Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. CEDERBERG. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 88]

Ashbrook	Halleck	Resnick
Ashley	Hays	Scheuer
Blatnik	Holifield	Schmidhauser
Brademas	Holland	Senner
Broyhill, Va.	Ichord	Smith, Iowa
Cahill	Jones, Mo.	Stephens
Clark	Krebs	Thomson, Wis.
Clevenger	MacGregor	Toll
Curtis	Mathias	Whitener
Dickinson	Miller	Whitten
Ford, Gerald R.	Mills	Wilson, Bob
Giaimo	Morrison	Young
Goodell	O'Hara, Mich.	
	Powell	

The SPEAKER. On this rollcall 394 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

LABOR-HEALTH, EDUCATION, AND WELFARE APPROPRIATIONS, 1966

Mr. FOGARTY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7765) making appropriations for the Department of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1966, and for other purposes, and pending that motion, Mr. Speaker, I ask unanimous consent that general debate on the bill be limited to 3 hours, one-half of the time to be controlled by the gentleman from Wisconsin [Mr. LAIRD] and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Rhode Island.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 7765, with Mr. THOMPSON of New Jersey in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement the gentleman from Rhode Island [Mr. FOGARTY] will be recognized for 1½ hours and the gentleman from Wisconsin [Mr. LAIRD] will be recognized for 1½ hours.

The Chair recognizes the gentleman from Rhode Island [Mr. FOGARTY].

Mr. FOGARTY. Mr. Chairman, I yield myself such time as I may consume.

(Mr. FOGARTY asked and was given permission to revise and extend his remarks.)

Mr. FOGARTY. Mr. Chairman, I am pleased to bring to you this afternoon the annual appropriation bill for the Departments of Labor, and Health, Education, and Welfare, and related agencies. This is the 18th year that I have served on this committee. I am also pleased to announce that we have a unanimous report from our committee.

Mr. Chairman, this year we have had substantial changes in the makeup of the membership of the subcommittee. In fact, we have five new members. We have some of the older members, the gentleman from Indiana [Mr. DENTON], who has served with great distinction on this committee for several years and has been a great supporter of all these programs. Also this year we have the gentleman from Pennsylvania [Mr. FLOOD], one of the outstanding members of the Committee on Apropriations, and the gentleman from Florida [Mr. MATTHEWS], who has been a Member of the House for a long time and has served with distinction. Then we have on the committee the gentleman from Oregon [Mr. DUNCAN], who has been invaluable as a member of this committee. We also have the gentleman from Michigan [Mr. FARNUM], who has been a really hard-working new Member.

On the Republican side we have the gentleman from Kansas [Mr. SHRIVER], who is the new committee member on the minority side who serves with the old members; the gentleman from Illinois [Mr. MICHEL] and the gentleman from Wisconsin [Mr. LAIRD]. They have all been very helpful in the work of the committee. And we have the best clerk, Robert Moyer, on the committee.

Mr. Chairman, extensive hearings have been held. We held hearings since the first week in February and we bring to you today a unanimous report. I will place in the record a summary of the action on the bill.

Department or agency	Appropriation, 1965	Budget estimates, 1966	Recommended in the bill	Bill compared with—	
				Appropriations, 1965	Budget estimates, 1966
Department of Labor	$668,316,500	$588,144,000	$537,460,000	−$130,856,500	−$50,684,000
Department of Health, Education, and Welfare	6,985,726,000	7,652,074,000	7,373,020,000	+387,294,000	−279,054,000
Related agencies	48,352,500	53,596,000	53,554,000	+5,201,500	−42,000
Total	7,702,395,000	8,293,814,000	7,964,034,000	+261,639,000	−329,780,000

Mr. Chairman, just about 90 percent of the bill we bring you today is for grants—grants to State and local governments, school and health facilities construction grants, research grants, and training grants. With the growing public acceptance of grants-in-aid as a means of achieving national goals, there has been more and more of this type of legislation passed in recent years with the result that the Labor, Health, Education, and Welfare appropriation bill has increased each year. This year is no exception. The bill we bring you today totals $7,964,034,000 which is roughly $1 billion more than the bill we brought to this House 1 year ago. The bill is $261,639,000 over the total appropriations for fiscal year 1965, which include rather substantial sums appropriated in supplemental appropriation acts. However, the bill is $329,780,000 less than requested in the President's Budget.

As is always the case, this bill is the result of compromise. My position is well known to the Chairman and the older Members of this House. There are several places in this bill where I think that much more could be efficiently utilized and that the benefits to the Nation would be more than the cost. However, taken as a whole, I think this is a good bill and I am prepared to support it fully as it stands. While it will do little more than hold the line with some programs, the committee has greatly improved the budget in other areas to provide for some real progress.

Our hearings were quite detailed. The committee heard 230 Government witnesses and 118 public witnesses and Members of Congress for a total of 348 witnesses. The hearing record totals 4,697 pages. These hearings have all been in print for some time and available to Members, and our bill and report have been available for 5 days. In view of this and the fact that there are over 100 appropriation items in the bill, I shall not take the time of the committee to discuss each one in detail.

The 1966 budget for the Department of Labor had several proposals for reorganization of activities. It appeared to the committee that some of these were good and would result in more efficient program management. These have been approved in the bill. However, one of the proposals was to consolidate three major parts of the Department—the Bureau of Employment Security, the Bureau of Apprenticeship and Training, and the Manpower Agency—into one huge Office of Manpower Administrator. This proposal resulted in many violent protests from various quarters. The committee could see many serious disadvantages to this proposal and very little in the way of advantages, and has not approved the consolidation. As in the past, appropriations for these three activities are carried separately in the bill.

The committee has approved the full amount of the request for manpower development and training activities—

$273,500,000. This was based on the law as it stood in January when the budget was submitted to Congress. Since that time a liberalized program has been enacted and it is my understanding that a rather sizable supplemental request is being drawn up in the executive branch.

A request of $39,280,000 for "Advances for employment services" was included in the budget. The purpose of this proposed appropriation from general funds of the Treasury was to supplement the appropriation: "Limitation on grants to States for unemployment compensation and employment service administration," for which funds are transferred from the unemployment trust fund. The latter appropriation has a legislative limitation that is included in the Social Security Act, as amended. The $39 million proposed appropriation would be in addition to the funds that could be used from the trust fund, which were budgeted at the maximum authorization. It appeared to the committee that this was perhaps technically legal, but for practical purposes was simply a way of getting around the legal limitation for these activities. The request has therefore been denied. The bill does include the full legal limitation for transfer from the unemployment trust fund. This amount is $492,100,000.

For unemployment compensation for Federal employees and ex-servicemen the bill includes $131 million which is a reduction of $10 million from the request, but simply reflects a downward trend in payments from this fund that has occurred since the budget was prepared.

The bill includes $20,905,000 for the Wage and Hour Division, an increase of $500,000 over the request to restore most of the reduction proposed in the budget for enforcement activities. All of labor, organized and unorganized, and all honest businessmen want to see the wage and hour laws properly enforced. I cannot understand the action in reducing enforcement when there is indisputable evidence of considerable violation of these laws.

The bill includes $19,601,000 for the Bureau of Labor Statistics. This is approximately $1 million more than the 1965 appropriation and $1 million less than the 1966 request. The committee feels certain that this important agency can continue to do a good job—in fact, an even better job—with the funds allowed.

There are several salary and expense items in the Department of Labor that I have not mentioned specifically, but they are all at approximately the current level of operation. In fact, in total there are slightly fewer position provided for in the bill than are provided for by the current appropriations.

In the Department of Health, Education, and Welfare, the first item is the Food and Drug Administration. The budget request was for $50,352,000 and this amount is carried in the bill. While this is almost $10 million above the current year's appropriation, it provides very little for anything but mandatory cost increases and the extremely large load of drug applications that must be evaluated and acted upon. This is workload that is not controllable by the agency, but has been brought about by recently enacted legislation. No increase was included in the budget for basic enforcement activities even though the workload in that area is also increasing somewhat. The Committee reduced the request for buildings and facilities by $604,000 accounted for by deferral of action on planning funds for additional laboratory facilities in the Washington, D.C., area pending a more detailed study of the possibility of decentralizing such activities.

In the Office of Education the committee approved the budget request for the expanded vocational education program with the exception of the residential schools. The budget request included $5 million for one residential school to be located in the Washington, D.C., metropolitan area. The Committee has added $5 million to provide for two such schools but has left the location of each open.

The bill includes $641,750,000 for higher education facilities construction, which is the amount requested in the budget. This will provide for the full amount of construction grants authorized by the basic legislation.

The committee approved the budget request of $55 million for grants for public libraries. Personally, I cannot understand the action of the Bureau of the Budget in disallowing $20 million of the $75 million requested by the Department for this program. The great need for both additional facilities and for additional funds for operation and maintenance of public libraries is obvious to all who will look. State and local matching funds are available to much more than match the $55 million appropriated for the current fiscal year and most certainly would be available to match an additional $20 million in 1966.

For both payments to school districts and assistance for school construction in federally impacted areas, the bill includes the full amount estimated by the Office of Education to be necessary to meet 100 percent of entitlements under existing law.

The bill includes $412,608,000 for defense educational activities. This is the amount requested and in most instances is the full amount authorized for the various programs that fall under this appropriation. The largest part of the increase over the current fiscal year is for the student loan program and for graduate fellowships which were increased $34,300,000 and $25 million, respectively, over the amount available for fiscal year 1965. This increase brings both of these programs to the maximum authorized by law.

For educational improvement for the handicapped, the bill also includes the amount of the budget request, $21,500,000. This is a small amount compared to the need when one considers that it is estimated that over 300,000 teachers are needed for teaching the handicapped whereas there are currently only 60,000 in classrooms.

Another extremely popular program is cooperative research in education. The full amount of the budget, $25 million, is carried in the bill. While there were many that felt this should be at least $35 million, the majority of the committee felt that the increase of $9,160,000, provided in the bill, above the amount appropriated for the current fiscal year should be adequate. For educational research using foreign currencies surplus to the normal needs of the United States, the committee has approved the budget request of $1 million. In connection with all the special foreign currency programs of the Department, it appears that considerable progress has been made in improving procedures so that the programs can move forward and accomplish worthwhile results. The committee feels that where worthwhile results are demonstrated, even though the project might be of somewhat lower priority than would be financed with regular appropriations, that it is desirable to proceed with them using foreign currency that would otherwise not be needed for normal requirements of the U.S. Government.

The request for salaries and expenses of the Office of Education included funds to add 151 positions. It is quite obvious that legislation passed by the last Congress requires considerable additional work in 1966 as these programs go into full effect. However, the majority of the committee felt that an adequate job could be done with 100 additional employees. This accounts for the reduction of $510,000 from the amount of the request.

The vocational rehabilitation program continues to be one of the most popular, one of the most worthwhile, and one of the most profitable of the programs carried out by the Federal Government. In addition to the great and obvious human benefits, it can be mathematically proven that this program returns to the taxpayers several times the number of tax dollars spent on it. The bill includes the full amount of the request for grants to States, research and training—special foreign currency program—and salaries and expenses. The committee has included, in connection with the regular research and training program, $300,000, not included in the budget, for two special centers, one for the mentally retarded and one for the deaf. The committee also has included $100,000 for a thorough study of the national needs for vocational rehabilitation and recommendations as to how these needs can best be met. The bill includes $200,000 more than the $45,845,000 requested and will expect that the additional $200,000 be transferred from other activities financed by this appropriation.

