per person, per year; funds to lobbying groups to sue the federal government; funds to recruit for the food stamp program. The large increases in levels of expenditures for many items are unreasonable this year when this nation is facing such a large deficit.

This appropriation should be recommitted to the committee to reduce the total by at least two and one-half billion dollars.

**JOHN T. MYERS.**

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## ADDITIONAL VIEWS OF HON. CLARENCE E. MILLER

I wish to express my strong dissent from the Committee Report. On page 21 of the Committee Report language was inserted requiring a new study for a site of the National Research headquarters of the National Institute of Occupational Safety and Health.

I believe that the arguments against an additional study are very strong and that those who wish a new study are merely playing politics on a matter involving the safety of American working men and women.

Here are the facts:

1. Cincinnati is the current location of NIOSH. They currently have 400 employees. If a new center is built elsewhere the government will have to pay large moving expenses and programs would be set back a year or more in the move.

2. In 1972 the Department of Health, Education, and Welfare conducted a study where seven cities were visited. The Site Selection Committee recommended two cities, Houston and Cincinnati on April 26, 1973. Secretary Weinberger designated Cincinnati, Ohio, as the site for construction of the new facility.

3. Free land for the new facility was obtained next to the campus of the University of Cincinnati adjacent to the EPA research facility.

4. AM Kinney Company has completed an order of magnitude study that shows the needs of the new building and provides preliminary architecture and engineering plans.

5. Congress, in FY '76 approved \$1.4 million for architectural plans. It is clear that if there had been any doubt as to the location of the NIOSH facility we would not have included \$1.4 million for the plans of a building whose location was unidentified.

6. In the fiscal year 1976 appropriations bill the Department of HEW was instructed to report to the Committee on the Site Selection process. The Committee now states that it was dissatisfied with the report. The report language required that the study be complete by January 1, 1976. Clearly, in this time frame, when planning money is in the same bill, HEW was not directed to start from point zero and study, in detail, every city in the Country. It would have been impossible for a comprehensive study to have been done in this short time frame. But now the Committee report says it expected a much more detailed study.

7. Critics of the Cincinnati site place great emphasis on the alleged recruitment problem. This is the most unfair of all of the charges. The fact of the matter is that each year Congress has greatly increased the authorized level of NIOSH and it has taken the Institute some months to properly fill these new vacancies. Furthermore, this is a highly competitive field. Because of the passage of OSHA, industry needs these same professionals to help them comply with the new law while NIOSH needs professionals to write standards. Both are competing

for the same people. Industry can outbid the government—hence re-  
 cruitment problems. This situation would exist in any city.

Furthermore, I am concerned about the precedent that we may be  
 establishing should this language stay in the Committee Report with-  
 out floor action. Let me state that I am not from Cincinnati, nor even  
 the Cincinnati area; but I am concerned about the test which this bill  
 is applying. The Committee wants to survey where these professionals,  
 who they allege will not move to Cincinnati, want to live. I ask each  
 member if, the next time a federal facility is being considered for your  
 community, you want potential employees polled to determine if that  
 is the place in the country they most want to be. This could mean that  
 the entire government will be in the sunbelt or at ski resorts. We must  
 make sure this language does not stand.

8. The taxpayers have already paid for a complete site selection  
 search where seven cities were visited. This report was reviewed and  
 the recommendations confirmed. The cost of the building is now placed  
 at \$45 million. Additional studies will not only cost the taxpayers the  
 cost of the study, but inflation will increase the cost of a building that  
 Congress and HEW have determined necessary.

CLARENCE MILLER.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1976 AND BUDGET ESTIMATES  
 FOR 1977

PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY—FEDERAL FUNDS

[Becomes available automatically under earlier, or "permanent" law without further, or annual, action by the Congress. Thus these amounts are not included in the  
 accompanying bill]

(1) Agency and item	(2) New budget (obligational) authority, 1976	(3) Budget estimate of new obligational authority, 1977	(4) Increase (+) or decrease (-)
<b>Office of Education:</b>			
Payments to States and territories for colleges of agriculture and mechanic arts (act of Mar. 4, 1907)-----	\$2, 700, 000	-----	-\$2, 700, 000
Payments to States for promotion of vocational education (act of Feb. 23, 1917)-----	7, 161, 000	\$7, 161, 000	-----
Payment of participation sales insufficiencies, indefinite (Indepen- dent Offices Appropriation Act, 1967)-----	1, 220, 000	1, 282, 000	+62, 000
Total, permanent new budget (obligational) authority, Federal funds-----	11, 081, 000	8, 443, 000	-2, 638, 000

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**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1976 AND THE BUDGET ESTIMATES FOR 1977**

**PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY—TRUST FUNDS**

[Becomes available automatically under earlier, or "permanent" law without further, or annual, action by the Congress. Thus these amounts are *not* included in the accompanying bill]

Agency and item	New budget (obligational) authority, 1976	Budget estimate of new (obligational) authority, 1977	Increase (+) or decrease (-)
<b>DEPARTMENT OF LABOR</b>			
Employment and Training Administration: Unemployment trust funds.....	\$16,700,466,000	\$16,000,000,000	-\$700,466,000
Special workers' compensation expenses.....	2,751,000	3,414,000	+663,000
Gifts and bequests, National Commission for Manpower Policy.....	125,000	125,000	
<b>Total, Department of Labor.....</b>	<b>16,703,342,000</b>	<b>16,003,539,000</b>	<b>-699,803,000</b>
<b>DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE</b>			
Assistant Secretary for Health: Public Health Service trust funds.....	1,527,000	1,600,000	+73,000
Office of Education: Special statistical compilations and surveys.....	60,000	100,000	+40,000
Social Security Administration:			
Federal old-age survivors insurance trust fund.....	62,383,422,000	71,812,031,000	+9,428,609,000
Federal disability insurance trust fund.....	8,398,725,000	9,525,000,000	+1,126,275,000
Federal hospital insurance trust fund.....	13,609,540,000	15,726,008,000	+2,116,468,000
Federal supplementary medical insurance trust fund.....	4,945,975,000	7,312,000,000	+2,366,025,000
<b>Total, Department of Health, Education, and Welfare.....</b>	<b>89,339,249,000</b>	<b>104,376,739,000</b>	<b>+15,037,490,000</b>
<b>RAILROAD RETIREMENT BOARD</b>			
Railroad retirement account.....	3,274,330,000	3,735,600,000	+461,270,000
<b>SOLDIERS' AND AIRMEN'S HOME</b>			
Payment of claims.....	5,000	5,000	
<b>Total, permanent new budget (obligational) authority, trust funds.....</b>	<b>109,316,926,000</b>	<b>124,115,883,000</b>	<b>+14,798,957,000</b>



**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1976 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1977**

Agency and item  (1)	New budget (obligational) authority, fiscal year 1976  (2)	Budget estimates of new (obligational) authority, fiscal year 1977  (3)	New budget (obligational) authority recommended in bill  (4)	Bill compared with--	
				New budget (obligational) authority, fiscal year 1976  (5)	Budget estimates of new (obliga- tional) authority, fiscal year 1977  (6)
<b>DEPARTMENT OF LABOR</b>					
<b>EMPLOYMENT AND TRAINING ADMINISTRATION</b>					
Program administration.....	\$ 68,261,000	\$ 69,380,000	\$ 69,774,000	\$ 1,513,000	\$ 394,000
Trust fund transfer.....(	30,706,000)	31,487,000)	30,887,000)	181,000)	-600,000)
Employment and training assistance.....	2,916,820,000	2,794,330,000	3,245,250,000	328,430,000	450,920,000
Temporary employment assistance.....	1,200,000,000	---	---	-1,200,000,000	---
	( 1,625,000,000)	---	---		
Community service employment for older Americans.....	85,900,000	---	90,600,000	4,700,000	90,600,000
Federal unemployment benefits and allowances.....	410,000,000	860,000,000	860,000,000	450,000,000	---
Grants to States for unemployment insurance and employment services.....	81,300,000	81,500,000	89,100,000	7,800,000	7,600,000
Trust fund transfer.....(	1,415,400,000)	1,354,300,000)	1,412,700,000)	-2,700,000)	58,400,000)
Advances to the Unemployment Trust Fund and Other Funds.....	5,000,000,000	5,000,000,000	5,000,000,000	---	---
<b>Total.....</b>	<b>9,762,281,000</b>	<b>8,805,210,000</b>	<b>9,354,724,000</b>	<b>-407,557,000</b>	<b>549,514,000</b>
Trust fund transfer.....	1,446,106,000	1,385,787,000	1,443,587,000	-2,519,000	57,800,000
<b>LABOR-MANAGEMENT SERVICES ADMINISTRATION</b>					
Salaries and expenses.....	45,885,000	48,619,000	48,319,000	2,434,000	-300,000
<b>EMPLOYMENT STANDARDS ADMINISTRATION</b>					
Salaries and expenses.....	87,407,000	93,275,000	92,952,000	5,545,000	-323,000
Trust fund transfer.....(	225,000)	250,000)	250,000)	25,000)	---
Special benefits.....	298,100,000	317,818,000	317,818,000	19,718,000	---
<b>Total.....</b>	<b>385,507,000</b>	<b>411,093,000</b>	<b>410,770,000</b>	<b>25,263,000</b>	<b>-323,000</b>
<b>OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION</b>					
Salaries and expenses.....	117,181,000	130,820,000	129,833,000	12,652,000	-987,000
<b>BUREAU OF LABOR STATISTICS</b>					
Salaries and expenses.....	65,846,000	73,688,000	72,196,000	6,350,000	-1,492,000
<b>DEPARTMENTAL MANAGEMENT</b>					
Salaries and Expenses.....	38,240,000	49,596,000	49,312,000	11,072,000	-284,000
Trust fund transfer.....(	907,000)	1,305,000)	1,305,000)	398,000)	---
Special foreign currency program.....	70,000	70,000	70,000	---	---
<b>Total.....</b>	<b>38,310,000</b>	<b>49,666,000</b>	<b>49,382,000</b>	<b>11,072,000</b>	<b>-284,000</b>
<b>TOTAL, DEPARTMENT OF LABOR.....</b>	<b>10,415,010,000</b>	<b>9,519,096,000</b>	<b>10,065,224,000</b>	<b>-349,786,000</b>	<b>546,128,000</b>
<b>TOTAL, Trust Fund Transfer.....(</b>	<b>1,447,238,000)</b>	<b>1,387,342,000)</b>	<b>1,445,142,000)</b>	<b>-2,096,000)</b>	<b>57,800,000)</b>
<b>DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE</b>					
<b>HEALTH SERVICES ADMINISTRATION</b>					
Health services.....	934,614,000	647,558,000	981,021,000	46,407,000	333,463,000
	( 55,025,000)	( 49,629,000)	1/		
Trust fund transfer.....(	26,321,000)	39,121,000)	40,121,000)	13,800,000)	1,000,000)
<b>CENTER FOR DISEASE CONTROL</b>					
Preventive health services.....	244,017,000	109,583,000	121,728,000	-122,289,000	12,145,000
	( 41,400,000)	( 33,710,000)	1/		

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1976 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1977**