The main change that the committee made in the budget for buildings and facilities of the Public Health Service was to add $1,670,000 for the Laboratory of Perinatal Physiology of the National Institutes of Health in Puerto Rico. Under the budget this total facility would have been built in two stages. Under the pro-

visions of the bill, it can be built in one stage which will be cheaper and will provide the facility at an earlier date.

For injury control, the bill includes $4,500,000, an increase of $301,000 over the budget to restore a small portion of the $1,900,000 by which the Bureau of the Budget reduced the Department's request.

The bill includes $66,453,000 for chronic diseases and health of the aged. This is an increase of $5,250,000 over the budget, of which $3,250,000 is for work in the field of mental retardation. In 1964 the Public Health Service established an advisory group of experts in this field from outside the Federal Government. This group recommended a total of $5,250,000 more than is contained in the budget. The committee was surprised that the budget allowed so little in view of the recommendations of this distinguished group of experts. The remaining $2 million of the increase over the budget is earmarked for work on kidney disease. It has been called to the committee's attention that the report appears to limit the use of these funds to hemodialysis. It was the intention of the committee that dialysis activities be emphasized in connection with this increase, but it is leaving it to the Public Health Service to determine the precise activities to be carried out with these funds which will do the most in meeting the very serious problems of kidney diseases.

The $8 million reduction recommended below the budget for communicable disease activities represents funds requested for an expanded vaccination program which has not yet been authorized.

Likewise, the reduction of $3 million in the budget for community health practice and research is for the program of grants for migrant worker health activities for which the legislation has not been extended past 1965.

The bill includes $259,089,000 for hospital construction activities, which is a reduction of $44,215,000 from the request. This reduction is brought about primarily as a result of the committee's disallowance of legislative language which would permit the allocation of a much larger amount for modernization than is permitted under the existing law. The budget included $60 million for modernization, whereas, if the formula in existing law were applied to the total request, only $14,285,000 could be expended for this purpose. The committee made the adjustment in funds that corresponded with the disallowance of a change in the legislation.

The increase of $1,634,000 over the budget for air pollution includes $659,000 to provide sufficient funds to finance as many new research projects in 1966 as are being financed in 1965; and $975,000 for demonstration projects in control of mine waste fires. The later amount was denied in connection with the Appalachian regional development program since the act authorizing that program did not specifically authorize this activity, whereas it is clearly authorized under the Clean Air Act.

The relatively small increases for environmental engineering and sanitation, occupational health, and radiological health are all to provide sufficient funds to finance as many new research projects in 1966 as are being financed in 1965. The committee cannot understand why the budget sought to cut these relatively new and very important research programs back in the 1966 budget.

The increased recommended by the committee for water supply and water pollution control is $3,913,000 over the budget. The largest item of increase is $1,800,000 which was requested in connection with the Appalachian development program but denied since the legislation authorizing that program did not specifically authorize demonstration in acid mine drainage for which these funds were requested. In addition to this, the committee has added $1 million to the bill for demonstration grants; $300,000 to permit 75 percent staffing, instead of 55 percent staffing provided in the budget, for the new regional water pollution control laboratories at Corvallis, Oreg., Ada, Okla., and Athens, Ga.; and $813,000 to enable the division to finance as many new research projects in 1966 as are being financed in 1965.

The bill includes $57,710,000, an increase of $864,000, the amount necessary to keep the Chicago and Memphis hospitals open. The committee would be opposed to closing these hospitals on principle, even if the costs were slightly more than the costs of caring for merchant seamen and other legal beneficiaries on a contract basis. Any possible doubts were resolved when the committee found that it actually would cost the Federal Government $212,000 less in 1966 to keep these hospitals in operation than it would to close them.

Except for a small reduction of $80,000 in the request for national health statistics all of the other items in the Public Health Service, except the National Institutes of Health, are carried in the bill in the same amounts as requested in the budget. So unless there are questions regarding them, I will not take the time to discuss each individually.

I was not very happy about the budget for the National Institutes of Health, in fact, I recommended an increase of $100 million in committee. I have a lot to say about this so I think I will comment on the other items in the bill and then discuss the NIH budget in some detail.

But before I leave the subject of public health, I would like to bring to the attention of the Members of the House something not directly related to this bill. My good friend, the gentleman from New York [Mr. ROONEY] recently sent me a new book by Peter Wyden, "The Overweight Society." I was a little amused by it at first, and most people, I think would react the same way. But the time I had finished it, however, I was convinced that this is one of the real public health problems of this Nation today. This is a really good book, in opinion, and I highly recommend it as "must reading" to anyone with an interest in public health—or, for that matter, interested in their own health.

To get back to the bill—there is a relatively small increase for St. Elizabeths Hospital which simply will allow them to keep their positions filled at the normal rate. No additional positions are provided.

There is a decrease of $3 million or approximately 1 percent in the request for the Social Security Administration. We believe that they can do an adequate job with the funds allowed.

The largest reduction in the bill is for grants to States for public assistance. The budget request was $3,242,100,000 and the bill includes an even $3 billion. This is less than 6 percent below the appropriation for 1965 and as stated in the report, it would seem that this should be a very modest reduction to expect in view of the expansion of programs under the Social Security Amendments of 1962, that were aimed at reducing dependency, and in view of all of the other programs that are also aimed at doing this, such as the vocational rehabilitation program, the antipoverty program, the Appalachian program, and so forth.

The committee also made a reduction in salaries and expenses of the Bureau of Family Services but has allowed 20 of the 45 new positions requested.

The reduction for juvenile delinquency and youth offenses represents the disallowance of all of the activities for which there is no authorization in 1966, and limiting funds for the activities that are authorized to just the amount required in 1966.

Of the remaining programs under the Welfare Administration, the committee is recommending a reduction of $203,000 for the Office of Aging; is recommending $1,882,000, a reduction of $118,000 from the request for cooperative research or demonstration projects; and has disallowed $116,000 requested by the Office of the Commissioner for the establishment of regional coordinator for welfare programs and a secretary in each of seven regional offices. There is no change from the budget for the other items.

The bill includes $1 million for the American Printing House for the Blind which is sufficient to allow $50 per blind pupil. This is $91,000 more than the request but is based on testimony by the vice president and general manager of the American Printing House for the Blind that $50 is the minimum amount necessary to provide the available educational materials that these pupils should have. The budget request was approved in each instance for the other items appearing under "special institutions."

For all items appearing under the heading, "Office of the Secretary," the bill includes $19,969,000 which is a reduction of $3,222,000 below the request. Most of this reduction is accounted for by a reduction of $3 million for educational television facilities. The hearings and material submitted to the committee indicates that the $8,826,000 included for these activities in the bill will be all that will be required during the year.

The only change from the budget request for the related agencies was a small reduction of $42,000 for the Federal Mediation and Conciliation Service. This leaves that agency $6,610,000 or

$276,000 more than the 1965 appropriation.

NATIONAL INSTITUTES OF HEALTH

As I mentioned earlier, I was most unhappy with the NIH budget. The estimates submitted on behalf of the National Institutes of Health were again totally inadequate this year. There was no allowance whatever for any new advances on major disease problems. There was no allowance for the intensification of any of the existing research programs—even in areas where both urgent need and challenging opportunity are clearly evident. There was not even adequate provision for maintaining the momentum of present efforts to solve the fully identified problems whose solution could save thousands of lives and prevent uncountable days of pain and misery.

The administration's request for the National Institutes of Health was not even a good hold-the-line budget—and a hold-the-line budget is simply not good enough for an agency whose activities so vitally affect the future health and welfare of all the American people.

I can wholeheartedly support the President's goals for a Great Society but I cannot understand a program for achieving a Great Society which does not have as one of its primary aims the elimination of the scourge of disease, the tragedy of mental retardation and all other forms of congenital disabilities, and the ever-present threat of untimely death. What can possibly be of more importance to a Great Society than the health of its citizens? What is going on when the President speaks of a healthy citizenry as one of this country's foremost goals and the Bureau of the Budget restricts and reduces the budget estimates of the agency which is at the forefront of the toughest battle we face—the battle to conquer man's most ancient, most relentless and most personal enemy—disease?

The attitude of the Bureau of the Budget seems doubly capricious because it flies in the face of its own assessment of the level of Federal support needed merely to keep pace with the rising cost of doing research. It has recently been well publicized that the Bureau of the Budget regards an annual increase of 15 percent as the minimum necessary to keep existing programs going. This figure is also contained in the report of the Panel on Basic Research and National Goals set up by the National Academy of Sciences at the request of the Congress.

About 5 percent of this increase is due to the normal rise in the cost of doing business experienced by almost every flourishing enterprise. It represents increases in salaries, wages, and the price of supplies. Most of the increased cost of ongoing research, however, is due to the greater complexity of the work being done—to the higher cost of more effective and more accurate instruments and of meeting the more exacting demands of modern research methods.

As the committee's report on the bill points out, an electron microscope is 100 times as expensive as an ordinary microscope; electronic devices become more costly as greater accuracy is demanded from them; the application of computers to research problems introduces a new and significant cost factor; germ-free animals are a necessary, expensive replacement for ordinary mice, rats, and guinea pigs. The 15-percent figure adopted by the Bureau of the Budget is not adequate to take care of all the real needs of medical research—it is a minimum figure which does not pretend to do more than just keep the present level of research from slowing down for lack of funds.

Yet what does the Bureau of the Budget do when it comes to the estimates for the National Institutes of Health? Does it allow the increase of 15 percent that it has set as the necessary minimum? It does not. For medical research—which is of vital concern to every man, woman, and child and which has the full support of the American people—the budget allows only half of this minimum increase.

There is no justification for the arbitrary limitation imposed on the NIH budget estimates. The effectiveness of the NIH programs are universally recognized. Its contributions to the advancement of medicine have been outstanding—not merely through the work supported by the grant-in-aid programs, but through the work done by its own scientists. The dedicated men who work in Bethesda and in the field stations of NIH in various parts of the world have run up an impressive score of research accomplishments ranging from such specific achievements as finding a cure for Rocky Mountain spotted fever, which used to be a fast-striking and fatal disease, to such dramatic breakthroughs as the cracking of the genetic code which opens the way to the unraveling of the causes of a whole host of genetic diseases.

The record of the scientists whose work NIH has supported is no less impressive. There is hardly a major advance in medical research—or in the scientific disciplines which contribute to the understanding of medical problems—that is not directly or indirectly indebted to the grant programs of the NIH.

A thorough review of the NIH programs has just been conducted, at the request of the President, by a distinguished committee, under the chairmanship of Dr. Dean Wooldridge. This committee and its advisory panels—involving 77 prominent scientists and administrators—appraised the extramural projects supported by NIH in 37 universities, medical schools, hospitals, and research institutions. The group made detailed investigations and evaluations of some 400 separate activities supported by NIH covering each of its major program areas. As a result of this exhaustive review, the Wooldridge committee stated in its report to the President that:

> The first and probably most important general conclusion of the study is that the activities of the National Institutes of Health are essentially sound and that its budget of approximately $1 billion a year is, on the whole, being spent wisely and well in the public interest.

Not only did the Wooldridge committee find that the vast majority of research supported by NIH is of high quality but it emphasizes that the NIH activities "have greatly improved the quality and quantity of both research and teaching in our biomedical institutions." I have been much concerned over this question of quality for a number of years but have not found one shred of evidence to suggest that there has been any decline at all in the quality of the research supported by NIH as its appropriations grew larger. I am therefore not at all surprised but I am very much heartened by the statement of the Wooldridge committee not only that it had found no evidence of a lowering of quality but that it found "good evidence that the average quality is steadily improving." In fact, the committee's report puts it more strongly than that; it says that usually "NIH-supported work was found to set the national or international standard of excellence in its field."

In other words, instead of asking how the NIH programs stack up against other research programs we might better ask how other programs stack up against the high standards set by NIH.

The Wooldridge committee clearly states its conclusion that the NIH appropriations "constitute a sound investment for the American people." I think my constituents—and taxpayers everywhere—will be glad to hear the final sentence of the report's section on the quality of the NIH activities. The Wooldridge committee says:

> We suspect that there are few, if any, $1 billion segments of the Federal budget that are buying more valuable services for the American people than that administered by the National Institutes of Health.

It would be helpful if the Bureau of the Budget would take note of the observation by this group of distinguished citizens that "greater expenditures for health research are yielding greater progress in the alleviation of disease" and its recommendation that new opportunities for health research" should be exploited with the enthusiasm and vigor which has distinguished the NIH program during the past decade." If these words could be posted on the desks of the people who have to approve the NIH estimates before they are put into the President's budget, the Congress might get a more realistic and more forward-looking appropriation request for these important programs.

For nearly 10 years the executive branch has been shirking its responsibility for developing a vigorous and forward-moving national health-research effort. Instead of encouraging and supporting those directly responsible for the NIH programs, it has tried to put these officials under wraps and to prevent them from giving the Appropriations Committee straight, unbiased answers to questions involving their professional judgment on the proper course for the development of these programs. As a result, the Congress has had to take the initiative in expanding these programs. This is recognized by the Wooldridge committee which says in its report:

> The Congress in particular deserves considerable credit for its past and continuing support of this kind of farsighted program.

The Congress can—and should—continue to push and to prod, but it cannot undertake to make professional scientific assessments of new research opportunities; it cannot determine the most desirable balance of effort among the many fields that need further development; it cannot do the detailed planning of program needs that should be reflected in the budget estimates.

The committee has probed deeply into the opportunities for carrying forward the fight against the major crippling diseases and the leading causes of premature death in the United States. It has inquired into the unmet program needs of the National Institutes of Health not only as viewed by the capable officials responsible for these programs but as seen by many of this country's leading medical scientists. The conclusion is inescapable that with the budget estimates submitted by the executive branch the NIH could not march forward but would be forced to spend a year simply marching in place.

In the absence of the forward-looking budget justifications which it has a right to expect—and which it will certainly insist upon next year—the committee has included no general increases for any of the National Institutes of Health in the bill. It has, however, provided specific increases, totaling $11,700,000, for six special programs that are so important to the future health of the American people that it would be intolerable to wait another year in the hope that the Bureau of the Budget might see fit to include them.

These six programs are described in some detail in the committee's report on the bill but they may be briefly summarized.

The bill includes an increase of $2.5 million for work on the development of an artificial heart. Such a device will make possible treatments not possible with the present heart-lung machine which is only effective for the relatively short time required by a single operation. It is hoped that this program will ultimately lead to the development of a compact and reliable mechanism that can be used as a permanent replacement for an incurably damaged heart.

The bill includes an increase of $2 million for perfecting the artificial kidney and bringing it within reach of a larger number of people who suffer from kidney failure. Much additional research is also needed on the nature of kidney failure if the machine is to be successfully applied to a broader range of patients than is now possible. Practically nothing was included in the budget for this important work.

The bill includes an increase of $1,650,000 for a task force on breast cancer which is still the most common form of cancer in women and for which the mortality figures have not improved over the last several years. The committee is convinced that something can, and must, be done about this unsatisfactory situation for which the budget made no adequate provision.

The bill includes an increase of $2,300,000 for the second year of the study on the effect of drugs on coronary thrombosis. Although the Congress appropriated funds last year especially for this program, the Bureau of the Budget took it upon itself to withhold these funds from the Heart Institute until about 6 weeks ago and struck the request for funds for the second year of this program from the budget for fiscal 1966. This is a flagrant example not only of the irresponsibility of the Bureau of the Budget but of its complete failure to respond to the determination of the Congress and of the American people to press the war on disease with all the vigor possible.

The bill also restores $2 million for the cancer training program which was gratuitously deleted by the Bureau of the Budget as an economy measure. Some major modifications in this program have been proposed by the Cancer Institute to improve its effectiveness in providing special training in the diagnosis and the treatment of cancer. These plans were seized on by the Bureau of the Budget as justification for an economy cut in the estimates. The committee has heard no evidence—and can hardly imagine any—that this is the sort of program on which the American people want to economize.

The bill provides an increase of $1,250,000 for the Division of Computer Research and Technology which is being set up at NIH. The application of advanced computer techniques to clinical medicine and to laboratory research opens up important new avenues for progress not only in the understanding of biological processes but in the treatment of patients. The computer is destined to become as important an adjunct to the operating room as the X-ray machine. The facilities at NIH and the broad competence of its staff furnishes an excellent setting for developmental work in this very promising new field.

I think it is important to note that certain of these new programs, for which the bill makes special provision, reflect two important trends in the further scientific and technical aspects of NIH programs.

First, it is now possible to undertake, with a high degree of confidence, the pursuit of very specific objectives relating to diagnostic and therapeutic approaches to disease problems and to organize for the development of such devices as artificial kidneys and external support mechanisms for the heart. This capability results from the ever-increasing body of knowledge concerning life and disease processes which is flowing from the broad base of research activities supported over the past 15 years in the biomedical sciences. Thus we can now undertake with the hope of very practical results the application of this broad base of knowledge to the solution of particular disease problems and the development of specific devices and systems to support or replace physiological processes and organs.

Second, we are now witnessing the growing transfer of the advances in the physical sciences, and relating engineering and technical capability, to the field of medical research and the provision of health services. The current scene in the biomedical sciences is characterized by an exhilerating interplay between the technology and concepts of the physical sciences and the problems of biology and medicine. New fields of activity are emerging in such areas as biomedical engineering, medical electronics, bioinstrumentation and so forth.

These trends are now being reflected in the program and budgetary needs of the National Institutes of Health. These activities bring with them two new requirements. Conduct of programs of this character require greater control over the course of technical activity and access to new kinds of scientific and technical talent. As a consequence of these requirements the National Institutes of Health will have to make more extensive use of the contract as the instrument of choice in the support of research and will be engaged on an increasing scale with private industry as a source of new kinds of scientific engineering and technological skills.

These are important developments into which the committee inquired at some depth during the course of the hearings. Pages 822 through 830 of the hearing volume provides detailed description of what is taking place in this area. The Public Health Service, in testifying before the committee in connection with these developments, noted that the administration had submitted to the Congress legislation to broaden the authority of the Surgeon General to enter into contracts for research and development activities. This legislation encompassed in H.R. 2984 has recently been reported by the House Interstate and Foreign Commerce Committee.

It is a matter of considerable concern to the Appropriations Committee that the House Interstate and Foreign Commerce Committee has recommended substantial modifications in the request of the Public Health Service for contract authority. The modifications recommended include limiting the use of this contract authority for a 3-year period and establishing an appropriation ceiling of $43 million. While I understand the interest of the House Interstate and Foreign Commerce Committee to establish clear limits on the use of authority in this area, I am concerned that the particular actions in this respect may intervene to prevent the accomplishment of many of these important objectives in the field of medical research. The appropriation limit of $43 million recommended by the committee happens to be the actual level of obligations for contracts incurred by the National Institutes of Health in fiscal year 1964. The limitation on the other hand applies to the entire Public Health Service and seems to take no account of the fact that the planned expenditures in this area under the President's budget for fiscal year 1966 would exceed some $90 million. Thus the effect of this amendment to H.R. 2984 would be to cut back the Public Health Service research contract activities to well below last year's level and effectively stop further development of this program.

It also has a further most serious consequence. It is DHEW policy to re-

strict support for research in nonprofit making organizations to the use of the contract. Thus the kind of limitation that is encompassed within the present amendments to H.R. 2984 has the effect of barring the field of medical research to private industry just at the moment when the development of medical sciences is such that effective use can be made of great technological capability and skill now present in the aerospace industry and other areas of private industry. This restriction will prevent access to this great resource. I hope it is possible in the coming debate on this bill to explore this matter in order that the action of the House will indeed reflect our concern with the proper use of legislative authority but will not arbitrarily forestall a course of research development in biomedicine of great significance or deny private industry its appropriate role in this evolution.

The general provisions of the Bill include a modification of section 203 providing for the payment of the indirect costs of research projects.

The committee believes that the costs of research legitimately include not only those costs which are solely attributable to the research project but also those general operating and administrative costs that do not arise from any single activity but are essential to all the activities of the institution. The committee believes that the distinction between direct cost and indirect cost is necessarily somewhat arbitrary and rather meaningless. It is the Committee's view that the so-called indirect costs are part of the proper and inescapable costs of all of the institution's activities, including research.

The Committee believes that Federal research-support funds should be available for any legitimate expense of eligible research projects and that arbitrary distinctions between one kind of cost and another should not enter into the calculation of the support which the Federal Government is willing to provide.

However, we should not lose sight of the fact that the grant-in-aid concept assumes that the grantor is assisting the grantee in the accomplishment of some piece of work of mutual interest. The principal justification for the grant mechanism—and its principal distinction from research contracts—is that it deals wtih research projects which arise from the professional or institutional interests of members of the scientific community. Federal support is made available to them because—and only to the extent that—these projects also serve important national interests which the Federal Government is anxious to promote.

In these circumstances, it is not only fair but proper that the grantee institution be expected to bear some proportion of the cost. This principle is, in fact, included in the enabling legislation for several grant programs in the Department of Health, Education, and Welfare such as the cooperative research or demontration projects of the Welfare Administration, the cooperative research in education of the Office of Education, and the grants for special projects of the Educational Rehabilitation Administration. It is also observed in practice in the extensive NIH grant programs. With few exceptions, the NIH grants do not pay the salary of the principal investigator on the project supported nor do they normally provide payment for the cost of all the equipment used in carrying out the project.

The provision in the bill that the funds appropriated shall not be used to pay the full cost of grant-supported projects therefore does not mark a radical departure from present practice. On the contrary, the committee hopes that the abolition of the artificial distinction between direct and indirect costs will lead to a simpler and more equitable determination of the amount which the Federal Government will contribute to grant-supported projects.

The committee has not sought to establish any detailed guidelines for the calculation of the full cost of research and it has left the door open for determining the extent of Federal participation on either a project-by-project or an institutional basis. The committee is only concerned, on the one hand, that the principle of financial participation by the grantee in the work supported should be maintained, and, on the other hand, that the Federal Government should minimize the burden on the already strained resources of most universities and other research institutions by providing the maximum proportion of the total cost of grant-supported research that is justifiable in the particular circumstances, so long as it involves at least some participation by the grantee institution.