Agency and item (1)	New budget (obligational) authority, fiscal year 1976 (2)	Budget estimates of new (obligational) authority, fiscal year 1977 (3)	New budget (obligational) authority recommended in bill (4)	Bill compared with—	
				New budget (obligational) authority, fiscal year 1976 (5)	Budget estimates of new (obliga- tional) authority, fiscal year 1977 (6)
<b>NATIONAL INSTITUTES OF HEALTH</b>					
National Cancer Institute.....	762,647,000	687,670,000	773,412,000	10,765,000	85,742,000
National Heart, Lung, and Blood Institute.....	370,347,000	342,855,000	380,661,000	10,314,000	37,806,000
National Institute of Dental Research.....	51,427,000	52,207,000	54,573,000	3,146,000	2,366,000
National Institute of Arthritis, Metabolism and Digestive Diseases.....	179,801,000	180,837,000	202,837,000	23,036,000	22,000,000
National Institute of Neurological and Communicative Disorders and Stroke.....	144,707,000	146,532,000	153,132,000	8,425,000	6,600,000
National Institute of Allergy and Infectious Diseases.....	127,163,000	135,615,000	139,615,000	12,452,000	4,000,000
National Institute of General Medical Sciences.....	187,388,000	193,435,000	198,435,000	11,047,000	5,000,000
National Institute of Child Health and Human Development.....	136,573,000	129,883,000	140,343,000	3,770,000	10,460,000
National Institute on Aging.....	19,388,000	26,220,000	29,200,000	9,812,000	2,980,000
National Eye Institute.....	50,285,000	46,950,000	56,270,000	5,985,000	9,320,000
National Institute of Environmental Health Sciences.....	37,780,000	46,141,000	49,141,000	11,361,000	3,000,000
Research resources.....	130,300,000	92,342,000	136,299,000	5,999,000	43,957,000
John E. Fogarty Center.....	5,694,000	7,492,000	7,992,000	2,298,000	500,000
National Library of Medicine.....	29,244,000	35,234,000	35,234,000	5,990,000	---
Buildings and facilities.....	54,000,000	25,400,000	67,400,000	13,400,000	42,000,000
Office of the Director.....	15,325,000	16,234,000	16,234,000	909,000	---
<b>Total.....</b>	<b>2,302,069,000</b>	<b>2,165,047,000</b>	<b>2,440,778,000</b>	<b>138,709,000</b>	<b>275,731,000</b>
<b>ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION</b>					
Alcohol, drug abuse, and mental health.....	702,353,000	546,826,000	737,441,000	35,088,000	190,615,000
St. Elizabeths Hospital (indefinite).....	99,049,000 (	76,505,000)	1/	5,339,000	2,500,000
Buildings and facilities.....	55,125,000	57,964,000	60,464,000	-10,600,000	---
Office of the Director.....	10,600,000	---	---	---	---
<b>Total.....</b>	<b>768,078,000</b>	<b>604,790,000</b>	<b>797,905,000</b>	<b>29,827,000</b>	<b>193,115,000</b>
<b>HEALTH RESOURCES ADMINISTRATION</b>					
Health resources.....	385,413,000	223,300,000	351,896,000	-33,517,000	128,596,000
Trust fund transfer.....	322,491,000 (	283,000,000)	1/	-42,000 (	---
Medical facilities guarantee and loan fund.....	42,000 (	---	---	21,000,000	---
Payment of sales insufficiencies and interest losses.....	10,000,000	31,000,000	31,000,000	---	---
<b>Total.....</b>	<b>4,000,000</b>	<b>4,000,000</b>	<b>4,000,000</b>	<b>-12,517,000</b>	<b>128,596,000</b>
<b>Total.....</b>	<b>399,413,000</b>	<b>258,300,000</b>	<b>386,896,000</b>	<b>-12,517,000</b>	<b>128,596,000</b>
<b>ASSISTANT SECRETARY FOR HEALTH</b>					
Salaries and expenses.....	21,618,000	22,216,000	22,416,000	798,000	200,000
Retirement pay and medical benefits for commissioned officers (indefinite).....	45,013,000	52,352,000	52,352,000	7,339,000	---
Scientific activities overseas (special foreign currency programs).....	---	1,500,000	1,500,000	1,500,000	---
<b>Total.....</b>	<b>66,631,000</b>	<b>76,068,000</b>	<b>76,268,000</b>	<b>9,637,000</b>	<b>200,000</b>
<b>EDUCATION DIVISION OFFICE OF EDUCATION</b>					
Elementary and secondary education.....	2,423,591,852	2,206,688,000	2,658,500,000	234,908,148	451,812,000
Advanced appropriation.....	12,500,000 (	7,000,000)	1/	209,478,148 (	371,112,000)
School assistance in federally affected areas.....	2,234,521,852 (	2,072,888,000)	2,444,000,000 (	84,000,000	463,000,000
Emergency school aid.....	704,000,000	325,000,000	788,000,000	-22,000,000	---
<b>Total.....</b>	<b>271,700,000</b>	<b>249,700,000</b>	<b>249,700,000</b>	<b>---</b>	<b>---</b>

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1976 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1977**

Agency and item  (1)	New budget (obligational) authority, fiscal year 1976  (2)	Budget estimates of new (obligational) authority, fiscal year 1977  (3)	New budget (obligational) authority recommended in bill  (4)	Bill compared with—	
				New budget (obligational) authority, fiscal year 1976  (5)	Budget estimates of new (obliga- tional) authority, fiscal year 1977  (6)
Education for the handicapped.....	326,375,000	236,375,000	426,375,000	100,000,000	190,000,000
Advanced appropriation.....(	200,000,000)(	110,000,000)(	300,000,000)(	100,000,000)(	190,000,000)(
Occupational, vocational and adult education.....	509,345,100	599,688,000	928,553,000	419,207,900	328,865,000
Advanced appropriation.....(	107,343,000)(	---	---	---	---
Advanced appropriation.....(	71,500,000)(	67,500,000)(	574,316,000)(	502,816,000)(	506,816,000)(
Higher education.....	399,530,000	338,280,000	350,170,000	-49,360,000	11,890,000
Advanced appropriation.....(	2,949,029,000)(	1,655,971,000)	<u>1/</u>		
Library resources.....	199,079,000	189,079,000	204,079,000	5,000,000	15,000,000
Advanced appropriation.....(	18,975,000)(	9,975,000)	<u>1/</u>		
Advance appropriation.....(	147,330,000)(	137,330,000)(	147,330,000)(	---	10,000,000)
Special projects and training.....	36,893,000	29,850,000	45,493,000	8,600,000	15,643,000
Advanced appropriation.....(	52,962,000)(	37,500,000)	<u>1/</u>		
Educational activities overseas (special foreign currency program).....	2,000,000	2,000,000	2,000,000	---	---
Salaries and expenses.....	108,467,000	115,434,000	115,434,000	6,967,000	---
Student loan insurance fund.....	201,787,000	---	---	-201,787,000	---
Higher education facilities loan and insurance fund.....	2,192,000	2,119,000	2,119,000	-73,000	---
Subtotal.....	5,184,959,952	4,294,213,000	5,770,423,000	585,463,048	1,476,210,000
NATIONAL INSTITUTE OF EDUCATION					
National Institute of Education.....	---	---	<u>1/</u>	---	---
Advanced appropriation.....(	70,000,000)(	90,000,000)			
OFFICE OF ASSISTANT SECRETARY FOR EDUCATION					
Salaries and expenses.....	21,000,000	21,446,000	21,446,000	446,000	---
Advanced appropriation.....(	11,500,000)(	11,500,000)	<u>1/</u>		
Total.....	5,205,959,952	4,315,659,000	5,791,869,000	585,909,048	1,476,210,000
SOCIAL AND REHABILITATION SERVICE					
Public assistance.....	17,240,950,000	18,022,200,000	18,036,150,000	795,200,000	13,950,000
Work incentives.....	400,000,000	315,000,000	370,000,000	-30,000,000	55,000,000
Program administration.....	60,378,000	63,095,000	63,095,000	2,717,000	---
Total.....	17,701,328,000	18,400,295,000	18,469,245,000	767,917,000	68,950,000
SOCIAL SECURITY ADMINISTRATION					
Payments to social security trust funds.....	4,121,236,000	6,713,902,000	6,713,902,000	2,592,666,000	---
Special benefits for disabled coal miners.....	999,778,000	913,897,000	913,897,000	-85,881,000	---
Supplemental security income program.....	5,520,650,000	5,910,122,000	5,895,122,000	374,472,000	-15,000,000
Limitation on salaries and expenses.....(	2,397,719,112)(	2,561,773,000)(	2,561,773,000)(	164,053,888)(	---
Limitation on construction.....(	6,300,000)(	14,400,000)(	14,400,000)(	8,100,000)(	---
Total.....	10,641,664,000	13,537,921,000	13,522,921,000	2,881,257,000	-15,000,000
Trust fund limitation.....	2,404,019,112	2,576,173,000	2,576,173,000	172,153,888	---
SPECIAL INSTITUTIONS					
American Printing House for the Blind.....	2,408,000	2,762,000	2,762,000	354,000	---
National Technical Institute for the Deaf.....	9,836,000	12,675,000	12,675,000	2,839,000	---
Gallaudet College.....	22,831,000	40,840,000	40,840,000	18,009,000	---
Howard University.....	86,558,000	81,909,000	82,909,000	-3,649,000	1,000,000
Total.....	121,633,000	138,186,000	139,186,000	17,553,000	1,000,000
ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT					
Human development.....	1,702,330,318	1,572,689,000	1,873,514,000	171,183,682	300,825,000
Trust fund transfer.....(	600,000)(	600,000)(	600,000)(	---	---

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1976 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1977**

Agency and item  (1)	New budget (obligational) authority, fiscal year 1976  (2)	Budget estimates of new (obligational) authority, fiscal year 1977  (3)	New budget (obligational) authority recommended in bill  (4)	Bill compared with—	
				New budget (obligational) authority, fiscal year 1976  (5)	Budget estimates of new (obliga- tional) authority, fiscal year 1977  (6)
<b>DEPARTMENTAL MANAGEMENT</b>					
Office for Civil Rights.....	25,219,000	29,685,000	29,685,000	4,466,000	---
Trust fund transfer.....(	1,351,000)	919,000)	919,000)	-432,000)	---
General departmental management.....	89,511,000	93,661,000	92,661,000	3,150,000	-1,000,000
Trust fund transfer.....(	12,751,000)	12,872,000)	12,872,000)	121,000)	---
Policy research.....	24,950,000	24,950,000	24,950,000	---	---
<b>Total.....</b>	<b>139,680,000</b>	<b>148,296,000</b>	<b>147,296,000</b>	<b>7,616,000</b>	<b>-1,000,000</b>
<b>TOTAL, DEPARTMENT OF HEALTH, EDUCATION AND WELFARE....</b>	<b>40,227,417,270</b>	<b>41,974,392,000</b>	<b>44,748,627,000</b>	<b>4,521,209,730</b>	<b>2,774,235,000</b>
<b>TOTAL, Limitation on Trust Fund Transfers.....(</b>	<b>2,445,084,112)</b>	<b>2,629,685,000)</b>	<b>2,630,685,000)</b>	<b>185,600,888)</b>	<b>1,000,000)</b>
<b>RELATED AGENCIES</b>					
Action.....	50,392,000	55,300,000	56,800,000	6,408,000	1,500,000
(	53,203,000)	38,602,000)	1/		
Community Services Administration.....	520,152,000	334,000,000	496,000,000	-24,152,000	162,000,000
Corporation for Public Broadcasting.....	78,500,000	70,000,000	96,750,000	18,250,000	26,750,000
Advance appropriation for 1978.....	---	80,000,000	107,150,000	107,150,000	27,150,000
Advance appropriation for 1979.....	---	90,000,000	120,200,000	120,200,000	30,200,000
<b>Total.....</b>	<b>78,500,000</b>	<b>240,000,000</b>	<b>324,100,000</b>	<b>245,600,000</b>	<b>84,100,000</b>
Federal Mediation and Conciliation Service.....	18,332,000	20,328,000	20,328,000	1,996,000	---
National Commission on Libraries and Information Science.....	468,000	517,000	517,000	49,000	---
National Labor Relations Board.....	69,597,000	78,204,000	77,776,000	8,179,000	-428,000
National Mediation Board.....	3,405,000	3,606,000	3,606,000	201,000	---
Occupational Safety and Health Review Commission.....	5,769,000	6,280,000	6,280,000	511,000	---
Railroad Retirement Board: Payments to Railroad Retirement Trust Fund.....	250,000,000	250,000,000	250,000,000	---	---
Regional Rail Transportation Protective Account.....	37,600,000	40,000,000	40,000,000	2,400,000	---
Limitation on salaries and expenses.....(	29,492,000)	33,723,000)	33,723,000)	4,231,000)	---
Soldiers' and Airmen's Home (trust fund appropriation) Operation and maintenance.....	15,665,000	15,373,000	15,373,000	-292,000	---
<b>TOTAL, RELATED AGENCIES.....</b>	<b>1,049,880,000</b>	<b>1,043,608,000</b>	<b>1,290,780,000</b>	<b>240,900,000</b>	<b>247,172,000</b>
<b>GRAND TOTAL, LABOR, HEALTH, EDUCATION, AND WELFARE....</b>	<b>51,692,307,270</b>	<b>52,537,096,000</b>	<b>56,104,631,000</b>	<b>4,412,323,730</b>	<b>3,567,535,000</b>
(	5,418,477,000)	2,293,392,000)	1/		
<b>TOTAL, Limitation on Trust Fund Transfers.....(</b>	<b>3,921,814,112)</b>	<b>4,050,750,000)</b>	<b>4,109,550,000)</b>	<b>187,735,888)</b>	<b>58,800,000)</b>

1/ Not considered due to lack of authorizing legislation.

DEPARTMENTS OF LABOR AND HEALTH, EDUCATION,  
AND WELFARE, AND RELATED AGENCIES APPROPRIA-  
TIONS BILL, FISCAL YEAR 1977

—————  
AUGUST 3, 1976.—Ordered to be printed  
—————

Mr. FLOOD, from the committee of conference,  
submitted the following



CONFERENCE REPORT

[To accompany H.R. 14232]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14232) "making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending September 30, 1977, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 5, 6, 12, 27, 73, 74, 76.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 10, 28, 34, 43, 44, 53, 58, 60, 61, 64, 66, 69, 70, 72, 75 and agree to the same.

Amendment numbered 7:

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *\$130,333,000*; and the Senate agree to the same.

Amendment numbered 9:

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment insert: *\$73,018,000 of which \$5,614,000*; and the Senate agree to the same.

## Amendment numbered 11:

That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *\$1,016,021,000*; and the Senate agree to the same.

## Amendment numbered 14:

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *\$175,228,000*; and the Senate agree to the same.

## Amendment numbered 15:

That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *\$815,000,000*; and the Senate agree to the same.

## Amendment numbered 16:

That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *\$396,661,000*; and the Senate agree to the same.

## Amendment numbered 17:

That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *\$55,573,000*; and the Senate agree to the same.

## Amendment numbered 18:

That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *\$209,000,000*; and the Senate agree to the same.

## Amendment numbered 19:

That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *\$155,500,000*; and the Senate agree to the same.

## Amendment numbered 20:

That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *\$141,000,000*; and the Senate agree to the same.

## Amendment numbered 21:

That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *\$205,000,000*; and the Senate agree to the same.

## Amendment numbered 22:

That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *\$145,543,000*; and the Senate agree to the same.