Mr. Chairman, those are the highlights of the bill and the changes that have been made in the budget after 3 months work of the committee to determine what is in the best interest of all the people of the country.

Mr. Chairman, everything considered, this is a good bill. If I were writing it myself there are a great many changes I would make. But I know compromise is necessary in practically all legislation. That this bill represents a good compromise is illustrated by the fact that this bill is unanimously reported. I hope and trust that the House will adopt it overwhelmingly.

Now, Mr. Chairman, I shall be glad to yield to my friend, the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. I thank the gentleman for yielding.

This bill is almost $8 billion, $7.9-some-odd billion.

How much does the gentleman think his committee can hold this to when they come around to the supplemental appropriations stage later on, some months from now?

Mr. FOGARTY. In the first place, I do not know what the supplementals are going to be. It is the plan of the committee, as I understand it at the present time, to hold hearings about the third week in May on an overall supplemental bill confined to the Departments of Labor, and Health, Education, and Welfare. This is going to be a sizable supplemental bill.

We hope to have it on the floor about the middle of June. It is going to be sizable because of the medical care bill, the Manpower Development and Training Act that was passed, the education bill which was passed, and four or five others including the antipoverty program. Hearings are going to be held on all of them during the third of fourth week of May.

What the administration is going to sent up in some of these areas we do not know.

Mr. GROSS. They are going to get up some sizable figures. The gentleman talked earlier in his presentation, which was an excellent presentation, about the fact we are going to get more of these items in the supplemental. This bill would be a good deal more than $8 billion, would it not?

Mr. FOGARTY. This bill is going to grow and grow and grow and grow, and I think it should.

Mr. GROSS. That leads me to ask this question: What progress has been made in heart and cancer research and its affliction for the enormous amount of money that has been spent for research in this field?

Mr. FOGARTY. I am not a physician, as the gentleman knows. We do have physicians in the House. In addition we have listened to hundreds of them in the past 10 or 15 years, some of the best in the world, because we think we have some of the best doctors in the world, many who are specialists in heart and cancer. They tell us that because of the advances in heart surgery over the last 4 or 5 years untold thousands of people are walking around today who otherwise could not have survived their heart ailments.

In the area of cancer, even though the numbers dying seem to be increasing, I think it is estimated that 290,000 will die this year because of some form of cancer, the reason for this increase given to us on the committee, is that the Nation's population is increasing by leaps and bounds every year. One of the reasons for this increase is that people live longer now. As a result, the longer people live the greater the chance that they will get some form of heart trouble or some form of cancer. However, in cancer substantial progress has been made. As we understand it, if people would go to their doctor in time much could be done to help save lives from cancer today because of the new knowledge we have. Whereas 20 years ago one out of four was being saved, or one of five, it is now up to one out of three. If they went to their own doctor in time perhaps one in two could be saved. That is, if they went to their doctor in time, if they heeded the danger signals that are put out by the American Cancer Society, and by the medical profession, in this way additional lives could be saved.

Mr. DENTON. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from Indiana.

Mr. DENTON. I want to commend the gentleman for bringing forth a very good bill. I believe every Member of the House knows the interest and the work

that the chairman has engaged in in connection with public health, medical research, care for the aged, retarded children, and education and welfare generally. The bill does not appropriate as much money as the chairman thinks it should, or as much as I think it should but it is a good bill and we are supporting it. I want to thank him again for this fine bill.

Mr. FOUNTAIN. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from North Carolina.

Mr. FOUNTAIN. I read the discussion on the general provisions involving the indirect cost of research projects appearing on page 54. I would like to ask the gentleman a question concerning section 203 of the general provisions of the Appropriations Act. As I understand it, the committee is removing the 20-percent limitation on indirect costs with the condition that grantee institutions must share in the full costs, both direct and indirect, of supported research. Is that correct?

Mr. FOGARTY. That is correct up to maybe an average of 5 percent.

Mr. FOUNTAIN. It is also the committee's expectation that the Bureau of the Budget, in promulgating regulations for appropriate levels of financial participation for guarantees, will be guided by the principle that an institution should share in supported research costs in proportion to the degree to which the institution is benefited locally in its teaching, research and other institutional responsibilities.

Mr. FOGARTY. We are going to leave that up to the Bureau of the Budget. We are lumping, as the gentleman so well knows, the indirect costs and training costs, and we expect the Bureau of the Budget to come up with a formula so that all of these grantees would be participating to the extent of perhaps an average of 5 percent.

And I understand the national groups are supporting this provision in the bill. The Daddario committee, for one, has looked into it, and I think the committee of the gentleman from North Carolina [Mr. FOUNTAIN] has looked into it, too, and the Elliott committee—and they have made similar recommendations.

I cannot mention the Daddario committee without a comment about its great chairman. He is one of the most able Members of this House and did a magnificent job as chairman of that committee.

We have come up with this proposal with the understanding that it is also going to be in the independent offices bill and in the Department of Defense appropriation bill. These are the three large bills where most of the research grant funds are carried.

But it is my understanding that these institutions are happy and satisfied with this proposal as it is now written.

Mr. FOUNTAIN. But it is the committee's feeling that these institutions should share in the support of research costs in proportion to the degree to which the institutions are benefited locally in these various areas?

Mr. FOGARTY. Yes, if it is feasible.

Mr. FOUNTAIN. I want to commend the gentleman and his subcommittee as well as the full committee for what I believe is a sound approach to this problem.

The impression has been created in some quarters that university research costs automatically become a responsibility of the Federal Government when the Government contributes to their support. Fortunately, this misleading notion has been challenged by eminent bodies in the educational field, such as the Carnegie Foundation for the Advancement of Teaching, which recognize that scholarly work of a professor's own choosing is as much a part of his institutional duties as his teaching.

I think it should recognize, at the same time, that there are some federally-supported research projects administered by certain universities and other institutions which are truly national in character. I believe provision should be made in these special cases for full Federal funding, particularly when the research projects are very costly undertakings.

Mr. FOGARTY. I thank the gentleman for his contribution.

Mr. SISK. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from California.

Mr. SISK. I want to congratulate and compliment the gentleman and his committee on the great job they have done. I, too, agree with the gentleman that some of these figures, in my opinion, should be higher because I think we need to be spending more money particularly in the health field.

I want to ask briefly a question with reference to his comments regarding the educational TV facilities program. It is my understanding, and I am not taking this time to be critical, that the $3 million that was cut from the request was because the indications were that the States would not be in a position to use the money; is that correct?

Mr. FOGARTY. That is correct.

Mr. SISK. I bring this up because I have been very much interested in this education TV program.

Mr. FOGARTY. We think it is a good program but the funds are not being used this year and my own State, I might say, has not taken advantage of this.

Mr. SISK. That was the point I wanted to briefly touch upon. My own State has a number of applications pending. In fact, my own hometown has one ready to go and there is a shortage of funds. It is my understanding that under the law there was a limit beyond which any State could go. I assume that is the gentleman's interpretation?

Mr. FOGARTY. That is right.

Mr. SISK. Mr. Chairman, while I hope and expect that this House will approve the committee's recommendation for an appropriation of $8,826,000 to continue financing our national education television program, I consider it deplorable and an evidence of a technical defect in the authorizing legislation that we are not considering instead the full $11,826,000 recommended by the President for this vital educational service.

It is evident that the only reason the committee cannot justify the larger amount lies in the State allocation provisions of the authorizing legislation. This means that many qualified applicants will be denied matching grants, not on the merits of their applications or the need for their educational services, but only because they are in States which already have utilized the amounts allocated to that State.

For example, in my State of California, there are at least five qualified educational television groups prepared to serve major segments of our school population, but California's share of Federal funds is nearing exhaustion and cannot possibly provide matching grants for these enterprises, into which local citizens are prepared to put substantial sums.

I do not want to deprive any State of a full opportunity to participate in this program. They should be encouraged to do so. But if any State cannot usefully spend its entire allocation within a reasonable period of time, I firmly believe the remaining sum should revert for reallocation to those States having qualified applicants whose needs cannot be funded under the original allocation. If this were now the law, the entire $11,826,000 would be urgently needed and could be fully justified.

I have talked with the chairman of the Interstate and Foreign Commerce Committee about the possibility of hearings to explore how this educational television program is progressing. I am hopeful the committee will get into this important subject, and if it does so, I shall certainly strongly urge a revision of the authorization along the lines I have discussed.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield

Mr. FOGARTY. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I think it is the general consensus in this body that the gentleman from Rhode Island is one of the great legislators of the House of Representatives and certainly one of the best informed men in the United States on health education. It is always a pleasure to hear him bring this bill to the floor of the House.

Mr. Chairman, I want particularly to compliment him and all who share responsibility for the decision, as reflected by the terms of this bill, to provide the funds to begin implementation of section 14 in Public Law 88-210—the section wisely enacted by the 88th Congress to provide Federal assistance in the establishment of residential vocational training schools to meet a very urgent need for such facilities across the Nation.

Chairman FOGARTY and the members of his subcommittee, backed by the full committee, have recommended that funds be provided to assure at least two pilot institutions in this field—a field in which the Congress has already authorized five pilot institutions.

I believe the committee's recommendation should have the full support of this body, and there should be no further delay in the program.

I also hope and trust that the committee's recommendations will be heard on the subject of where and how this great program can best be initiated.

No witness appearing before the committee was more effective in presenting the case for residential vocational education than the able director of the Oklahoma State Technical School at Okmulgee, Okla., Wayne W. Miller.

Mr. Miller has been associated with the Okmulgee school for 12 years, and his experience ranges from department head to director.

His testimony appears in the hearings on this legislation, and I commend its reading to you.

The unvarnished, undeniable truth is that residential vocational training is the proven road to reduction of unemployment and welfare burdens for the Nation, and every dollar invested in it will return many dollars in the future. The dollars returned will not only be in tax payments from persons who have been tax loads for the community—but also in many other ways which appear in Mr. Miller's experience and are covered in his testimony. Residential vocational education is the proven road to enrichment of the family, the community, and the Nation.

Oklahoma State University's School of Technical Training, popularly known as Oklahoma State Tech, was established at Okmulgee following World War II, utilizing the facilities of a surplus army hospital to meet a great postwar need for vocational education.

It has steadily grown through the years, and has more than 1,200 students residing in school housing at this time. More than 20,000 former students are today in productive employment at good wages as a result of this school's work, and its dedicated faculty of 105, teaching 33 vocations, provide perhaps this Nation's finest corps of vocational instructors.

The city of Okmulgee, once the capitol of the Creek Nation in Indian territory days, today provides an ideal site for the school, the people of the community have given it their enthusiastic, wholehearted support through the years.

Okmulgee is centrally located to serve the major population concentration of Indians in our country, and Indians from virtually every State have come to Okmulgee to benefit from the program of Oklahoma State Tech.

The remarkable achievements of the adult vocational training program for Indians, as reported by Area Director Virgil Harrington of the Bureau of Indian Affairs, have been realized in large part through utilization of the Oklahoma State Tech facilities.