## Amendment numbered 23:

That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *\$30,000,000*; and the Senate agree to the same.

## Amendment numbered 24:

That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *\$64,000,000*; and the Senate agree to the same.

## Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *\$137,500,000*; and the Senate agree to the same.

## Amendment numbered 26:

That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *\$763,141,000*; and the Senate agree to the same.

## Amendment numbered 29:

That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment insert: *\$359,008,000, of which \$9,000,000*; and the Senate agree to the same.

## Amendment numbered 30:

That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *\$1,750,000,000*; and the Senate agree to the same.

## Amendment numbered 31:

That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *\$22,316,000*; and the Senate agree to the same.

## Amendment numbered 32:

That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert (*\$2,258,981,000*); and the Senate agree to the same.

## Amendment numbered 33:

That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert (*\$3,500,000*); and the Senate agree to the same.

## Amendment numbered 35:

That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *\$2,703,572,000*; and the Senate agree to the same.

## Amendment numbered 37:

That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert (*\$2,258,981,000*); and the Senate agree to the same.

## Amendment numbered 38:

That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *\$25,000,000*; and the Senate agree to the same.

## Amendment numbered 39:

That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *\$6,000,000*; and the Senate agree to the same.

## Amendment numbered 40:

That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *\$8,000,000*; and the Senate agree to the same.

## Amendment numbered 42:

That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment insert: *\$274,700,000, of which \$35,750,000*; and the Senate agree to the same.

## Amendment numbered 45:

That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *\$467,625,000*; and the Senate agree to the same.

## Amendment numbered 46:

That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *\$315,000,000*; and the Senate agree to the same.

## Amendment numbered 47:

That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *\$12,500,000*; and the Senate agree to the same.

## Amendment numbered 49:

That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *\$932,053,000*; and the Senate agree to the same.

## Amendment numbered 50:

That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *\$80,500,000*; and the Senate agree to the same.

## Amendment numbered 51:

That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *\$352,170,000*; and the Senate agree to the same.

## Amendment numbered 52:

That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert (*\$56,900,000*); and the Senate agree to the same.

## Amendment numbered 54:

That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert (\$154,330,000); and the Senate agree to the same.

## Amendment numbered 55:

That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert (\$214,567,000); and the Senate agree to the same.

## Amendment numbered 56:

That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$47,493,000; and the Senate agree to the same.

## Amendment numbered 57:

That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$115,784,000; and the Senate agree to the same.

## Amendment numbered 59:

That the House recede from its disagreement to the amendment of the Senate numbered 59, and agree to the same with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment insert: \$18,040,850,000, of which \$56,500,000; and the Senate agree to the same.

## Amendment numbered 62:

That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment insert: \$82,409,000, of which \$2,500,000; and the Senate agree to the same.

## Amendment numbered 63:

That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$1,896,023,000; and the Senate agree to the same.

## Amendment numbered 67:

That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$20,000,000; and the Senate agree to the same.

## Amendment numbered 71:

That the House recede from its disagreement to the amendment of the Senate numbered 71, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$511,170,000; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 4, 8, 13, 36, 41, 48, 65, 68.

DANIEL J. FLOOD,  
WILLIAM H. NATCHER,  
NEAL SMITH,  
EDWARD J. PATTEN,  
DAVID R. OBEY,  
EDWARD R. ROYBAL,  
LOUIS STOKES,  
JOSEPH D. EARLY,  
GEORGE MAHON,  
GARNER E. SHRIVER,  
SILVIO O. CONTE,  
*Managers on the Part of the House.*

WARREN G. MAGNUSON,  
JOHN C. STENNIS (with exception on the abortion issue No. 68),  
ROBERT C. BYRD,  
WILLIAM PROXMIRE,  
JOSEPH M. MONTOYA,  
ERNEST F. HOLLINGS,  
THOMAS F. EAGLETON (with exception to amend. No. 68. I favor House provision on abortion),  
BIRCH BAYH,  
LAWTON CHILES,  
JOHN L. McCLELLAN (with exception on the abortion issue No. 68),  
EDWARD W. BROOKE,  
CLIFFORD P. CASE,  
HIRAM L. FONG,  
TED STEVENS,  
RICHARD S. SCHWEIKER,  
MILTON R. YOUNG,  
*Managers on the Part of the Senate.*



**JOINT EXPLANATORY STATEMENT OF THE  
COMMITTEE OF CONFERENCE**

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14232) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending September 30, 1977, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

**TITLE I—DEPARTMENT OF LABOR**

**EMPLOYMENT AND TRAINING ADMINISTRATION**

**PROGRAM ADMINISTRATION**

Amendment No. 1: Appropriates \$69,774,000 as proposed by the House, instead of \$70,374,000 as proposed by the Senate.

**EMPLOYMENT AND TRAINING ASSISTANCE**

Amendment No. 2: Appropriates \$3,311,830,000 as proposed by the Senate, instead of \$3,311,831,000 as proposed by the House.

**COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS**

Amendment No. 3: Changes legal citation as proposed by the Senate.

Amendment No. 4: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, amended to read as follows: “, of which \$75,300,000 shall be for section 906 (a) (1).”

The conferees are agreed that the amount in the bill, \$90,600,000, will support a level of 22,600 jobs and shall be utilized for a 12-month period beginning July 1, 1977 and ending June 30, 1978. During this period, it is the intent of the conferees that 18,800 jobs be allocated to national contractors and that 3,800 jobs be allocated to the States according to the formula in the basic law.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

**GRANTS TO STATES FOR UNEMPLOYMENT INSURANCE AND EMPLOYMENT  
SERVICES**

Amendment No. 5: Appropriates \$89,100,000 as proposed by the House, instead of \$147,500,000 as proposed by the Senate.

Amendment No. 6: Authorizes \$1,412,700,000 to be expended from the Employment Security Administration account in the Unemploy-

ment Trust Fund, as proposed by the House, instead of \$1,354,300,000, as proposed by the Senate.

### OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

#### SALARIES AND EXPENSES

Amendment No. 7: Appropriates \$130,333,000, instead of \$129,833,000 as proposed by the House, and \$134,333,000 as proposed by the Senate. The conference agreement includes the following changes from the amounts proposed by the House: a reduction of \$1,000,000 for inflationary impact studies, a reduction of \$2,000,000 for providing consultation services to employers, and an increase of \$3,500,000 for the support of 178 additional positions for compliance officers and related support personnel. The conferees are agreed that none of the new positions are to be used for legal support.

Amendment No. 8: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, amended to read as follows:

That none of the funds appropriated under this paragraph shall be obligated or expended for the assessment of civil penalties issued for first instance violations of any standard, rule, or regulation promulgated under the Occupational Safety and Health Act of 1970 (other than serious, willful, or repeated violations under section 17 of the Act) resulting from the inspection of any establishment or workplace subject to the Act, unless such establishment or workplace is cited, on the basis of such inspection, for 10 or more violations: *Provided further*, That none of the funds appropriated under this paragraph shall be obligated or expended to prescribe, issue, administer, or enforce any standard, rule, regulation, or order under the Occupational Safety and Health Act of 1970 which is applicable to any person who is engaged in a farming operation and employs 10 or fewer employees.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

### BUREAU OF LABOR STATISTICS

#### SALARIES AND EXPENSES

Amendment No. 9: Appropriates \$73,018,000, instead of \$72,196,000 as proposed by the House, and \$73,451,000 as proposed by the Senate, and earmarks \$5,614,000 for expenses of revising the Consumer Price Index as proposed by the Senate, instead of \$5,652,000 as proposed by the House.

### DEPARTMENTAL MANAGEMENT

#### SALARIES AND EXPENSES

Amendment No. 10: Appropriates \$49,182,000 as proposed by the Senate, instead of \$49,312,000 as proposed by the House. The conferees are agreed that the reduction of five positions may be taken in

any activity within this appropriation account, with the exception that no reduction may be taken in the Office of Budget under the Assistant Secretary for Administration and Management.

### TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

#### HEALTH SERVICES ADMINISTRATION

##### HEALTH SERVICES

Amendment No. 11: Appropriates \$1,016,021,000, instead of \$981,021,000, as proposed by the House, and \$1,056,021,000 as proposed by the Senate. The conference agreement includes the following changes from the amounts proposed by the House:

Maternal and child health:	
Grants to States.....	+ \$7,000,000
Sudden infant death.....	+2,000,000
Research and training.....	+2,000,000
Family planning.....	+13,000,000
Hypertension.....	+4,000,000
Medical care standards.....	-1,000,000
Public Health Service Hospitals and Clinics.....	+8,000,000

The Conferees direct HEW to develop a master plan for the modernization and renovation of the Public Health Service Hospital and Clinic System. This plan shall be submitted to the Appropriations Committees within 30 days following the enactment of this bill.

Amendment No. 12: Deletes language proposed by the Senate making funds for Buildings and Facilities available until expended.

### CENTER FOR DISEASE CONTROL

#### PREVENTIVE HEALTH SERVICES

Amendment No. 13: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Amendment of the Senate, amended to read as follows: "title XVII of the Public Health Service Act, the Lead-Based Paint Poisoning Prevention Act."

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 14: Appropriates \$175,228,000, instead of \$121,728,000 as proposed by the House and \$189,928,000 as proposed by the Senate. The conference agreement includes the following changes from the amounts proposed by the House:

Venereal disease control.....	+ \$18,000,000
Immunization.....	+13,000,000
Rat control.....	+13,000,000
Lead-based paint poisoning.....	+8,500,000
Health education.....	+1,000,000

The Senate receded to the House position deleting initial construction funding of \$1,500,000 for the laboratory facility for the National Institute for Occupational Safety and Health. In view of the strong disagreement between House and Senate Conferees on the adequacy of existing site selection studies, the Conferees agree that the Secre-

tary of HEW shall study site selection and report his results to the Congress prior to December 31, 1976. The study shall also review existing site selection studies and with no prejudice to the site selected as a result of such existing studies.

In addition, the Conferees direct the Secretary to review and develop a plan for the construction and renovation of the Appalachian Laboratory for Occupational Safety and Health in West Virginia by December 31, 1976.

With the rapid influx of new personnel and the high priority which has been placed on lung diseases as a result of occupational hazards, a modern and effective facility in West Virginia is badly needed.

#### NATIONAL INSTITUTES OF HEALTH

##### NATIONAL CANCER INSTITUTE

Amendment No. 15: Appropriates \$815,000,000, instead of \$773,412,000, as proposed by the House, and \$850,000,000 as proposed by the Senate.

##### NATIONAL HEART, LUNG, AND BLOOD INSTITUTE

Amendment No. 16: Appropriates \$396,661,000, instead of \$380,661,000, as proposed by the House and \$420,661,000, as proposed by the Senate.

##### NATIONAL INSTITUTE OF DENTAL RESEARCH

Amendment No. 17: Appropriates \$55,573,000, instead of \$54,573,000, as proposed by the House, and \$59,573,000, as proposed by the Senate.

##### NATIONAL INSTITUTE OF ARTHRITIS, METABOLISM, AND DIGESTIVE DISEASES

Amendment No. 18: Appropriates \$209,000,000, instead of \$202,837,000, as proposed by the House and \$230,837,000, as proposed by the Senate.

##### NATIONAL INSTITUTE OF NEUROLOGICAL AND COMMUNICATIVE DISORDERS AND STROKE

Amendment No. 19: Appropriates \$155,500,000, instead of \$153,132,000, as proposed by the House, and \$163,132,000, as proposed by the Senate.

##### NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

Amendment No. 20: Appropriates \$141,000,000, instead of \$139,615,000, as proposed by the House and \$143,615,000 as proposed by the Senate.

##### NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

Amendment No. 21: Appropriates \$205,000,000, instead of \$198,435,000, as proposed by the House and \$218,435,000 as proposed by the Senate.

#### NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

Amendment No. 22: Appropriates \$145,543,000, instead of \$140,343,000 as proposed by the House and \$150,343,000 as proposed by the Senate.

#### NATIONAL INSTITUTE ON AGING

Amendment No. 23: Appropriates \$30,000,000, instead of \$29,200,000, as proposed by the House and \$31,200,000 as proposed by the Senate.

#### NATIONAL EYE INSTITUTE

Amendment No. 24: Appropriates \$64,000,000, instead of \$56,270,000, as proposed by the House and \$70,000,000 as proposed by the Senate.

#### RESEARCH RESOURCES

Amendment No. 25: Appropriates \$137,500,000, instead of \$136,299,000, as proposed by the House and \$142,299,000 as proposed by the Senate.

#### ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION

##### ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH

Amendment No. 26: Appropriates \$763,141,000, instead of \$761,441,000 as proposed by the House and \$764,599,000 as proposed by the Senate. The conference agreement includes the following changes from the amounts proposed by the House:

Mental Health :	
Research -----	+1,000,000
Training -----	+1,500,000
Community programs—new centers -----	-2,500,000
Alcoholism :	
Research -----	+1,000,000
Training -----	+700,000

##### BUILDINGS AND FACILITIES

Amendment No. 27: Deletes language proposed by the Senate which would have authorized \$25,000,000 to be expended for construction of buildings and facilities on the grounds of St. Elizabeths Hospital.

The Conferees have deleted the building and facility funds for St. Elizabeths Hospital pending the completion of a master facilities construction plan. The Conferees direct HEW to submit the master plan within 60 days after the enactment of this bill, in order that the Congress may provide the necessary funds in a fiscal year 1977 supplemental appropriations bill to carry out the plan.

#### HEALTH RESOURCES ADMINISTRATION

##### HEALTH RESOURCES

Amendment No. 28: Inserts legal citation as proposed by the Senate.

Amendment No. 29: Appropriates \$359,008,000, instead of \$351,896,-

000 as proposed by the House and \$363,120,000 as proposed by the Senate, and earmarks \$9,000,000 for carrying out section 305 (b) (3) of the Public Health Service Act, as proposed by the Senate, instead of \$4,000,000 as proposed by the House.

The conference agreement includes the following changes from the amounts proposed by the House:

Health planning.....	+ \$5,000,000
Health Services Research.....	- 2,000,000
Nursing programs:	
Capitation.....	- 4,000,000
Educational research grants and contracts.....	+ 3,000,000
Research fellowships.....	+ 1,000,000
Special medical facilities.....	+ 5,000,000
Program management.....	- 888,000

#### MEDICAL FACILITIES GUARANTEE AND LOAN FUND

Amendment No. 30: Limits the total principal amount of loans to be guaranteed or directly made, which may be allotted among States, pursuant to titles VI and XVI of the Public Health Service Act to \$1,750,000,000, instead of \$1,500,000,000 as proposed by the House and \$2,000,000,000 as proposed by the Senate.

#### ASSISTANT SECRETARY FOR HEALTH

##### SALARIES AND EXPENSES

Amendment No. 31: Appropriates \$22,316,000 instead of \$22,416,000 as proposed by the House and \$22,216,000 as proposed by the Senate. The conferees are agreed that \$800,000 shall be available to support the President's Council on Physical Fitness and Sports in fiscal year 1977.

#### EDUCATION DIVISION, OFFICE OF EDUCATION

##### ELEMENTARY AND SECONDARY EDUCATION

Amendment No. 32: Earmarks \$2,258,981,000 for title I, part A of the Elementary and Secondary Education Act instead of \$2,223,981,000 as proposed by the House and \$2,323,981,000 as proposed by the Senate.

Amendment No. 33: Earmarks \$3,500,000 for the Environmental Education Act instead of \$3,000,000 as proposed by the House and \$4,000,000 as proposed by the Senate.

Amendment No. 34: Deletes legal citation for part J of the Vocational Education Act proposed by the House and inserts legal citation for the Communications Act of 1934, as amended, as proposed by the Senate.

Amendment No. 35: Appropriates \$2,703,572,000 for "Elementary and secondary education" instead of \$2,649,022,000 as proposed by the House and \$2,787,350,000 as proposed by the Senate. For programs not otherwise earmarked, the conferees are agreed that the appropriation includes \$26,000,000 for right to read, \$750,000 for Ellender fellowships for the disadvantaged, and \$2,300,000 for ethnic heritage studies. The funds provided for Bilingual education would support approximately 480 classroom demonstration projects.

Amendment No. 36: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the Senate amendment amended to read as follows:

and \$15,000,000 for educational broadcasting facilities shall remain available until expended, including \$1,000,000 for carrying out section 392A of the Communications Act of 1934, as amended.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 37: Provides that \$2,258,981,000 for title I, part A of the Elementary and Secondary Education Act shall become available for obligation on July 1, 1977 instead of \$2,223,981,000 as proposed by the House and \$2,323,981,000 as proposed by the Senate.

#### SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

Amendment No. 38: Appropriates \$25,000,000 for providing school facilities instead of \$20,000,000 as proposed by the House and \$30,000,000 as proposed by the Senate.

Amendment No. 39: Provides up to \$6,000,000 for repairs to school facilities instead of \$5,000,000 as proposed by the House and \$7,000,000 as proposed by the Senate.

Amendment No. 40: Provides that no more than \$8,000,000 may be used to fund section 5 of the Act of September 23, 1950 instead of 47.5 percent as proposed by the House and \$9,000,000 as proposed by the Senate.

Amendment No. 41: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the Senate amendment which authorizes the Commissioner of Education to approve applications for funds to increase school facilities near the Trident Support Site in Bangor, Washington without regard to any provision in law.

#### EMERGENCY SCHOOL AID

Amendment No. 42: Appropriates \$274,700,000 instead of \$249,700,000 as proposed by the House and \$294,950,000 as proposed by the Senate. Earmarks \$35,750,000 for section 708(a) of the Emergency School Aid Act instead of \$21,500,000 as proposed by the House and \$50,000,000 as proposed by the Senate.

Amendment No. 43: Earmarks \$137,600,000 for section 706(a) of the Emergency School Aid Act as proposed by the Senate instead of \$126,850,000 as proposed by the House.

#### EDUCATION FOR THE HANDICAPPED

Amendment No. 44: Revises legal citations proposed by the House the effect of which is to permit an appropriation for section 619 of the Education of the Handicapped Act as proposed by the Senate.

Amendment No. 45: Appropriates \$467,625,000 instead of \$426,375,000 as proposed by the House and \$507,125,000 as proposed by the Senate. For programs not otherwise earmarked, the conferees are agreed that the appropriation includes \$5,000,000 for severely handi-

capped projects, \$9,000,000 for specific learning disabilities, \$22,000,000 for early childhood education, \$19,000,000 for media services and captioned films, and \$45,375,000 for special education manpower development.

Amendment No. 46: Earmarks \$315,000,000 for part B of the Education of the Handicapped Act instead of \$300,000,000 as proposed by the House and \$330,000,000 as proposed by the Senate.

Amendment No. 47: Earmarks \$12,500,000 for section 619 of the Education of the Handicapped Act instead of \$25,000,000 as proposed by the Senate.

Amendment No. 48: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the Senate amendment, amended to read as follows:

*Provided*, That the appropriations for "Education for the handicapped" contained in title I, chapter VI of Public Law 94-303 (Second Supplemental Appropriations Act, 1976) is amended by adding at the end thereof ", to remain available until September 30, 1977": *Provided further*, That funds contained in this title for "Special benefits for disabled coal miners" shall remain available for benefit payments from July 1, 1976 through September 30, 1977.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have added bill language to avoid the possibility of cutting off benefit payments to disabled coal miners during the July 1-September 30, 1976 transition period. Conventional language authorizing use of the succeeding year's appropriation to cover shortfalls in benefit payments was left out of the transition quarter appropriation. Such authorizing language was included in the fiscal year 1976 appropriation, and is again contained in the fiscal year 1977 Labor-HEW Appropriations bill.

#### OCCUPATIONAL, VOCATIONAL, AND ADULT EDUCATION

Amendment No. 49: Appropriates \$932,053,000 instead of \$928,553,000 as proposed by the House and \$936,553,000 as proposed by the Senate.

Amendment No. 50: Earmarks \$80,500,000 for the Adult Education Act instead of \$77,000,000 as proposed by the House and \$85,000,000 as proposed by the Senate.

#### HIGHER EDUCATION

Amendment No. 51: Appropriates \$352,170,000 instead of \$350,170,000 as proposed by the House and \$352,670,000 as proposed by the Senate. The conferees are agreed that the increase over the amount proposed by the House is for aid to land grant colleges under section 22 of the Act of June 29, 1935.

#### LIBRARY RESOURCES

Amendment Nos. 52, 53, 54, and 55: Appropriate \$214,567,000 instead of \$204,079,000 as proposed by the House and \$229,079,000 as proposed by the Senate; and earmark \$56,900,000 for title I of the

Library Services and Construction Act instead of \$53,900,000 as proposed by the House and \$63,412,000 as proposed by the Senate, earmark \$3,337,000 for title III of the Library Services and Construction Act as proposed by the Senate, and earmark \$154,330,000 for title IV part B of the Elementary and Secondary Education Act instead of \$147,330,000 as proposed by the House and \$162,330,000 as proposed by the Senate.

#### SPECIAL PROJECTS AND TRAINING

Amendment No. 56: Appropriates \$47,493,000 instead of \$45,493,000 as proposed by the House and \$50,443,000 as proposed by the Senate. The conferees are agreed that the increase over the amount proposed by the House includes \$1,000,000 for women's educational equity and \$1,000,000 for arts in education of which \$750,000 is for the alliance for arts project.

#### SALARIES AND EXPENSES

Amendment No. 57: Appropriates \$115,784,000 instead of \$115,434,000 as proposed by the House and \$116,649,000 as proposed by the Senate.

#### OFFICE OF THE ASSISTANT SECRETARY FOR EDUCATION

#### SALARIES AND EXPENSES

Amendment No. 58: Appropriates \$20,446,000 as proposed by the Senate instead of \$21,446,000 as proposed by the House.

#### SOCIAL AND REHABILITATION SERVICE

#### PUBLIC ASSISTANCE

Amendment No. 59: Appropriates \$18,040,850,000 instead of \$18,036,150,000 as proposed by the House and \$18,045,100,000 as proposed by the Senate; and earmarks \$56,500,000 for child welfare services instead of \$52,500,000 as proposed by the House and \$60,000,000 as proposed by the Senate. The conferees are agreed that the appropriation includes \$8,150,000 for child welfare training.

#### PROGRAM ADMINISTRATION

Amendment No. 60: Appropriates \$62,895,000 as proposed by the Senate instead of \$63,095,000 as proposed by the House.

#### SPECIAL INSTITUTIONS

#### AMERICAN PRINTING HOUSE FOR THE BLIND

Amendment No. 61: Appropriates \$3,012,000 as proposed by the Senate instead of \$2,762,000 as proposed by the House.

#### HOWARD UNIVERSITY

Amendment No. 62: Appropriates \$82,409,000 instead of \$82,909,000 as proposed by the House and \$81,909,000 as proposed by the Senate;

and earmarks \$2,500,000 for construction instead of \$3,000,000 as proposed by the House and \$2,000,000 as proposed by the Senate.

In agreeing to an amount of \$500,000 for the development of university property at Beltsville, Maryland, the conferees are assured that the University will continue to have an opportunity to retain the Beltsville site. The conferees direct the Secretary of HEW to submit a report to the House and Senate committees on appropriations by December 31, 1976 describing the proposed use of the site, specifications, total capital cost estimates, annual operating cost estimates, alternative methods of processing laboratory animals, expected benefits to the University's academic program, and comparisons with similar activities of other universities in the Washington area.

#### ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT

##### HUMAN DEVELOPMENT

Amendment No. 63: Appropriates \$1,896,023,000 instead of \$1,883,514,000 as proposed by the House and \$1,906,523,000 as proposed by the Senate. The conference agreement includes the following changes from the amounts proposed by the House:

Youth development.....	+\$1,000,000
Aging:	
Area agencies.....	+1,000,000
Research/training .....	+1,500,000
Vocational rehabilitation:	
Basic grants.....	+309,000
Special projects.....	+3,000,000
Research.....	+5,000,000
Developmental disabilities.....	+1,000,000
Salaries and expenses.....	-300,000

The conferees agree that the Administration on Aging should place greater emphasis on supporting research and development activities (Title IV-B of the Older Americans Act) aimed toward improving the lives of older Americans and consistent with the national objectives expressed in Title I of the Act. Conferees expect evaluation of projects and activities supported under the Act to be funded under Section 207 of the Act instead of Title IV-B.

Amendment No. 64: Earmarks \$309,000 for section 110(b) of the Rehabilitation Act of 1973 as proposed by the Senate.

Amendment No. 65: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the Senate amendment relating to the level of operations for the nutrition program for the elderly.

#### DEPARTMENTAL MANAGEMENT

##### GENERAL DEPARTMENTAL MANAGEMENT

Amendment No. 66: Appropriates \$89,511,000 as proposed by the Senate instead of \$92,661,000 as proposed by the House. The conferees direct the Department to take such steps as necessary not to apply the reduction in this appropriation against previously-authorized positions. The conferees expect the Department to submit a plan

for applying the reductions to the maximum extent against other than permanent employment in both the Departmental direction and operation activities.

The conferees reaffirm the language of the House report calling on the Department to bring the spiraling indirect cost rates under control. The conferees are concerned over the substantial sums ostensibly appropriated for activities authorized by law, but which are in actuality being diverted to pay overhead costs of universities and other recipients of federal grants. It is thus imperative that the Department work closely with the Office of Management and Budget and other Federal agencies, to undertake revisions in the indirect cost mechanism which will result in a significant reduction in funds being diverted into indirect costs. The Department ought to seriously consider including cost competition as part of the grant approval process in connection with the revision.

The Department should submit a report by January 1, 1977 as to the steps it has taken and the total projected dollar savings that will result.

##### POLICY RESEARCH

Amendment No. 67: Appropriates \$20,000,000 instead of \$24,950,000 as proposed by the House and \$12,475,000 as proposed by the Senate.

##### GENERAL PROVISIONS

Amendment No. 68: Reported in disagreement.

#### TITLE III—RELATED AGENCIES

##### ACTION

##### OPERATING EXPENSES, DOMESTIC PROGRAMS

Amendment No. 69: Deletes legal citation inserted by the House.

Amendment No. 70: Appropriates \$108,200,000 and inserts technical language as proposed by the Senate, instead of \$56,800,000 as proposed by the House.