Director Harrington's figures indicate that 92 percent of the Indians receiving training at Oklahoma State Tech—regardless of whether they completed their training course or not—have been given job opportunities through their training. Every graduate of the training program was placed in his field of training or a related field. This is a remarkable record, in a group of our people with an unusually high dropout rate in school and unusually high incidence of unemployment and economic distress.

In one demonstration of what could be done, seven Indian mothers who were heads of families and receiving aid for dependent children were enrolled as vocational students at Oklahoma State Tech.

On completion of training, all but two were able to be self-sufficient. Within 5 years, the savings in aid for dependent children payments will more than pay the cost of training for all seven of these Indian mothers.

The Bureau of Indian Affairs at Muskogee has indicated it could refer "a minimum of 1,000 Indians" to receive vocational training at Okmulgee, from the several States which make up the Muskogee area alone, if funds and facilities were available.

Additional thousands of Indians could be expected to take advantage of the program, from other areas of the southwest, midwest and north, if a pilot school were established at Okmulgee in accordance with this legislation.

In no sense of the word, however, is the Oklahoma school a school for Indians alone.

On the contrary, Indian students have always been in the minority, and students of all races are included in the present enrollment. There are 28 States represented by students at Okmulgee today, and 8 foreign countries have sent students to take advantage of the institution's program.

In the Nation today, no other location has more to offer as a site for a pilot residential vocational education program than Okmulgee, Okla.

I believe this fact is recognized by the professional leaders of vocational education, both in the Department and across the country. I am highly pleased that members of the subcommittee which heard testimony on this matter have frankly expressed their conviction that Okmulgee is an ideal location for this program. I hope and trust the funds will be approved and a pilot program will soon be underway at Oklahoma State Tech.

(Mr. EDMONDSON asked and was given permission to revise and extend his remarks.)

(Mr. ALBERT (at the request of Mr. EDMONDSON) was granted permission to extend his remarks at this point in the RECORD).

Mr. ALBERT. Mr. Chairman, it is a pleasure to join with the gentleman from Oklahoma, Congressman EDMONDSON, and other members of the Oklahoma delegation in supporting the establishment of a pilot residential vocational school under Public Law 88–210 at Oklahoma State Tech in Okmulgee.

With more than 100 experienced instructors on its campus, the Okmulgee school is in a splendid position to utilize an additional Federal investment wisely. Figures supplied to me indicate that more than 1,200 students are already living in campus housing at Okmulgee.

The student body at Okmulgee State Tech already represents a cross section of the American people with students from 28 of the States in the Union and 8 foreign countries. They are enrolled in 40 vocational-technical courses ranging from the skilled crafts to highly complex courses in modern electronics.

Within our State, as well as in the Nation, this school has been meeting a widespread need for residential vocational training.

Seventy-six of Oklahoma's seventy-seven counties are represented by students at Oklahoma State Tech, and the school is highly respected by employers throughout the State for the quality of its student product.

I hope the funds provided in this bill will be approved and the Oklahoma State Tech facilities and faculty can be a part of our growing effort to prepare our high school dropouts and unskilled young people for the difficult task of making a living in today's complex society.

Mr. HALL. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from Missouri.

Mr. HALL. I wish to join the compliments on this 18th presentation of this budget by the gentleman from Rhode Island on the various agencies, particularly of the Department of Health, Education, and Welfare, and the National Institutes of Health.

I rise to associate myself with the remarks of the chairman, as well as those made by the gentleman from North Carolina [Mr. FOUNTAIN].

In that connection I note with particular interest—because this is a field in which I used to work—the addition to the budget, along with other judicious paring, for the National Institutes of Health, especially the Heart Institute, for breakthroughs in the work on the artificial heart, kidney, and such areas as recycling of foods and water in space; by private industry.

As a result of being on the research and development subcommittee of the Armed Services Committee, and of being one of the three physicians in the Congress, I have had unusual knowledge of the heart boosters, as well as the artificial heart, to say nothing about the heart-lung bypass systems, in private life, because of work in a foundation which we established before I came to the Congress.

With the research and development features—new sensors and pulsors and devices now available to the engineers as well as to those who do basic and allied research—there has been a distinct breakthrough. This has happened in private business and industry, as the gentleman so well said in his opening statement.

As to manned space flight, bioastronautics, and other activities, this is an area to which the Government should give support. We should not limit ourselves to what I think of as the vertical research, which refers back to the remarks of the gentleman from North Carolina [Mr. FOUNTAIN] in which we necessarily duplicate and must build on the building blocks: basic, then applied research, then developmental engineering, design, prototype, et cetera. We should work simultaneously on these in the area of horizontal research and development since the applied researcher must have the engineer design the gadget

for him, anyway. We should develop all this simultaneously, and then make the horizontal breakthrough needed, whether it be on cancer research, heart research, or whatnot. That will come, because the breakthrough cannot be found alone with money and additional personnel. We are more liable to find the answer to cancer in clinical and/or bedside research than in the ivory towers of the vertical approach.

I thank the gentleman for yielding.

Mr. FOGARTY. I thank the gentleman for his remarks.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I should like to join my distinquished colleague from Oklahoma [Mr. EDMONDSON] in commending the chairman of the subcommittee and the Appropriations Committee.

Ask any vocational educator where Okmulgee, Okla., is, and he will tell you. He will also tell you of the outstanding vocational school there, Oklahoma State Tech, which is the vocational-technical branch of Oklahoma State University.

The success of this school is a tribute to its founders and its leadership. Since it was established 18 years ago, it has never lost sight of its principal purpose for being—to turn out skilled craftsmen and technicians. Because it has held to this purpose, the school has compiled an outstanding record. It has taken young Indians from reservations and taught them skills, and it has taught them to live and work in society. Its record in vocational rehabilitation of the handicapped is one of the best anywhere. It has done equally well with high school dropouts, and with ordinary young people seeking training to enable them to work for a good living.

For these and many other reasons, I urge that section 14 of Public Law 88–210 be funded, and that Oklahoma State Tech be designated as a pilot residential vocational school under provisions of the act.

(Mr. JOHNSON of Oklahoma asked and was given permission to revise and extend his remarks.)

Mr. STEED. Mr. Chairman, Oklahoma State Tech, at Okmulgee, Okla., is the vocational-technical branch of Oklahoma State University.

The outstanding job already being done by this technical school has been recognized by the State board for vocational education, the Oklahoma Vocational Association, and the American Vocational Association.

The work already being done at Okmulgee is one of the best arguments I know for funding section 14 of Public Law 88–210. Thousands of successful graduates of this school can testify to the job which its able faculty is capable of doing, and we know that the school has helped to reduce the welfare load in every county of our State, by making taxpaying citizens out of welfare cases who had no vocational skills.

We believe this school can do an even greater job for the Nation if the money provided by this bill is wisely invested in additional facilities, equipment and faculty at Oklahoma State Tech. We urge this course of action.

Mr. BELCHER. Mr. Chairman, on a small campus in Okmulgee, Okla., in buildings which once housed a World War II military hospital, one of the finest vocational education schools in the Nation has been turning out skilled craftsmen and technicians for 18 years.

The school, Oklahoma State Tech, is a branch of Oklahoma State University at Stillwater. Tech was created to serve the needs of veterans returning from World War II, and it served them well. Now it trains other Oklahomans—and, indeed, many from other States and foreign countries—and its reputation for turning out skilled and willing workers spreads wherever these young people go.

Oklahoma State Tech is a residential school, where students from all walks of life come to live together and work together and learn together. The school is doing an outstanding job, and a look at its record is a convincing argument for funding section 14 of Public Law 88–210 which provides for establishment of pilot residential vocational training schools. And Oklahoma State Tech would be an ideal location for such a pilot school. It is in operation, it is successful, and the return on investment in this school would be high and satisfying. It is a pleasure to join with my colleagues in urging establishment of a pilot school under Public Law 88–210 in Okmulgee.

Mr. JARMAN. Mr. Chairman, every Oklahoman is proud of the job which has been done during the past 18 years by Oklahoma State Tech at Okmulgee. This fine school is a branch of Oklahoma State University at Stillwater, and was established initially to serve the needs of World War II veterans. The outstanding job which it has done as a regional training center for vocational rehabilitation students, and its effective trade and vocational educational programs for both men and women, have already won for it nationwide recognition.

Vocational educators from all over the country and indeed from foreign countries come to Okmulgee to study the operation of this great institution.

At no other location in the country could the Government invest funds for a pilot residential vocational program with greater economy of initial investment, and with a higher assurance of return on the investment than at Oklahoma State Tech. I am pleased to join other members of the Oklahoma delegation in urging that funds be approved for the establishment of a pilot training instittuion under the Vocational Education Act at Okmulgee.

Mr. DADDARIO. Mr. Chairman, it is my privilege to support this bill which is being so ably handled by our colleague from Rhode Island.

I am particularly interested in the fact that the committee this year has eliminated the percentage ceiling on reimbursable overhead costs relative to Federal research grants which has been carried in prior appropriations bills.

In my judgment this makes a good deal of sense.

The committee has, on the other hand, inserted a requirement in section 203 that at least some of the costs of the research projects involved in Federal grants be borne by the grantee institutions. While I do not feel competent at this point to say whether the method adopted by the committee is the best one, it does appear to me to be a move in the logical direction.

In fact, both actions taken by the Appropriations Committee in this bill are similar to the conclusions reached by the Committee on Science and Astronautics and its Subcommittee on Science, Research, and Development, which I have the honor to chair. In House Report No. 144, issued by our committee earlier this year, and following extensive hearings by the subcommittee last summer, recommendations were made that first, percentage limitations on indirect costs be removed, and second, that beginning efforts be made to establish criteria for cost sharing based on the mutual interests of institutional grantees and Federal grantor agencies.

I am pleased and impressed to find the approach in the bill before us today indicating that the Appropriations Committee, quite independently, has reached conclusions not greatly different.

We are all, I think, striving toward the same goals. In essence, they are as quoted by the report on this bill—worthwhile research, adequately supervised and economically conducted. One could hardly find a more succinct summarization of that which we seek in making Federal grants for scientific research.

Mr. Chairman, the net effect of this language in the bill will be to make the Budget Bureau's directive—Circular A–21—on the assessment of reimbursable overhead apply to HEW research grants. This directive has been carefully worked out over a number of years and seeks to safeguard the fiscal interests of both the Government and the grantee institutions. Simultaneously, it will mean that some thought will be given to the equities involved in cost sharing—but as a separate issue and not as a complicating offshoot of the overhead problem.

In my opinion this is as it should be.

I should like to thank the committee and its chairman for giving their thoughtful attention to a complex and important problem.

Mr. YATES. Mr. Chairman, I am gratified that the report on the appropriations bill for the Department of Health, Education, and Welfare recognizes two matters of importance to both Chicago and the Nation. The first pertains to water pollution control studies. The second insures the continued accessibility of Public Health Service hospital facilities.

In discussing the Federal Water Quality Act of 1965, I noted that there is nothing more local than a drop of water and nothing more national than what we do with it. Slowly but surely we are learning what to do with water, our most important natural resource. We are learning to conserve it, to purify it, to reuse it, to control it. The demonstration grants provided under the water supply and water pollution control appropriation give us an opportunity to

learn more in the vital areas of water reuse, drainage, pollution, and flood control.

The Bureau of the Budget asked that only $1,165,000 be spent for such projects in 1966. That would be only enough to finance 25 projects already underway, and would not allow funds for any new projects. Fortunately, the subcommittee recognized the benefits to be realized in such programs and added $1 million to the bill for demonstration grants. This means that many more projects, some of them already approved, can get underway this year, and the country will be better for it.

One of these new projects represents an imaginative new approach to water pollution, flood control, and sanitation. It is proposed for a 25-square-mile area on the South Side of Chicago. If it is found workable, it could provide a good answer to water pollution caused by storms in urban areas throughout the United States. Specifically, this project calls for a $125,000 feasibility study of a storm drainage system incorporating a network of huge underground tunnels. Engineers suggest that such an approach could eliminate storm water overflows into Lake Michigan, keep polluted storm flows from the Chicago River and drainage canals, eliminate basement flooding and provide flood control benefits to the Des Plaines, Kankakee, and Illinois Rivers. It is estimated that such an underground system could provide 20 times the amount of protection offered by an improved conventional sewer system in Chicago.

This approach is dramatic and revolutionary. It calls for intercepting the existing network of sewers with vertical shafts, extending 600 or more feet underground. The shafts would lead to excavated galleries, which would flow into a tunnel leading away from the city. A pump-turbine plant at the tunnel outlet would use the stored water to generate electric power. Allowing for revenues from the sale of this power, the estimated cost of the new system would be about the same as the cost of expanding the present conventional drainage system, and the protection from pollution and floods would be far greater .

Mr. Chairman, we have for too many years paid inadequate attention to our priceless water. We are now paying the penalty for our neglect, reaping a whirlpool of pollution. To correct the corruption of our water supplies, we require research, experimentation, and demonstration. These few projects represent a worthy step in that direction.

I am hopeful that the treatment of the pollution problem contemplated by the Chicago feasibility study will provide great benefits to every metropolitan area plagued with inadequate drainage and sewage systems. I am gratified that our distinguished colleague from Rhode Island [Mr. FOGARTY] and the members of this committee have had the foresight to include extra funds for these demonstration grants.

I would also like to address myself briefly to another matter contained in this bill—the retention of operating funds during the next year for Public Health Service hospitals.

The Department of Health, Education, and Welfare proposed to close seven such hospitals over the next 4 years. One of the reasons given for this decision was a claim that it would save the Federal Government $1 million. I did not analyze the cost-saving ratio for all seven institutions, but I did carefully study the alleged savings that would have been made by closing the U.S. Merchant Marine Hospital in Chicago. The figures showed that a shutdown would cost the Government more money than it would save.

The first two hospitals scheduled to be closed were in Chicago and Memphis. The committee discovered that the cost of caring for patients from these hospitals, in cross-servicing and contracting, would exceed the savings realized from closing them. The committee found that in 1966 alone the costs of caring for patients from the two hospitals would exceed the savings by $212,000. Thus these closings would have produced a false and shortsighted economy.

Indeed, Mr. Chairman, the closing of the Marine Hospital would have multiplied those costs greatly. About 10 percent of the patients there would no longer be treated in a Federal hospital, and the costs of their treatment would probably have to be charged to the social security medical insurance fund, in the amount of $164,000 a year. It would have taken another $7,000 a year to care for the remaining 90 percent of the patients sent to other Federal hospitals. Thus the total annual operating cost would have been $171,000.

The Public Health Service estimated it would save $515,000 by investing in new Veterans' Administration construction instead of spending the $1,200,000 it said was required to modernize the Marine Hospital. It would take but 3 years for the annual operating expense of $171,000 to exceed the one-time savings in capital investment of $515,000. Thereafter, the Government would have lost $171,000 a year.

It is clear that the closing could not be justified on economic grounds. Nor could it be justified on the grounds of better service. This 138-bed hospital has served Great Lakes seamen, as well as active and retired service personnel and their dependents, for 92 years. Remove that hospital, Mr. Chairman, and you are left with only one other Merchant Marine hospital on the Great Lakes—at Detroit—and that hospital was scheduled to close, too. Take away the Memphis hospital, and merchant seamen would have no facilities in the entire Mississippi River north of New Orleans.

Early in our history President John Adams took special interest in the health care of merchant seamen and inaugurated this hospital system. Only 2 years ago President Kennedy said he wanted the Public Health Service to present a plan to provide more accessible care for seamen. What happened? The Public Health Service decided to close the few hospitals it had in this area, reducing accessibility to treatment instead of increasing it.

I am grateful that the committee closely scrutinized these operations, Mr. Chairman. It was important that unfounded claims of this economy be exposed. It is more important that satisfactory and accessible care remain available to seamen.

Mr. ICHORD. Mr. Chairman, I rise in support of H.R. 7765 with special attention directed toward title II. It is felt there is little need to go into great detail justifying your support of the bill now before us as the committee and subcommittees have done a tremendous job in scrutinizing every detail.

I do, however, feel a need to express my deep and profound regret that a $200,000 planning fund for a field laboratory for water pollution control was not included in the final bill submitted to this body. I am confident these funds were omitted in the interest of budgetary considerations and not due to a failure to recognize the pressing need for continued advancement in programs of this nature. The importance of water and the increasing dangers of its pollution to public health and safety is a matter of which we are all aware. The need for action has been established.

Obviously the seriousness of water pollution varies depending on the region in question. I believe there is a pressing need for an additional laboratory in the Missouri River Basin. This basin covers approximately 20 percent of the land mass of the country and serves the vastness of the midwestern agricultural areas and several tremendous metropolitan areas such as St. Louis, Kansas City, and Omaha. At present the closest field laboratory is located at Ann Arbor, Mich. Even the most bright-eyed optimists would not dare hope that the Midwest could be served by this laboratory alone due to the complexity of the Great Lakes pollution problems.

Therefore, how do we best serve the millions of people affected by Missouri River Basin pollution? It is imperative that we locate a laboratory in the basin and that we do it soon, while a solution is still within our grasp. Pollution in this basin should be the concern of every citizen who uses the products supplied by this area. And it concerns each person in the land for you all know of midwestern and industrial production. I again express my regret on this matter and vow that I will continue to press for the needed planning funds until the laboratory is built and we are on our way to the consumption and use of clean and safe water.

I ask that all of you consider the gravity of the problem and join me in the attainment of necessary appropriations when we next take this problem under consideration.

Mr. VIVIAN. Mr. Chairman, I also wish to commend the chairman and the members of the Committee on Appropriations for wisely revising section 203 of this bill. As has already been stated,

in the past an inflexible statutory limitation has been imposed on the amount of indirect costs which were permitted to be reimbursed by the Department of Health, Education, and Welfare, to institutions receiving research grants; in the future, however, assuming this revised section is adopted, the Bureau of the Budget instead will establish flexible administrative regulations authorizing amounts more closely approaching the true costs incurred by the institutions receiving grants. In so doing, the committee will relieve many universities and research institutes throughout the Nation from a troublesome financial burden.

In my own district alone, for example, the University of Michigan in recent years has suffered a deficit in recovery of indirect costs which has amounted to over $2 million each year. This amount, a significant element in the yearly overall budget of the university, has had to be withdrawn in part from funds otherwise available for student instruction.

If section 503 as proposed here is adopted, the deficit incurred should be far less, permitting more productive use of the funds available to the university.

I am further pleased to hear the chairman state that a similar provision will be included in the appropriations bills for all other pertinent agencies, so that the policy established here will prevail uniformly.

Mr. FARNUM. Mr. Chairman, I rise in support of House bill 7765. As a new Member of Congress it was my good fortune to be accorded the privilege of serving on the Committee on Appropriations and also my good fortune to be selected to serve on the Subcommittee on Labor and Health, Education, and Welfare.

During the course of the hearings on this bill I was granted all the courtesies extended to senior members of the committee by that great gentleman from Rhode Island, the chairman of our committee, the Honorable JOHN FOGARTY.

Having had considerable experience in the administrative branch of Government, I concerned myself during the committee hearings and also outside of the committee chiefly with investigations of the administrative practices used by the various agencies represented before our committee.

This does not mean that I did not also concern myself with other details of the programs of the agencies included in this bill, for like all committee members I spent many hours weighing whether or not justifications warranted the appropriation requests that were being made. I would at this time, however, like to concern myself only with agency management practices.

In the expenditure of public funds, the first thing that each of us should be concerned with is that every dollar appropriated be used for the purposes indicated.

Our second concern should be that agency administrative procedures and internal procedures be conducted with the kind of efficiency that guarantees the best possible use of the dollar.

Prior to my coming to the Congress, and since I have been here, President Johnson has issued executive directives asking that agencies take cold, hard looks at their administrative procedures and that they eliminate those procedures and practices that contribute unnecessary effort to the administrative operation while devising new methods and systems that will guarantee maximum economical use of public funds.

The question then is: Has there been demonstrated an intent on the part of the administrative agencies to comply?

In the limited amount of time that has been available to me to talk to the heads of agencies, to ask questions at hearings, and to make on-the-job visits with employees performing all kinds of work, my general impression is that the attitude of the employees, of the heads of departments, and of the Bureau of the Budget personnel is to see to it that we do attain maximum efficiency in the performance of governmental functions.

Followup procedures have been established that, in my opinion, stimulate any who might be reluctant to embrace positive action.

Mr. Chairman, there are two kinds of economy—false economy, and the real kind.

False economy more often than not is the product of executives who feel that the prestige of their positions depends on the number of file cabinets they can proudly display.

The enemies of false economy are methods and systems that, requiring a minimum expenditure of effort, result in maximum control in managing public funds.

True economy results when responsible people provide good management practices. Or, as I have said on another occasion, when they adopt the "work smarter, not harder" concept of fulfilling administrative function.

In the light of the great burdens presently placed upon Government administrators, true economy in 1965 necessitates the use of automatic data-processing equipment. But equipment alone is not enough. Good procedures demand that before we can use profitably this kind of equipment, it is necessary to devise efficient administrative procedure for its operation.

In a word, we must "systemate" before we can automate.

The application of such equipment to governmental processes has long concerned me. I am convinced that the contribution this mechanized equipment can make to the handling of many of the clerical governmental procedures can result in a great saving of public funds.

An example of this may be seen in the social security department. Had not such equipment been used in the last several years, the status quo cost of operations of this department alone would have been some $80 million more than it is today.

The fact is that without the use of computers it would have been almost physically impossible to process the claims of those senior citizens who have already retired.

Considered, then, the condition when the extra burden results that will be placed on this department as a result of the passage of medicare. We could go on and on citing more and more examples.

The opportunity that has been accorded me as a result of the privilege of serving on this committee has made me increasingly aware of the powerful contribution which computers have made to the progress of medical research.

Today they are becoming an integral part of the research laboratory. Beyond the laboratory, in the operating rooms of our leading research hospitals, surgeons are planning to use computers to measure and record continuous changes in the body before, during, and after surgery.

Vast amounts of data have been captured by automatic instruments, and the analysis of the data should provide an unusually rich opportunity for physicians, mathematicians, and engineers, working together, to identify some of the basic patterns of disturbance in normal function in heart disease, cancer, and other serious illnesses.