#### COMMUNITY SERVICES ADMINISTRATION

##### COMMUNITY SERVICES PROGRAM

Amendment No. 71: Appropriates \$511,170,000, instead of \$496,000,000 as proposed by the House, and \$573,500,000 as proposed by the Senate. The conference agreement includes the following increases over the amounts proposed by the House: \$12,500,000 for the community food and nutrition program, \$1,670,000 for community economic development, and \$1,000,000 to initiate a migrant and seasonal farmworker program.

The conferees are agreed that the amount in the conference agreement for the emergency energy conservation services program represents funding for the first six months of fiscal year 1977. Funding requirements for the remainder of the fiscal year will be considered in a supplemental appropriations bill.

## CORPORATION FOR PUBLIC BROADCASTING

## PUBLIC BROADCASTING FUND

Amendment No. 72: Appropriates \$103,000,000 as proposed by the Senate, instead of \$96,750,000 as proposed by the House.

Amendment No. 73: Appropriates \$107,150,000 as proposed by the House, instead of \$121,000,000 as proposed by the Senate.

Amendment No. 74: Appropriates \$120,200,000 as proposed by the House, instead of \$140,000,000 as proposed by the Senate.

## NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

## SALARIES AND EXPENSES

Amendment No. 75: Appropriates \$492,575 as proposed by the Senate, instead of \$517,000 as proposed by the House.

## NATIONAL LABOR RELATIONS BOARD

## SALARIES AND EXPENSES

Amendment No. 76: Appropriates \$77,776,000 as proposed by the House, instead of \$78,204,000 as proposed by the Senate. The conferees are agreed that the conference agreement includes \$4,222,000 for payment of standard level user charges to the General Services Administration. The conferees are further agreed that the reduction of \$428,000 for payment of standard level user charges is in no way intended to reduce the employment levels approved by the Congress.

## CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1977 recommended by the Committee of Conference, with comparisons to the fiscal year 1976 amounts, the 1977 budget estimates, and the House and Senate bills for 1977 follows:

New budget (obligational) authority, fiscal year 1976.....	<sup>1</sup> \$53,424,480,270
Budget estimates of new (obligational) authority, fiscal year 1977 .....	<sup>2</sup> 52,618,208,000
House bill, fiscal year 1977.....	56,205,212,000
Senate bill, fiscal year 1977.....	57,167,116,575
Conference agreement .....	56,618,207,575
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1976.....	+3,193,727,305
Budget estimates of new (obligational) authority, fiscal year 1977 .....	+3,999,999,575
House bill, fiscal year 1977.....	+412,995,575
Senate bill, fiscal year 1977.....	-548,909,000

<sup>1</sup> Includes \$1.625 billion appropriated in H.J. Res. 499 for Temporary Employment Assistance.

<sup>2</sup> Includes \$81,112,000 for items not considered by the House due to lack of authorizing legislation.

The conferees are agreed that the earmarking in the Senate report should be used as a guideline in allocating increases over the amounts proposed by the House, except where more explicit instructions are given in this statement.

DANIEL J. FLOOD,  
WILLIAM H. NATCHER,  
NEAL SMITH,  
EDWARD J. PATTEN,  
DAVID R. OBEY,  
EDWARD R. ROYBAL,  
LOUIS STOKES,  
JOSEPH D. EARLY,  
GEORGE MAHON,  
GARNER E. SHRIVER,  
SILVIO O. CONTE,

*Managers on the Part of the House.*

WARREN G. MAGNUSON,  
JOHN C. STENNIS (with excep-  
tion on the abortion issue  
No. 68),  
ROBERT C. BYRD,  
WILLIAM PROXMIRE,  
JOSEPH M. MONTOYA,  
ERNEST F. HOLLINGS,  
THOMAS F. EAGLETON (with  
exception to amend. No. 68.  
I favor House provision on  
abortion),

BIRCH BAYH,  
LAWTON CHILES,  
JOHN L. MCCLELLAN (with ex-  
ception on the abortion issue  
No. 68),  
EDWARD W. BROOKE,  
CLIFFORD P. CASE,  
HIRAM L. FONG,  
TED STEVENS,  
RICHARD S. SCHWEIKER,  
MILTON R. YOUNG,

*Managers on the Part of the Senate.*

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## DEPARTMENTS OF LABOR AND HEALTH, EDUCATION, AND WELFARE AND RELATED AGENCIES APPROPRIATION BILL, 1977

JUNE 26 (legislative day JUNE 18), 1976.—Ordered to be printed



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

### REPORT

[To accompany H.R. 14232]

The Committee on Appropriations, to which was referred the bill (H.R. 14232) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies for the fiscal year ending June 30, 1977, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the changes made:

Amount of bill as passed by House.....	\$56, 205, 212, 000
Amount of Senate bill over comparable House bill..	+ 937, 426, 575
Total bill as reported to Senate.....	57, 142, 638, 575
Amount of comparable appropriations, 1976.....	53, 424, 480, 270
Budget estimates, 1977.....	52, 618, 208, 000
<b>The bill as reported to the Senate :</b>	
Over the comparable appropriations for 1976..	+3, 718, 158, 305
Over the estimates for 1977.....	+4, 524, 230, 575



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# Ninety-fourth Congress of the United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Monday, the nineteenth day of January,  
one thousand nine hundred and seventy-six*

## An Act

Making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending September 30, 1977, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Labor and Health, Education, and Welfare, and related agencies, for the fiscal year ending September 30, 1977, and for other purposes, namely:*

### TITLE I—DEPARTMENT OF LABOR

#### EMPLOYMENT AND TRAINING ADMINISTRATION

##### PROGRAM ADMINISTRATION

For expenses of administering employment and training programs, \$69,774,000, together with not to exceed \$30,887,000 which may be expended from the Employment Security Administration account in the Unemployment Trust Fund, and of which \$5,598,000 shall be for carrying into effect the provisions of 38 U.S.C. 2001-2003.

##### EMPLOYMENT AND TRAINING ASSISTANCE

For expenses necessary to carry into effect the Comprehensive Employment and Training Act of 1973, as amended, and sections 326 and 328 of the Trade Expansion Act of 1962 (19 U.S.C. 1951 and 1961) and sections 236, 237, and 238 of the Trade Act of 1974, (19 U.S.C. 2101) \$3,311,830,000, plus reimbursements, to remain available until September 30, 1978: *Provided*, That this appropriation shall be available for the purchase and hire of passenger motor vehicles, and for construction, alteration, and repair of buildings and other facilities and for the purchase of real property for training centers as authorized by the Comprehensive Employment and Training Act of 1973, as amended, (29 U.S.C. 801 et seq.).

##### COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

To carry out title IX of the Older Americans Act, as amended, \$90,600,000, of which \$75,300,000 shall be for section 906(a)(1).

##### FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

For payments during the current fiscal year of benefits and allowances to unemployed Federal employees and ex-servicemen, as authorized by title 5, chapter 85 of the United States Code, of trade adjustment benefit payments and allowances, as provided by law (19 U.S.C. 1941-1944 and 1952; part I, subchapter B, chapter 2, title II of the Trade Act of 1974), and of unemployment assistance as authorized by title II of the Emergency Jobs and Unemployment Assistance



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Act of 1974, as amended, \$860,000,000, together with such amounts as may be necessary to be charged to the subsequent appropriation for payments for any period subsequent to September 15 of the current year: *Provided*, That, in addition, there shall be transferred from the Postal Service Fund to this appropriation such sums as the Secretary of Labor determines to be the cost of benefits for ex-Postal Service employees: *Provided further*, That amounts received during the current fiscal year from the Postal Service or recovered from the States pursuant to 5 U.S.C. 8505(d) shall be available for such payments during the year.

GRANTS TO STATES FOR UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICES

For grants for activities authorized by the Act of June 6, 1933, as amended (29 U.S.C. 49-49n; 39 U.S.C. 3202(a)(1)(E)); Veterans' Employment and Readjustment Act of 1972, as amended (38 U.S.C. 2001-2013); title III of the Social Security Act, as amended (42 U.S.C. 501-503); sections 312(e) and (g) of the Comprehensive Employment and Training Act of 1973, as amended; and necessary administrative expenses for carrying out 5 U.S.C. 8501-8523, 19 U.S.C. 1941-1944, 1952, and chapter 2, title II, of the Trade Act of 1974, including upon the request of any State, the payment of rental for space made available to such State in lieu of grants for such purpose, \$89,100,000, together with not to exceed \$1,412,700,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund and of which \$239,800,000 shall be available only to the extent necessary to meet increased costs of administration resulting from changes in a State law or increases in the number of unemployment insurance claims filed and claims paid or increased salary costs resulting from changes in State salary compensation plans embracing employees of the State generally over those upon which the State's basic grant was based, which cannot be provided for by normal budgetary adjustments: *Provided*, That any portion of the funds granted to a State in the current fiscal year and not obligated by the State in that year shall be returned to the Treasury and credited to the account from which derived.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS

For repayable advances to the Unemployment Trust Fund, as authorized by sections 905(d) and 1203 of the Social Security Act, as amended, and for nonrepayable advances to the "Federal unemployment benefits and allowances" account, to remain available until September 30, 1978, \$5,000,000,000.

LABOR-MANAGEMENT SERVICES ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Labor-Management Services Administration, \$48,319,000.



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PENSION BENEFIT GUARANTY CORPORATION

The Pension Benefit Guaranty Corporation is authorized to make such expenditures within limits of funds and borrowing authority available to such corporation, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 849), as may be necessary in carrying out the program through September 30, 1977 for such corporation.

EMPLOYMENT STANDARDS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Employment Standards Administration, including reimbursement to State, Federal, and local agencies and their employees for inspection services rendered, \$92,952,000, together with \$250,000 which may be expended from the Special Fund in accordance with Sections 39(c) and 44(j) of the Longshoremen's and Harbor Workers' Compensation Act.

SPECIAL BENEFITS

For the payment of compensation, benefits, and expenses (except administrative expenses) accruing during the current or any prior fiscal year authorized by title IV of the Federal Coal Mine Health and Safety Act of 1969, as amended, and title V, chapter 81 of the United States Code; continuation of benefits as provided for under the head "Civilian War Benefits" in the Federal Security Agency Appropriation Act, 1947; the Employees' Compensation Commission Appropriation Act, 1944; and sections 4(c) and 5(f) of the War Claims Act of 1948 (50 U.S.C. App. 2012); and fifty per centum of the additional compensation and benefits required by section 10(h) of the Longshoremen's and Harbor Workers' Compensation Act, as amended, \$317,818,000, together with such amount as may be necessary to be charged to the subsequent year appropriation for the payment of compensation and other benefits for any period subsequent to September 15 of the current year: *Provided*, That in addition there shall be transferred from the Postal Service fund to this appropriation such sums as the Secretary of Labor determines to be the cost of administration for Postal Service employees through September 30, 1977.

Whenever the Secretary of Labor finds it will promote the achievement of the above activities, qualified persons may be appointed to conduct hearings thereunder without meeting the requirements for hearing examiners appointed under 5 U.S.C. 3105: *Provided*, That no person shall hold a hearing in any case with which he has been concerned previously in the administration of such activities.

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Occupational Safety and Health Administration, \$130,333,000, of which not to exceed \$9,000,000 shall be available for reimbursement to States under section 7(c)(1) of



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the Occupational Safety and Health Act of 1970 (29 U.S.C. 656(c) (1)) for the furnishing of consultation services to employers under section 21(c) of such Act (29 U.S.C. 670(c)): *Provided*, That none of the funds appropriated under this paragraph shall be obligated or expended for the assessment of civil penalties issued for first instance violations of any standard, rule, or regulation promulgated under the Occupational Safety and Health Act of 1970 (other than serious, willful, or repeated violations under section 17 of the Act) resulting from the inspection of any establishment or workplace subject to the Act, unless such establishment or workplace is cited, on the basis of such inspection, for 10 or more violations: *Provided further*, That none of the funds appropriated under this paragraph shall be obligated or expended to prescribe, issue, administer, or enforce any standard, rule, regulation, or order under the Occupational Safety and Health Act of 1970 which is applicable to any person who is engaged in a farming operation and employs 10 or fewer employees.

BUREAU OF LABOR STATISTICS

SALARIES AND EXPENSES

For necessary expenses for the Bureau of Labor Statistics, including advances or reimbursements to State, Federal, and local agencies and their employees for services rendered, \$73,018,000, of which \$5,614,000 shall be for expenses of revising the Consumer Price Index, including salaries of temporary personnel assigned to this project without regard to competitive civil service requirements.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

For necessary expenses for departmental management and \$1,393,000 for the President's Committee on Employment of the Handicapped, \$49,182,000, together with not to exceed \$1,305,000, to be derived from the Employment Security Administration account, Unemployment Trust Fund.

SPECIAL FOREIGN CURRENCY PROGRAM

For payments in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, for necessary expenses of the Department of Labor, as authorized by law, \$70,000, to remain available until expended: *Provided*, That this appropriation shall be available, in addition to other appropriations to such agency for payments in the foregoing currencies.

GENERAL PROVISIONS

Sec. 101. Appropriations in this Act available for salaries and expenses shall be available for supplies, services, and rental of conference space within the District of Columbia, as the Secretary of Labor shall deem necessary for settlement of labor-management disputes.

This title may be cited as the "Department of Labor Appropriation Act, 1977".