A large portion of the financial support necessary to establish computers in medical research laboratories and hospitals has come from the Federal Government, through the National Institutes of Health. Moreover, the NIH has pioneered the use of computers in its own laboratories and in the operating rooms of the Clinical Center.

There, for example, patients in critical need of heart surgery receive the most advanced medical care while, at the same time, they provide through the computer and other automatic instruments vital data which can help to save countless other hearts in the years ahead.

The modern-day computer in medical research is much more than a set of boxes with complicated wiring such as we are accustomed to see in business offices today. The human or animal heart in action does not produce a set of numbers. Its movement must first be sensed as a change in blood pressure within the heart or along the blood vessels. These pressure changes must be converted to continuous electrical signals which can be captured by tape-recording equipment. The information must then be displayed visually on a television screen to provide immediate vital intelligence to the surgeon on the condition of his patient, or to the researcher on the progress of his experiment.

An impressive array of equipment is required to perform these tasks, particularly if many variables are to be studied at the same time. To carry out mathematical analysis of the data requires still more electronic equipment to select those portions of the continuous record which require further study, and to convert the electrical signals to numbers. Only then can one begin to use the vast power of the digital computer with which most of us have become familiar.

To bring the full power of this computer complex to the service of medical research and patient care requires two essential commodities: first, large amounts of money for expensive equipment; second, and much more difficult to come by, topnotch mathematical and

engineering talent. Imaginative mathematicians with a strong interest in biology are needed to translate medical and biological problems into mathematical models, without which comprehensive analysis and interpretation of large amounts of data cannot proceed. Highly creative computer and instrument engineers are fully as necessary in the biomedical research laboratory and in the modern research hospital as they are in the design and control of our space rockets.

Recognizing the need to provide these resources for its research scientists and administrators, the National Institutes of Health have established a new Division of Computer Research and Technology, whose mathematicians and computer experts will work side by side with NIH's medical scientists in laboratory and hospital.

The Division will undertake professional research in the relevant aspects of advanced mathematics and computer theory. In addition, it will operate a large-scale central computer to which scientists throughout the NIH campus could even be connected by data transmission stations in their own laboratories and offices, if such should prove to be desirable.

These computer resources will be available not only to the research scientist and hospital clinicians at NIH, but to the administrative and management staff as well. The new Division will assist grants administrators in the development of an integrated computer system for processing grants information. This will permit a more continuous evaluation of the progress of grant supported research. It will provide immediate information on the geographic distribution of grants, on the relative concentration by area of study, by size of university or college, and by other factors important to scientists and administrators participating in the allocation of grant funds.

Equally important will be the savings in time and money to the overall management of NIH activities. The resources of the new division will enable NIH central management to set up a computer-oriented system of regular information reports needed for decision.

Even more vital to effective and economical management, these resources will permit the immediate retrieval of detailed data by direct hookup to files stored in the central computer. For the first time, NIH management will be able to assemble rapidly, with a minimum of clerical personnel, the information needed to answer special requests and to carry out special studies on which management decisions may be based.

I am frankly excited over the stimulating opportunities which this new division of Computer Research and Technology offers to the NIH scientific research community, to the medical care capabilities of the Clinical Center, and to the management of programs entrusted to NIH administrators.

This is a dynamic new activity whose benefits to medical research—and to all of us whose lives are enriched by the results of such research—can far exceed the money spent to support it. More funds are needed to implement the work of this new division than are provided in the current budget request for fiscal year 1966. Even more important, no arbitrary grade restrictions should be permitted to undermine the ability of this Division to attract the first-rate mathematicians and computer experts needed to do the job.

I suppose there are some who might say this device offers just another method to get more funds. Those who think so forget that often it is necessary to spend in order to provide the method or procedure best fitted to guarantee maximum economy and efficiency.

To illustrate, let me give you an example. In a National Institute of Health project, a researcher in carrying on an experiment for many years has been burdened with the laborious task of having to spend the large share of his time recording data gained from his experiment.

It has been necessary that he compute it, analyze it, compare it with previous data and perform many other similar functions, thereby limiting himself to a very few hours to be spent in pure research alone.

At NIH many scientists now can look forward to spending the big share of their valuable time in basic research experiments because they have been able to collaborate with mathematicians and engineers in an application of the physical sciences to the biomedical sciences. Mechanized equipment that has been made available—and that will be made available in the future as a result of these appropriations—has the job of recording permanently, of analyzing, of computing, of comparing, and of giving the result to persons engaged in pure research on a full-time basis.

Yes, today's research scientist and tomorrow's can look forward to many, many extra hours made available through such means. I am as sure as are all of the rest of my colleagues here that the result of this extra time made available to these humanitarians will be to cause the progress in the future in the medical and life sciences to be fantastic by any standards we now know.

This, then, is an expenditure that will provide better procedural practices while saving many man-hours of research talent.

But, above and beyond that, it is logical to predict that it will provide a day, a month, or maybe many years of extra life to human beings. I am sure none of my colleagues would value this in terms of dollars.

I wish at this time, Mr. Chairman, to commend the National Institutes of Health for the leadership they have shown in this field. I trust the Congress will continue its generous support of these efforts.

And once again I wish to thank the chairman of our committee, and the individual members, for the patience they have shown me as a new Member of this Congress and for the opportunities for service they have afforded me in my few months here.

GENERAL LEAVE TO EXTEND

Mr. FOGARTY. Mr. Chairman, I ask unanimous consent that all Members may have permission to extend their own remarks at this point.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. LAIRD. Mr. Chairman, I yield myself such time as I may consume.

CALL OF THE HOUSE

Mr. HALL. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Sixty-four Members are present, not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 89]

Ashley	Halleck	Mailliard
Ayres	Hanna	Mathias
Bandstra	Hansen, Wash.	Mills
Blatnik	Hardy	Morrison
Brademas	Hays	Powell
Broyhill, Va.	Holifield	Redlin
Cahill	Holland	Resnick
Clevenger	Hosmer	Senner
Conyers	Huot	Smith, Iowa
Curtis	Irwin	Stephens
Dickinson	Jones, Mo.	Taylor
Diggs	Krebs	Teague, Tex.
Ford, Gerald R.	Latta	Thomson, Wis.
	Leggett	Toll
Giaimo	McDowell	Whitten
Goodell	MacGregor	Wilson, Bob
Hagen, Calif.	Mackie	Young

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. THOMPSON of New Jersey, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 7765, and finding itself without a quorum, he had directed the roll to be called, when 383 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The Committee will rise informally to receive a message.

The SPEAKER. The Chair will receive a message from the President of the United States.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Ratchford, one of his secretaries.

LABOR-HEALTH, EDUCATION, AND WELFARE APPROPRIATIONS, 1966

The SPEAKER. The Committee will resume its sitting.

The CHAIRMAN. The gentleman from Wisconsin [Mr. LAIRD] is recognized.

Mr. LAIRD. Mr. Chairman, the HEW and Labor appropriations bill for fiscal 1966 is a bill which I support. I am not going to brag about the bill because I am not particularly proud of all of it. But I defend and support this bill because I am a realist, and under the cir-

cumstances, it is not a bad bill. As the gentleman from Rhode Island has indicated in his remarks earlier today, our committee worked long and hard on this bill and conducted hearings over a period of several months. In marking up this bill, being a member of the minority party, understanding fully the organization of this House with its two to one Democratic majority, I worked with the members of this committee to arrive at the best bill that could be presented on the floor of the House today.

We have heard some talk about the cost of the Department of Health, Education, and Welfare, and how costs have been on the rise each of the past few years. I have served on this committee for some 13 years. I remember when we considered the first bill from this Department. It was a little more than a billion dollars.

The bill before the House today covers about $8 billion in general revenues and some $24 billion in trust funds. It is the second largest appropriation bill which will be considered by this Congress.

I should like to remind my friends in the House today that within the next 6 weeks we will add to this bill, in supplemental appropriations, more than $3 billion. We will add that $3 billion because of action which has been taken on the floor of the House in new authorizations, for new programs. I refer to the medicare bill. There are vast amounts authorized from general funds, as well as trust funds. The total trust fund and general fund amount authorized in that bill will be $7 billion in the first full fiscal year of operation.

In addition to that extra burden, so far as the trust funds and the general fund of the Department of Health, Education, and Welfare appropriation in fiscal year 1966 are concerned, we have also added, by a vote of this House, a new authorization in the area of education, of more than a billion dollars.

Today, after this bill is acted upon, we will pass two bills which will add to the expenditures in fiscal year 1966 many millions more. There will not be a single vote against those bills, which have been reported unanimously from the Committee on Interstate and Foreign Commerce, when the roll is called a little later this afternoon.

This bill will be bigger than the Department of Defense appropriation bill, if this trend continues, by the year 1970.

This bill as it stands today carries $7,964 million in appropriations, over $1 billion more than the bill we brought to you a year ago, but it is $329 million less than the President requested in his budget. Furthermore, the party of the Great—and very expensive—Society has a majority of 2 to 1 on our subcommittee and on the full Committee on Appropriations. There are some features and some dollar amounts, that had we had the votes, we would have altered. But realism dictates that when you are weak, you negotiate. So, under the circumstances, this is a good bill.

As the gentleman from Rhode Island, the chairman of our subcommittee, has pointed out, this bill is a result of compromise. Under the circumstances I have just outlined I feel that we on the minority side should be reasonably satisfied with the results.

Another factor that one must consider in making a realistic appraisal of this bill is the fact that the last Congress passed a very considerable amount of new legislation that is requiring increasingly large sums of money to carry out. In most cases this new legislation passed the Congress by very large majorities. I am sure if it were coming up new in this Congress this legislation would pass by even larger majorities. The majority of Congress has expressed its will in no uncertain terms so it would be completely unrealistic to attempt to withhold the funds.

I will give you a few specific examples. Last year's bill included $183 million for the vocational education program; this year's bill, under the expanded authorization, carries $262 million. Last year's bill carried $463 million for higher education facilities construction; this year it is $641 million. Last year's bill for defense educational activities carried $287 million; under the expanded authorization it is $412 million in this year's bill. There are several others.

If it were not for the increases in the bill to carry out the further expansion of these programs that was authorized by the last Congress, this bill would actually be just about the same size as the bill we brought you last year.

Now no one should be misled into thinking that this is the full bill for the Departments of Labor, and Health, Education, and Welfare, and related agencies for the fiscal year 1966. This is just part 1. Part 2 of the Labor HEW bill is going to be coming before this House likely during the last half of June. Part 2 will include some more extremely expensive Great Society programs under legislation being enacted by the current Congress.

Programs that will likely be carried in part 2 of the Labor-HEW bill will be the poverty program for which the administration is requesting authorization for $1½ billion. It will undoubtedly include funds for the recently enacted Elementary and Secondary Education Act of 1965—we already have a budget request of $1,345 million for that program. Of course no one knows at this point how much may be requested to carry out the recommendations of the President's Commission on Heart Disease, Cancer, and Stroke, but we already have a request for $44 million and the administration has requested additional legislation, the cost of which not even the administration knows. It will undoubtedly include funds for the expanded Manpower Development and Training Act that passed last month. It will undoubtedly include funds for the medicare program, if the Senate passes this before part 2 is considered. And there are many others that are well within the realm of probability for inclusion. There is the arts and humanities bill, water pollution control amendments, the health research facilities bill, the new air pollution bill, the Community Health Services Extension Amendments of 1965, a new Community Mental Health Centers Act, a new juvenile delinquency program, and there are several more.