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TITLE II—DEPARTMENT OF HEALTH, EDUCATION,  
AND WELFARE

HEALTH SERVICES ADMINISTRATION

HEALTH SERVICES

For carrying out, except as otherwise provided, titles III, V, X, XI, and sections 1303, 1304(a) and 1304(b) of the Public Health Service Act, the Act of August 8, 1946 (5 U.S.C. 7901), section 1 of the Act of July 19, 1963 (42 U.S.C. 253a), section 108 of Public Law 93-353, and titles V and XI of the Social Security Act, \$1,016,021,000, of which \$1,200,000 shall be available only for payments to the State of Hawaii for care and treatment of persons afflicted with leprosy: *Provided*, That any amounts received by the Secretary in connection with loans and loan guarantees under title XIII and any other property or assets derived by him from his operations respecting such loans and loan guarantees, including any money derived from the sale of assets, shall be available to the Secretary without fiscal year limitation for direct loans and loan guarantees, as authorized by said title XIII, in addition to funds specifically appropriated for that purpose: *Provided further*, That this appropriation shall be available for payment of the costs of medical care, related expenses, and burial expenses, hereafter incurred, by or on behalf of any person who has participated in the study of untreated syphilis initiated in Tuskegee, Alabama, in 1932, in such amounts and subject to such terms and conditions as prescribed by the Secretary of Health, Education, and Welfare, and for payment, in such amounts and subject to such terms and conditions, of such costs and expenses hereafter incurred by or on behalf of such person's wife or offspring determined by the Secretary to have suffered injury or disease from syphilis contracted from such person: *Provided further*, That when the Health Services Administration operates an employee health program for any Federal department or agency, payment for the estimated cost shall be made by way of reimbursement or in advance to this appropriation: *Provided further*, That in addition, \$40,121,000 may be transferred to this appropriation as authorized by section 201(g) (1) of the Social Security Act, from any one or all of the trust funds referred to therein.

CENTER FOR DISEASE CONTROL

PREVENTIVE HEALTH SERVICES

To carry out, to the extent not otherwise provided, title III of the Public Health Service Act, title XVII of the Public Health Service Act, the Lead-Based Paint Poisoning Prevention Act, the Federal Coal Mine Health and Safety Act of 1969, and the Occupational Safety and Health Act of 1970; including insurance of official motor vehicles in foreign countries; and purchase, hire, maintenance, and operation of aircraft, \$175,228,000: *Provided*, That training of employees of private agencies shall be made subject to reimbursement or advances to this appropriation for the full cost of such training.

NATIONAL INSTITUTES OF HEALTH

NATIONAL CANCER INSTITUTE

For carrying out, to the extent not otherwise provided, title IV of the Public Health Service Act with respect to cancer, \$815,000,000.



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NATIONAL HEART, LUNG, AND BLOOD INSTITUTE

For expenses, not otherwise provided for, necessary to carry out titles IV and XI of the Public Health Service Act with respect to heart, lung, blood vessel, and blood diseases, \$396,661,000.

NATIONAL INSTITUTE OF DENTAL RESEARCH

For expenses, not otherwise provided for, to carry out title IV of the Public Health Service Act with respect to dental diseases, \$55,573,000.

NATIONAL INSTITUTE OF ARTHRITIS, METABOLISM, AND DIGESTIVE DISEASES

For expenses necessary to carry out title IV of the Public Health Service Act with respect to arthritis, rheumatism, metabolic diseases, and digestive diseases, \$209,000,000.

NATIONAL INSTITUTE OF NEUROLOGICAL AND COMMUNICATIVE DISORDERS AND STROKE

For expenses necessary to carry out, to the extent not otherwise provided, title IV of the Public Health Service Act with respect to neurological and communicative disorders and stroke, \$155,500,000.

NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

For expenses, not otherwise provided for, to carry out title IV of the Public Health Service Act with respect to allergy and infectious diseases, \$141,000,000.

NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

For expenses, not otherwise provided for, necessary to carry out title IV of the Public Health Service Act with respect to general medical sciences, \$205,000,000.

NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

To carry out, except as otherwise provided, titles IV and X of the Public Health Service Act with respect to child health and human development, \$145,543,000.

NATIONAL INSTITUTE ON AGING

To carry out, except as otherwise provided, title IV of the Public Health Service Act with respect to aging, \$30,000,000.

NATIONAL EYE INSTITUTE

For expenses necessary to carry out title IV of the Public Health Service Act, with respect to eye diseases and visual disorders, \$64,000,000.

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

To carry out, except as otherwise provided, sections 301, 311, and 472 of the Public Health Service Act with respect to environmental health sciences, \$49,141,000.



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RESEARCH RESOURCES

To carry out, except as otherwise provided, sections 301 and 472 of the Public Health Service Act with respect to research resources and general research support grants, \$137,500,000: *Provided*, That none of these funds shall be used to pay recipients of the general research support grants programs any amount for indirect expenses in connection with such grants.

JOHN E. FOGARTY INTERNATIONAL CENTER FOR ADVANCED STUDY IN  
THE HEALTH SCIENCES

For the John E. Fogarty International Center for Advanced Study in the Health Sciences, \$7,992,000, of which not to exceed \$1,400,000 shall be available for payment to the Gorgas Memorial Institute for maintenance and operation of the Gorgas Memorial Laboratory.

NATIONAL LIBRARY OF MEDICINE

To carry out, to the extent not otherwise provided for, section 301 with respect to health information communications and parts I and J of title III of the Public Health Service Act, \$35,234,000.

BUILDINGS AND FACILITIES

For construction of, and acquisition of sites and equipment for, facilities of or used by the National Institutes of Health, where not otherwise provided, \$67,400,000 to remain available until expended.

OFFICE OF THE DIRECTOR

For expenses necessary for the Office of the Director, National Institutes of Health, \$16,234,000.

Funds advanced to the National Institutes of Health management fund from appropriations in this Act shall be available for the expenses of sharing medical care facilities and resources pursuant to section 328 of the Public Health Service Act and for the purchase of not to exceed thirteen passenger motor vehicles for replacement only.

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH

For carrying out the Public Health Service Act with respect to mental health, and except as otherwise provided, parts A, B, and D of the Community Mental Health Centers Act (42 U.S.C. 2681, et seq.), the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, as amended, the Narcotic Addict Rehabilitation Act of 1966, and the Drug Abuse Office and Treatment Act of 1972, \$763,141,000.

SAINT ELIZABETHS HOSPITAL

For expenses necessary for the maintenance and operation of the hospital, including clothing for patients, and cooperation with organizations or individuals in the scientific research into the nature, causes, prevention, and treatment of mental illness, \$60,464,000, or such amounts as may be necessary to provide a total appropriation equal





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to the difference between the amount of the reimbursements received during the current fiscal year on account of patient care provided by the hospital during such year and \$84,244,000.

HEALTH RESOURCES ADMINISTRATION

HEALTH RESOURCES

For carrying out, to the extent not otherwise provided, titles III, VIII, and XV and section 472 of the Public Health Service Act, section 1122 of the Social Security Act and section 222 of the Social Security Amendments of 1972, \$359,008,000 of which \$9,000,000 shall remain available until expended for carrying out section 305(b)(3) of the Public Health Service Act, without regard to the requirements of section 308 of said Act.

MEDICAL FACILITIES GUARANTEE AND LOAN FUND

For carrying out title XVI of the Public Health Service Act, \$31,000,000 shall be available without fiscal year limitation for the payment of interest subsidies. The total principal amount of loans to be guaranteed or directly made, which may be allotted among the States, pursuant to titles VI and XVI of the Public Health Service Act shall not exceed a cumulative amount of \$1,750,000,000.

PAYMENT OF SALES INSUFFICIENCIES AND INTEREST LOSSES

For the payment of such insufficiencies as may be required by the trustee on account of outstanding beneficial interest or participations in the Health Professions Education Fund assets or Nurse Training Fund assets, authorized by the Department of Health, Education, and Welfare Appropriation Act, 1968, to be issued pursuant to section 302(c) of the Federal National Mortgage Association Charter Act, \$164,000, and for payment of amounts pursuant to section 744(b) or 827(b) of the Public Health Service Act to schools which borrow any sums from the Health Professions Education Fund or Nurse Training Fund, \$3,836,000: *Provided*, That the amounts appropriated herein shall remain available until expended.

HEALTH EDUCATION LOANS

The Secretary is hereby authorized to make such expenditures, within the limits of funds available in the Health Professions Education Fund and the Nurse Training Fund, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitation as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year.

ASSISTANT SECRETARY FOR HEALTH

SALARIES AND EXPENSES

For expenses necessary for the Office of the Assistant Secretary for Health, \$22,316,000.



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RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS

For retired pay of commissioned officers, as authorized by law, and for payments under the Retired Serviceman's Family Protection Plan; Survivor Benefit Plan and payments for medical care of dependents and retired personnel under the Dependents' Medical Care Act (10 U.S.C., ch. 55), such amount as may be required during the current fiscal year.

SCIENTIFIC ACTIVITIES OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)

For payments in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, for necessary expenses for conducting scientific activities overseas, as authorized by law, \$1,500,000, to remain available until expended: *Provided*, That this appropriation shall be available in addition to other appropriations for such activities, for payments in the foregoing currencies.

EDUCATION DIVISION

OFFICE OF EDUCATION

ELEMENTARY AND SECONDARY EDUCATION

For carrying out, to the extent not otherwise provided, title I, part A (\$2,258,981,000), title I, part B (\$24,769,000), title IV, part C (\$184,522,000), title VII (\$115,000,000), and title IX of the Elementary and Secondary Education Act; title VII of the Education Amendments of 1974; the Environmental Education Act (\$3,500,000); section 417(a)(2) of the General Education Provisions Act; the Communications Act of 1934, as amended; section 842 of Public Law 93-380; the Alcohol and Drug Abuse Education Act; part B of the Headstart-Follow Through Act (\$59,000,000); and Public Law 92-506 as amended, \$2,703,572,000 of which \$10,500,000 shall remain available until September 30, 1978, for carrying out section 842 of Public Law 93-380 and \$15,000,000 for educational broadcasting facilities shall remain available until expended, including \$1,000,000 for carrying out section 392A of the Communications Act of 1934, as amended: *Provided*, That of the amounts appropriated above the following amounts shall become available for obligation on July 1, 1977, and shall remain available until September 30, 1978: title I, part A (\$2,258,981,000), title I, part B (\$24,769,000), title IV, part C (\$184,522,000) of the Elementary and Secondary Education Act and section 417(a)(2) of the General Education Provisions Act (\$1,250,000): *Provided further*, That amounts appropriated in Public Law 94-94 for carrying out title I of the Elementary and Secondary Education Act in the fiscal year 1977 shall be available for carrying out section 822 of Public Law 93-380. For carrying out title IV of the Elementary and Secondary Education Act an additional \$9,478,000 for fiscal year 1978: *Provided*, That none of such funds may be paid to any State for which the allocation for fiscal year 1978 exceeds the allocation for comparable purposes for fiscal year 1977.

SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

For carrying out title I of the Act of September 30, 1950, as amended (20 U.S.C., ch. 13), \$768,000,000 of which \$52,500,000 shall be for payments under section 6, and \$715,500,000 shall be for pay-



ments under sections 2, 3, and 4 in accordance with subsection 5(c) (1) and (2) of said Act and for payments under subparagraphs (A), (B), (C), and (D) of section 305 of the Education Amendments of 1974.

For carrying out the Act of September 23, 1950, as amended (20 U.S.C., ch. 19), \$25,000,000, which shall remain available until expended, shall be for providing school facilities as authorized by said Act of September 23, 1950: *Provided*, That, with the exception of up to \$6,000,000 for repairs for facilities constructed under section 10, none of the funds contained herein for providing school facilities shall be available to pay for any other section of the Act of September 23, 1950, until payment has been made of 100 per centum of the amounts payable under section 5 and subsections 14(a) and 14(b): *Provided further*, That, of the funds provided herein for carrying out the Act of September 23, 1950, no more than \$8,000,000 may be used to fund section 5 of said Act: *Provided further*, That, notwithstanding section 421A(c) (2) (A) of the General Education Provisions Act, the Commissioner of Education is authorized to approve applications for funds to increase school facilities in communities located near the Trident Support Site, Bangor, Washington, on such terms and conditions as he may reasonably require without regard to any provision in law.

EMERGENCY SCHOOL AID

For carrying out title IV of the Civil Rights Act of 1964 and the Emergency School Aid Act, \$274,700,000, of which \$35,750,000 shall be for section 708(a) and \$137,600,000 shall be for section 706(a) of the Emergency School Aid Act.

EDUCATION FOR THE HANDICAPPED

For carrying out, to the extent not otherwise provided, the Education of the Handicapped Act, as amended by Public Law 94-142, except for sections 607 and 618 \$467,625,000: *Provided*, That of this amount, \$315,000,000 for part B and \$12,500,000 for section 619 shall become available for obligation on July 1, 1977, and shall remain available until September 30, 1978: *Provided*, That the appropriations for "Education for the handicapped" contained in title I, chapter VI of Public Law 94-303 (Second Supplemental Appropriations Act, 1976) is amended by adding at the end thereof "to remain available until September 30, 1977": *Provided further*, That funds contained in this title for "Special benefits for disabled coal miners" shall remain available for benefit payments from July 1, 1976 through September 30, 1977.

OCCUPATIONAL, VOCATIONAL, AND ADULT EDUCATION

For carrying out, to the extent not otherwise provided, parts B and C (\$844,000,000) and section 104(b) of the Vocational Education Act of 1963, as amended (20 U.S.C. 1241-1391), and the Adult Education Act of 1966, \$932,053,000, including not to exceed \$31,500,000 for research and training under part C of said 1963 Act: *Provided*, That of the amounts appropriated above the following amounts shall become available for obligation on July 1, 1977, and shall remain available until September 30, 1978: part B (\$475,000,000), part C (\$18,000,000) and section 104(b) (\$4,316,000) of the Vocational Education Act of 1963 and \$80,500,000 for the Adult Education Act.

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HIGHER EDUCATION

For carrying out, to the extent not otherwise provided, title IV and section 966 of the Higher Education Act, the Emergency Insured Student Loan Act of 1969, the Mutual Educational and Cultural Exchange Act of 1961, and section 22 of the Act of June 29, 1935, as amended (7 U.S.C. 329), \$352,170,000, of which \$325,000,000 for subsidies on guaranteed student loans shall remain available until expended.

LIBRARY RESOURCES

For carrying out, to the extent not otherwise provided, titles I (\$56,900,000) and III (\$3,337,000) of the Library Services and Construction Act (20 U.S.C., ch. 16); and title IV, part B (\$154,330,000) of the Elementary and Secondary Education Act, \$214,567,000: *Provided*, That the amount appropriated above for title IV, part B of the Elementary and Secondary Education Act shall become available for obligation on July 1, 1977, and shall remain available until September 30, 1978.

SPECIAL PROJECTS AND TRAINING

For carrying out the Special Projects Act (Public Law 93-380) and section 422(a) of the General Education Provisions Act, \$47,493,000.

EDUCATIONAL ACTIVITIES OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)

For payments in foreign currencies which the Treasury Department determines to be in excess to the normal requirements of the United States, for necessary expenses of the Office of Education, as authorized by law, \$2,000,000, to remain available until expended: *Provided*, That this appropriation shall be available, in addition to other appropriations to such office, for payments in the foregoing currencies.

SALARIES AND EXPENSES

For carrying out, to the extent not otherwise provided, the General Education Provisions Act, and the Education Amendments of 1974, including rental of conference rooms in the District of Columbia, \$115,784,000.

HIGHER EDUCATION FACILITIES LOAN AND INSURANCE FUND

For the payment of such insufficiencies as may be required by the trustee on account of outstanding beneficial interest or participations in assets of the Office of Education authorized by the Department of Health, Education, and Welfare Appropriation Act, 1968, to be issued pursuant to section 302(c) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(c)), \$2,119,000, to remain available until expended, and the Secretary is hereby authorized to make such expenditures, within the limits of funds available in the Higher Education Facilities Loan and Insurance Fund, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitation as provided by section 104 of the Government Corporation Control Act (31 U.S.C. 849) as may be necessary in carrying out the program set forth in the budget for the current fiscal year for such fund.



OFFICE OF THE ASSISTANT SECRETARY FOR EDUCATION

SALARIES AND EXPENSES

For necessary expenses to carry out sections 402 and 406 of the General Education Provisions Act, \$20,446,000, of which not to exceed \$1,500 may be for official reception and representation expenses.

SOCIAL AND REHABILITATION SERVICE

PUBLIC ASSISTANCE

For carrying out, except as otherwise provided, titles I, IV, X, XI, XIV, XVI, XIX, and XX of the Social Security Act, and the Act of July 5, 1960 (24 U.S.C., ch. 9) \$18,040,850,000, of which \$56,500,000 shall be for child welfare services under part B of title IV.

For making, after June 30 of the current fiscal year, payments to States under titles I, IV, X, XIV, XVI, XIX and XX, respectively, of the Social Security Act, for the last three months of the current fiscal year (except with respect to activities included in the appropriation for "Work incentives"); and for making after July 31 of the current fiscal year, payments for the first quarter of the succeeding fiscal year; such sums as may be necessary, the obligations incurred and the expenditures made thereunder for payments under each of such titles to be charged to the subsequent appropriations therefor for the current or succeeding fiscal year.

In the administration of titles I, IV (other than part C thereof), X, XIV, XVI, XIX, and XX, respectively, of the Social Security Act, payments to a State under any such titles for any quarter in the period beginning July 1, 1976, and ending September 30, 1977 may be made with respect to a State plan approved under such title prior to or during such period, but no such payment shall be made with respect to any plan for any quarter prior to the quarter in which a subsequently approved plan was submitted.

Such amounts as may be necessary from this appropriation shall be available for grants to States for any period in fiscal year 1976 and the period July 1, 1976 through September 30, 1976 subsequent to March 31, 1976.

WORK INCENTIVES

For carrying out a work incentives program, as authorized by part C of title IV of the Social Security Act, including registration of individuals for such program, and for related child care and other supportive services, as authorized by section 402(a)(19)(G) of the Act, including transfer to the Secretary of Labor, as authorized by section 431 of the Act, \$370,000,000, which shall be the maximum amount available for transfer to the Secretary of Labor and to which the States may become entitled pursuant to section 403(d) of such Act, for these purposes.

PROGRAM ADMINISTRATION

For expenses necessary for the administration of public assistance programs, \$62,895,000.



SOCIAL SECURITY ADMINISTRATION

PAYMENTS TO SOCIAL SECURITY TRUST FUNDS

For payment to the Federal Old-Age and Survivors Insurance, the Federal Disability Insurance, the Federal Hospital Insurance, and the Federal Supplementary Medical Insurance Trust Funds, as provided under sections 217(g), 228(g), 229(b), and 1844 of the Social Security Act, and sections 103(c) and 111(d) of the Social Security Amendments of 1965, \$6,713,902,000.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

For carrying out title IV of the Federal Coal Mine Health and Safety Act of 1969, as amended, including the payment of travel expenses either on an actual cost or commuted basis, to an individual for travel incident to medical examinations, and to parties, their representatives and all reasonably necessary witnesses for travel within the United States, Puerto Rico, and the Virgin Islands, to reconsideration interviews and to proceedings before administrative law judges, \$913,897,000: *Provided*, That after July 31, such amounts for benefit payments as may be necessary may be charged to the subsequent year appropriation.

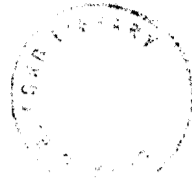
Whenever the Commissioner of Social Security finds it will promote the achievement of the provisions of title IV of the Federal Coal Mine Health and Safety Act of 1969, as amended, qualified persons may be appointed to conduct hearings thereunder without meeting the requirements for administrative law judges appointed under 5 U.S.C. 3105, but such appointments shall terminate not later than March 31, 1978: *Provided*, That no person shall hold a hearing in any case with which he has been concerned previously in the administration of such title.

SUPPLEMENTAL SECURITY INCOME PROGRAM

For carrying out the Supplemental Security Income program under title XVI of the Social Security Act, section 401 of Public Law 92-603, and section 212 of Public Law 93-66, including payment to the social security trust funds for administrative expenses incurred pursuant to section 201(g)(1) of the Social Security Act, \$5,895,122,000: *Provided*, That for carrying out these activities after July 31, such sums as may be necessary shall be available, the obligations and expenditures therefor to be charged to the appropriation for the succeeding fiscal year.

LIMITATION ON SALARIES AND EXPENSES

For necessary expenses, not more than \$2,561,773,000 may be expended as authorized by section 201(g)(1) of the Social Security Act, from any one or all of the trust funds referred to therein: *Provided*, That such amounts as are required shall be available to pay travel expenses either on an actual cost or commuted basis, to an individual for travel incident to medical examinations, and to parties, their representatives and all reasonably necessary witnesses for travel within the United States, Puerto Rico, and the Virgin Islands to reconsideration interviews and to proceedings before administrative law judges under titles II, XVI, and XVIII of the Social Security Act: *Provided further*, That \$25,000,000 of the foregoing amount shall be apportioned for use pursuant to section 3679 of the Revised Statutes



(31 U.S.C. 665), only to the extent necessary to process workloads not anticipated in the budget estimates and to meet mandatory increases in costs of agencies or organizations with which agreements have been made to participate in the administration of titles XVI and XVIII and section 221 of title II of the Social Security Act, and after maximum absorption of such costs within the remainder of the existing limitation has been achieved: *Provided further*, That such amounts as may be required may be expended for administration within the United States of the social insurance program of the United Kingdom, under terms of an agreement wherein similar services will be provided by the United Kingdom in that country for administration of the social insurance program of the United States.

LIMITATION ON CONSTRUCTION

For acquisition of sites, construction and equipment of facilities and for payments of principal, interest, taxes, and any other obligations under contracts entered into pursuant to the Public Buildings Purchase Contract Act of 1954 and the Public Buildings Amendments of 1972, \$14,400,000, to be expended as authorized by section 201 (g) (1) of the Social Security Act, from any one or all of the trust funds referred to therein, and to remain available until expended.

SPECIAL INSTITUTIONS

AMERICAN PRINTING HOUSE FOR THE BLIND

For carrying out the Act of March 3, 1879, as amended (20 U.S.C. 101-105), \$3,012,000.

NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

For carrying out the National Technical Institute for the Deaf Act (20 U.S.C. 681, et seq.), \$12,675,000.

GALLAUDET COLLEGE

For carrying out the Model Secondary School for the Deaf Act (80 Stat. 1027) and for the partial support of Gallaudet College authorized by the Act of June 18, 1954 (68 Stat. 265), \$40,840,000 of which \$15,575,000 shall be for construction and shall remain available until expended: *Provided*, That if requested by the college, such construction shall be supervised by the General Services Administration.

HOWARD UNIVERSITY

For the partial support of Howard University, \$82,409,000, of which \$2,500,000 shall be for construction and shall remain available until expended: *Provided*, That if requested by the university, such construction shall be supervised by the General Services Administration.

ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT

HUMAN DEVELOPMENT

For carrying out, except as otherwise provided, section 426 of the Social Security Act, the Act of April 9, 1912 (42 U.S.C. 191), the Older Americans Act of 1965, as amended, the Child Abuse Preven-



tion and Treatment Act, the Runaway Youth Act, the Community Services Act of 1974, sections 106, 107 and 306 of the Comprehensive Employment and Training Act of 1973, the Rehabilitation Act of 1973, as amended, the International Health Research Act of 1960, the Developmental Disabilities Services and Facilities Construction Act, as amended, and the White House Conference on Handicapped Individuals Act, \$1,896,023,000, of which \$740,000,000 shall be for activities under section 110(a) of the Rehabilitation Act of 1973; \$309,000 shall be for section 110(b) of such Act; and \$30,058,000 shall be for grants under part C of the Developmental Disabilities Services and Facilities Construction Act, as amended, together with not to exceed \$600,000 to be transferred from the Federal Disability Insurance Trust Fund and the Federal Old-Age and Survivors Insurance Trust Fund as provided by section 201(g)(1) of the Social Security Act: *Provided further*, That the level of operations for the nutrition services for the elderly program shall be \$225,000,000 per annum.

#### DEPARTMENTAL MANAGEMENT

##### OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights \$29,685,000, together with not to exceed \$919,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from any one or all of the trust funds referred to therein.

##### GENERAL DEPARTMENTAL MANAGEMENT

For expenses not otherwise provided, necessary for general departmental management, including hire of six medium sedans, \$89,511,000 together with not to exceed \$12,872,000 to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from any one or all of the trust funds referred to therein.

##### POLICY RESEARCH

For carrying out, to the extent not otherwise provided, research studies under section 232 of the Community Services Act of 1974 and section 1110 of the Social Security Act, \$20,000,000.

#### GENERAL PROVISIONS

SEC. 201. None of the funds appropriated by this title to the Social and Rehabilitation Service for grants-in-aid of State agencies to cover, in whole or in part, the cost of operation of said agencies, including the salaries and expenses of officers and employees of said agencies, shall be withheld from the said agencies of any States which have established by legislative enactment and have in operation a merit system and classification and compensation plan covering the selection, tenure in office, and compensation of their employees, because of any disapproval of their personnel or the manner of their selection by the agencies of the said States, or the rates of pay of said officers or employees.

SEC. 202. Funds appropriated in this Act to the American Printing House for the Blind, Howard University, the National Technical Institute for the Deaf, and Gallaudet College shall be awarded to these institutions in the form of lump-sum grants and expenditures made therefrom shall be subject to audit by the Secretary of Health, Education, and Welfare.





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SEC. 203. None of the funds provided herein shall be used to pay any recipient of a grant for the conduct of a research project an amount equal to as much as the entire cost of such project.

SEC. 204. None of the funds contained in this title shall be available for additional permanent positions in the Washington area if the total authorized positions in the Washington area is allowed to exceed the proportion existing at the close of fiscal year 1966.

SEC. 205. Appropriations in this Act for the Health Services Administration, the National Institutes of Health, the Center for Disease Control, the Alcohol, Drug Abuse, and Mental Health Administration, the Health Resources Administration and Departmental Management shall be available for expenses for active commissioned officers in the Public Health Service Reserve Corps and for not to exceed two thousand eight hundred commissioned officers in the Regular Corps; expenses incident to the dissemination of health information in foreign countries through exhibits and other appropriate means; advances of funds for compensation, travel, and subsistence expenses (or per diem in lieu thereof) for persons coming from abroad to participate in health or scientific activities of the Department pursuant to law; expenses of primary and secondary schooling of dependents in foreign countries, of Public Health Service commissioned officers stationed in foreign countries, at costs for any given area not in excess of those of the Department of Defense for the same area, when it is determined by the Secretary that the schools available in the locality are unable to provide adequately for the education of such dependents, and for the transportation of such dependents between such schools and their places of residence when the schools are not accessible to such dependents by regular means of transportation; rental or lease of living quarters (for periods not exceeding 5 years), and provision of heat, fuel, and light, and maintenance, improvement, and repair of such quarters, and advance payments therefor, for civilian officers, and employees of the Public Health Service who are United States citizens and who have a permanent station in a foreign country; purchase, erection, and maintenance of temporary or portable structures; and for the payment of compensation to consultants or individual scientists appointed for limited periods of time pursuant to section 207 (f) or section 207 (g) of the Public Health Service Act, at rates established by the Assistant Secretary for Health, or the Secretary where such action is required by statute, not to exceed the per diem rate equivalent to the rate for GS-18; not to exceed \$9,500 for official reception and representation expenses related to any health agency of the Department when specifically approved by the Assistant Secretary for Health.

SEC. 206. No part of the funds contained in this title may be used to force any school or school district which is desegregated as that term is defined in title IV of the Civil Rights Act of 1964, Public Law 88-352, to take any action to force the busing of students; to force on account of race, creed, or color the abolishment of any school so desegregated; or to force the transfer or assignment of any student attending any elementary or secondary school so desegregated to or from a particular school over the protest of his or her parents or parent.

SEC. 207. (a) No part of the funds contained in this title shall be used to force any school or school district which is desegregated as that term is defined in title IV of the Civil Rights Act of 1964, Public Law 88-352, to take any action to force the busing of students; to require the abolishment of any school so desegregated; or to force on account of race, creed, or color the transfer of students to or from



a particular school so desegregated as a condition precedent to obtaining Federal funds otherwise available to any State, school district, or school.

(b) No funds appropriated in this Act may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system.

SEC. 208. None of the funds contained in this Act shall be used to require, directly or indirectly, the transportation of any student to a school other than the school which is nearest the student's home, and which offers the courses of study pursued by such student, in order to comply with title VI of the Civil Rights Act of 1964.

SEC. 209. None of the funds contained in this Act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term.

### TITLE III—RELATED AGENCIES

#### ACTION

##### OPERATING EXPENSES, DOMESTIC PROGRAMS

For expenses necessary for Action to carry out the provisions of the Domestic Volunteer Service Act of 1973, as amended, \$108,200,000.

##### COMMUNITY SERVICES ADMINISTRATION

##### COMMUNITY SERVICES PROGRAM

For expenses of the Community Services Administration, \$511,170,000.

##### CORPORATION FOR PUBLIC BROADCASTING

##### PUBLIC BROADCASTING FUND

For payment to the Corporation for Public Broadcasting, as authorized by the Public Broadcasting Financing Act of 1975, an amount which shall be available within limitations specified by said Act, for the fiscal year 1977, \$103,000,000; for the fiscal year 1978, \$107,150,000; and for the fiscal year 1979, \$120,200,000: *Provided*, That no funds made available to the Corporation for Public Broadcasting by this Act shall be used to pay for receptions, parties and similar forms of entertainment for government officials or employees: *Provided further*, That none of the funds contained in this paragraph shall be available or used to aid or support any program or activity excluding from participation in, denying the benefits of, or discriminating against any person in the United States, on the basis of race, color, national origin, religion, or sex.

##### FEDERAL MEDIATION AND CONCILIATION SERVICE

##### SALARIES AND EXPENSES

For expenses necessary for the Federal Mediation and Conciliation Service to carry out the functions vested in it by the Labor-Management Relations Act, 1947 (29 U.S.C. 171-180, 182), including expenses of the Labor-Management Panel and boards of inquiry appointed by

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the President; hire of passenger motor vehicles; and rental of conference rooms in the District of Columbia; and for expenses necessary pursuant to Public Law 93-360 for mandatory mediation in health care industry negotiation disputes, and for convening factfinding boards of inquiry appointed by the Director in the health care industry, \$20,328,000.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

SALARIES AND EXPENSES

For necessary expenses of the National Commission on Libraries and Information Science, established by the Act of July 20, 1970 (Public Law 91-345), \$492,575.

NATIONAL LABOR RELATIONS BOARD

SALARIES AND EXPENSES

For expenses necessary for the National Labor Relations Board to carry out the functions vested in it by the Labor-Management Relations Act, 1947, as amended (29 U.S.C. 141-167), and other laws, \$77,776,000: *Provided*, That no part of this appropriation shall be available to organize or assist in organizing agricultural laborers or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers as referred to in section 2(3) of the Act of July 5, 1935 (29 U.S.C. 152), and as amended by the Labor-Management Relations Act, 1947, as amended, and as defined in section 3(f) of the Act of June 25, 1938 (29 U.S.C. 203), and including in said definition employees engaged in the maintenance and operation of ditches, canals, reservoirs, and waterways when maintained or operated on a mutual, nonprofit basis and at least 95 per centum of the water stored or supplied thereby is used for farming purposes.

NATIONAL MEDIATION BOARD

SALARIES AND EXPENSES

For expenses necessary for carrying out the provisions of the Railway Labor Act, as amended (45 U.S.C. 151-188), including emergency boards appointed by the President, \$3,606,000.

OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

SALARIES AND EXPENSES

For expenses necessary for the Occupational Safety and Health Review Commission, \$6,280,000.

RAILROAD RETIREMENT BOARD

PAYMENTS TO RAILROAD RETIREMENT TRUST FUND

For payment to the Railroad Retirement Account, as provided under sections 15(b) and 15(d) of the Railroad Retirement Act of 1974, \$250,000,000.



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REGIONAL RAIL TRANSPORTATION PROTECTIVE ACCOUNT

For payment of benefits under section 509 of the Regional Rail Reorganization Act of 1973, to remain available until expended, including not to exceed \$100,000 for payment to the Railroad Retirement Board for administrative expenses, \$40,000,000.

LIMITATION ON SALARIES AND EXPENSES

For expenses necessary for the Railroad Retirement Board, \$33,723,000, to be derived from the railroad retirement accounts: *Provided*, That \$500,000 of the foregoing amount shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended (31 U.S.C. 665), only to the extent necessary to process workloads not anticipated in the budget estimates and after maximum absorption of the costs of such workloads within the remainder of the foregoing limitation has been achieved: *Provided further*, That notwithstanding any other provision in law, no portion of this limitation shall be available for payments of standard level user charges pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(j); 45 U.S.C. 228a-r).

SOLDIERS' AND AIRMEN'S HOME

OPERATION AND MAINTENANCE

For maintenance and operation of the United States Soldiers' and Airmen's Home, to be paid from the Soldiers' and Airmen's Home permanent fund, \$15,373,000: *Provided*, That this appropriation shall not be available for the payment of hospitalization of members of the Home in United States Army hospitals at rates in excess of those prescribed by the Secretary of the Army upon recommendation of the Board of Commissioners of the Home and the Surgeon General of the Army.

TITLE IV—GENERAL PROVISIONS

SEC. 401. Appropriations contained in this Act, available for salaries and expenses, shall be available for services as authorized by 5 U.S.C. 3109 but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS-18.

SEC. 402. Appropriations contained in this Act available for salaries and expenses shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902).

SEC. 403. Appropriations contained in this Act available for salaries and expenses shall be available for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities.

SEC. 404. No part of the funds appropriated under this Act shall be used to provide a loan, guarantee of a loan, a grant, the salary of or any remuneration whatever to any individual applying for admission, attending, employed by, teaching at, or doing research at an institution of higher education who has engaged in conduct on or after August 1, 1969, which involves the use of (or the assistance to others in the use of) force or the threat of force or the seizure of property under the control of an institution of higher education, to require or prevent the availability of certain curriculum, or to prevent the faculty, administrative officials, or students in such institution from engaging



in their duties or pursuing their studies at such institution.

SEC. 405. The Secretary of Labor and the Secretary of Health, Education, and Welfare are authorized to transfer unexpended balances of prior appropriations to accounts corresponding to current appropriations provided in this Act: *Provided*, That such transferred balances are used for the same purpose, and for the same periods of time, for which they were originally appropriated.

SEC. 406. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 407. No part of any appropriation contained in this Act shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television or film presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself.

SEC. 408. The Secretary of Labor and the Secretary of Health, Education, and Welfare are each authorized to make available not to exceed \$7,500 from funds available for salaries and expenses under titles I and II, respectively, for official reception and representation expenses; the Director of the Federal Mediation and Conciliation Service is authorized to make available for official reception and representation expenses not to exceed \$2,500 from funds available for "Salaries and expenses, Federal Mediation and Conciliation Service".

SEC. 409. None of the funds appropriated by this Act shall be used to pay for any research program or project or any program, project, or course which is of an experimental nature, or any other activity involving human participants, which is determined by the Secretary or a court of competent jurisdiction to present a danger to the physical, mental, or emotional well-being of a participant or subject of such program, project, or course, without the written, informed consent of each participant or subject, or his parents or legal guardian, if such participant or subject is under eighteen years of age. The Secretary shall adopt appropriate regulations respecting this section.

This Act may be cited as the "Departments of Labor and Health, Education, and Welfare Appropriation Act, 1977".

*Speaker of the House of Representatives.*

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

## Office of the White House Press Secretary

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THE WHITE HOUSE

TO THE HOUSE OF REPRESENTATIVES:

Just before adjourning for the final weeks of the election campaign, the Congress has sent me H.R. 14232, the Departments of Labor, and Health, Education, and Welfare appropriations for fiscal year 1977 which begins October 1. This last and second largest of the major Federal appropriation bills to be considered by this Congress is a perfect example of the triumph of election-year politics over fiscal restraint and responsibility to the hard-pressed American taxpayer.

Contained in this bill are appropriations for numerous essential domestic programs which have worthy purposes. My budget for these purposes totaled \$52.5 billion, \$700 million more than this year. Since 1970 expenditures for these programs have increased at a rate 75% greater than the rate of growth in the overall Federal Budget. Therefore, my 1977 proposals included substantial reforms in the major areas covered by these appropriations designed to improve their efficiency and reduce the growth of Federal bureaucracy and red tape.

The majority in control of this Congress has ignored my reform proposals and added nearly \$4 billion in additional spending onto these programs.

The partisan political purpose of this bill is patently clear. It is to present me with the choice of vetoing these inflationary increases and appearing heedless of the human needs which these Federal programs were intended to meet, or to sign the measure and demonstrate inconsistency with my previous anti-inflationary vetoes on behalf of the American taxpayer.

It is to present me with the dilemma of offending the voting groups who benefit by these government programs, or offending those primarily concerned with certain restrictions embodied in the bill.

I am sympathetic to the purposes of most of these programs. I agree with the restriction on the use of Federal funds for abortion. My objection to this legislation is based purely and simply on the issue of fiscal integrity.

I believe the American people are wiser than the Congress thinks. They know that compassion on the part of the Federal Government involves more than taking additional cash from their paychecks. They know that inflationary spending and larger deficits must be paid for not only by all Federal taxpayers but by every citizen, including the poor, the unemployed, the retired persons on fixed incomes, through the inevitable reduction in the purchasing power of their dollars.

I believe strongly in compassionate concern for those who cannot help themselves, but I have compassion for the taxpayer, too. My sense of compassion also says that we

more

(OVER)



shouldn't ask the taxpayers to spend their money for a tangled mess of programs that the Congress itself has shown all too often to be wasteful and inefficient -- programs which all too often fail to really help those in need.

The Congress says it cares about cutting inflation and controlling Federal spending.

The Congress says it wants to stop fraud and abuse in Federal programs.

The Congress says it wants to end duplication and overlap in Federal activities.

But when you examine this bill carefully you discover that what the Congress says has very little to do with what the Congress does.

If the Congress really cared about cutting inflation and controlling Federal spending, would it send me a bill that is \$4 billion over my \$52.5 billion request?

If the Congress really wanted to stop fraud and abuse in Federal programs like Medicaid, would it appropriate more money this year than it did last year without any reform?

If the Congress really wanted to end duplication and overlap in Federal activities, would it continue all of these narrow programs this year -- at higher funding levels than last year?

If the Congress really wanted to cut the deficit and ease the burden on the taxpayer, would it ignore serious reform proposals?

The resounding answer to all of these questions is no.

Our longtime ally, Great Britain, has now reached a critical point in its illustrious history. The British people must now make some very painful decisions on government spending. As Prime Minister Callaghan courageously said just yesterday, "Britain for too long has lived on borrowed time, borrowed money and borrowed ideas. We will fail if we think we can buy our way out of our present difficulties by printing confetti money and by paying ourselves more than we earn."

I cannot ask American taxpayers to accept unwarranted spending increases without a commitment to serious reform. I do not believe the people want more bureaucratic business as usual. I believe the people want the reforms I have proposed which would target the dollars on those in real need while reducing Federal interference in our daily lives and returning more decision-making freedom to State and local levels where it belongs.

I therefore return without my approval H.R. 14323, and urge the Congress to enact immediately my budget proposals and to adopt my program reforms.

GERALD R. FORD

THE WHITE HOUSE,

September 29, 1976.

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