Mr. Chairman, it looks like the budget requests for part 2 will total about $5 billion. So, just in funds appropriated out of the general funds of the Treasury, the Labor-HEW bill—including both part 1 and part 2—may well be over $13 billion for the next fiscal year. The amazing growth of these programs, as measured by their cost is illustrated by comparing this figure with the total of the Department of Labor and Health, Education and Welfare, and Related Agencies Appropriation Act for fiscal year 1956. That act totaled exactly $2,373,516,500. In just 10 years the cost of these activities has increased over 5 times.

Mr. Chairman, even this does not tell the whole story. In addition to the funds that we are appropriating out of general funds of the Treasury for these two departments and related agencies, the American public is called upon to finance several trust funds to carry out such programs as old-age and survivors insurance, unemployment compensation, railroad retirement, and so forth. The taxes paid to support these activities are just as real as the taxes paid into general funds of the Treasury. It is estimated that these trust funds will cost the taxpayers $24,385 million in fiscal year 1966. If we accept the logical conclusion that funds out of the Treasury will total $13 billion for 1966, we arrive at a total of over $37 billion for the Departments of Labor, and Health, Education, and Welfare, and related agencies.

Mr. Chairman, this is already the largest appropriation bill that comes before this House with the single exception of the defense appropriation bill, and I predict that within the next 10 years it will be the largest "period."

Mr. Chairman, the gentleman from Rhode Island has done his usual good job of explaining the important details concerning appropriations recommended in the bill and I shall not take the time of the Committee to cover the same ground again, but I would like to take 2 or 3 minutes to speak about one of the general provisions of the bill.

For several years this bill has carried a general provision that restricted to a certain percentage the amount of money that could be paid to a research grantee for indirect costs of his research project. This built up from the early years of the National Institutes of Health. At first they allowed nothing for indirect costs. Then this policy was changed and for some years they allowed 8 percent of the direct costs as an allowance for part of the indirect costs. Then the NIH increased this allowance to 15 percent. When they proposed to further liberalize the allowance for indirect costs, Congress placed a limitation of 15 percent in the appropriation bill. In the 1963 bill, this was increased to 20 percent, which has been the percentage since.

There is no doubt that these research grants are of benefit to the schools and other institutions receiving them. For this reason, and to further assure that these funds will be efficiently and economically used, the committee is including in this bill a requirement for finan-

cial participation on the part of grantees. It has become increasingly evident to the committee, however, that tying financial participation to indirect costs results in considerable inequity. For some projects, especially those involving a considerable amount of equipment purchases, indirect costs may actually be below 20 percent of the direct costs and thus, under the old provision, the grantee would receive 100 percent of all costs. Other projects have indirect costs running as high as 50 percent and, thus, the grantee is bearing a substantial percentage of total costs.

Another factor was brought out in the recent study of the National Institutes of Health conducted by the Wooldridge Committee. Its report stated:

We believe that steps should be taken to make it easier for all involved—scientists, administrators, and Government representatives—to obtain a clear picture of all the costs legitimately associated with each NIH-supported project. Reliance upon an arbitrary indirect cost percentage should be abandoned. Instead, each institution should be encouraged to present a complete accounting of all the costs of "doing business" that it can support as chargeable or allocable to the project in question, with a minimum of emphasis on formal direct/indirect distinctions.

Section 203 of the bill follows this principle. It simply will require that each grantee must bear a portion of the total cost of the project. In order that this provision may be administered in the most equitable way, the committee has not laid down any arbitrary formula, but will expect that the Bureau of the Budget make a very detailed and thorough study to determine how best to calculate this division of costs. It may well be that this will have to be a variable formula in order to be equitable for different types of projects and different types of institutions.

Mr. Chairman, the gentleman from Rhode Island in his remarks said he would have liked to have added $100 million for the National Institutes of Health in fiscal year 1966. He proposed that in our subcommittee. I proposed that we support President Johnson on his figure for this particular item in the budget. As a great supporter of the President, I add that this figure was not agreed to in our particular committee. But we compromised between President Johnson's figure and the figure advocated by the gentleman from Rhode Island, and there is $11.7 million in this bill for the National Institutes of Health. That is almost entirely in the area of heart, kidney, and drug research, and the undergraduate program so far as the National Cancer Institute is concerned. These are very strategic areas. I support the action of the committee in encouraging these programs; particularly in the area of the artificial heart, in the area of the new drug research, and also in the area of the new kidney dialysis program.

Mr. Chairman, the appropriations for the National Institutes of Health include no general, across-the-board increases.

Ample evidence was presented to the committee that every one of the Institutes is faced with important problems demanding research for which funds are not aavilable. The catalog of diseases and human afflictions is long. The national resources devoted to medical research have been dramatically expanded during the past 10 years but the trained men, the laboratories, the clinical research facilities, and the funds available are still far from enough to cover the entire frontier along which man is waging his age-old battle against disease.

For example, I have just obtained a tabulation from the National Institutes of Health which shows that their current appropriations fall more than $40 million short of the sum that would be needed to make awards to all the grant applicants whose projects have been reviewed and found worthy of support—not only for their scientific merit but for their direct relevance to the health research mission of the National Institutes of Health.

The 1966 budget estimates make no allowance for these unfunded projects nor do they make any allowance for a similar number of highly worthwhile projects for which support will almost certainly have to be refused next year.

Despite these demonstrated general needs of the NIH programs, the committee has taken a very conservative approach in its action on the NIH budget. The appropriations contained in the bill will make a very substantial contribution to but will not fully meet the total legitimate needs of medical research and research training in this country.

The committee has, in fact, confined itself to providing for the NIH a few selected increases for programs which are so important and which hold out so great a promise of benefit for the people of this country that any delay in getting them underway would be indefensible.

An example of one such area is the work that needs to be done to develop an artificial heart. Heart failure of one kind or another is now the leading killer in this country. Many of its victims could be saved and restored to useful life if some longer term assistance than is now available could be given to the heart while it recuperates. The present heart-lung machines have made possible the modern miracles of heart surgery but they can only take the place of a normal heart for a matter of hours—long enough to give time for an operation but not nearly long enough to sustain life for more protracted periods of therapy or to give nature time to repair heart damage.

Thousands of lives will be saved when a device is developed which can take over the duties of the heart not for a matter of hours but for days or for weeks. Scientists are agreed that such a device is well within the realm of possibility but many unresolved problems stand in the way and a major developmental program is needed to bring it into being.

This country has not hesitated to pour hundreds of millions of dollars into the developmental research needed to put a man into orbit. I see no reason why so important a project as the development of an artificial heart should not be approached with the same vigor and determination. Despite the great complexities of the problem, the amount of money needed will be considerably less and the benefits to the individual citizen—and, I suspect, to the Nation—will be very much greater.

The development of an artificial heart which can be implanted in the body to take the place of a natural heart whose function can not be restored is the ultimate goal but presents much greater difficulties. The achievement of this goal will necessarily lie much further in the future. But its achievement can be speeded up by decades if we make it possible for scientists to tackle that problem with the same determination with which they have so successfully tackled equally difficult problems in nuclear and space research.

The possibility of developing a replacement for the heart has been regarded as a feasible research objective for more than 7 years. Little support has been available during this period for research in this field but individual investigators have worked on it as best they could and have at least demonstrated the project's feasibility. About 20 experimental blood pumps have already been tested on animals with varying degrees of success.

Mr. Chairman, success in so complex a venture requires a sustained and coordinated attack. Plans for such an attack have been drawn up by the National Heart Institute with the advice of a distinguished group of specialists. These plans include the establishment of multidisciplinary research groups which will devote themselves to an intensive study of the problems in this area. These groups will draw heavily on our national engineering capability and will need to make contractual arrangements with industrial firms having competence and experience in such fields as miniaturization, plastics, and electronics to develop or produce experimental devices to explore new approaches to the problem.

The increase of $2.5 million in the appropriation for the National Heart Institute will make it possible to get this work underway.

The development of an artificial kidney presents a similar opportunity for a lifesaving advance against a group of diseases that each year claim thousands of lives.

The artificial kidney device now available is a complex laboratory model. Very few exist and their duplication is limited by the scarcity of the highly trained technical personnel needed to operate them. The process is very expensive—it costs about $10,000 a year for a single patient—and the patient must go to the hospital at frequent intervals to have his blood purified by this artificial kidney.

The feasibility of an external device that will do the work of the kidneys has, however, been clearly demonstrated. What is needed now is a major effort to solve the problems standing in the way of the development of a machine that will be easier to operate and that can be made available to the victims of kidney failure at a more reasonable cost.

Not all illness involving kidney failure can be successfully treated by the use of an artificial kidney. It has, however, been estimated that, if artificial kidneys were generally available today, several thousand new cases could be treated each

year. In a few years the number of people whose lives will be sustained by these devices, would number in the tens of thousands.

The increase of $2 million included in the bill for the National Institute of Arthritis and Metabolic Diseases for this project is a very small investment when measured in terms of the number of lives it may save.

I shall single out only one more example of the special purposes served by the increases recommended by the committee.

This is the increase of $1,250,000 for the Division of Computer Research and Technology at NIH. This is a new Division which is being set up to exploit the tremendous capabilities of computers both for biomedical research and for the treatment of patients.

Computers are already being used for a variety of purposes in the treatment of patients—such as, for example, in the more accurate determination and control of exposure to radiation for cancer patients. Computers are also extensively used in drug-screening programs and some progress has been made in using computers to select the most effective drug for a given patient.

The full range of the application of computers to medical problems, however, remains to be explored. The division will work on such projects as the application of computers to the rapid interpretation of X-ray photographs and electrocardiograms, the automatic analysis of laboratory specimens, the testing of blood samples, the retrieval and correlation of laboratory data, and the building of mathematical models of biological processes which will make possible closely-controlled studies that cannot be carried out by ordinary laboratory or clinical procedures.

The application of computer technology to biomedical problems is in its infancy. Many of the basic problems of transplanting biological information into computer language remain to be solved—one of the most difficult communication problems in the life sciences is the communication between man and machine. The new division will undertake intensive work in this area. It will also provide training not only for young scientists who want to make a career in the promising new field of biomathematics but for other scientists in order to help them to take advantage of computers as a powerful tool for their on-going research.

The committee is particularly impressed by the opportunities for new approaches to health research problems that will result from the harnessing of computer capabilities to the more traditional biomedical research procedures. It should like to see this field developed as rapidly as possible so that its potential benefits to the improvement of the diagnosis and treatment of disease will not be unnecessarily delayed.

I am convinced that the increases for the National Institutes of Health recommended by the committee are a sound and wise expenditure of public funds. I cannot think of a more worthwhile contribution that the Federal Government can make to the national welfare than the continuing and energetic support of work that so directly affects the well-being of every citizen.

In the area of hospital construction last year we increased the authorizations under the Hill-Burton Act. The bill we bring before you today is $100 million below the authorizations. It is below the President's figure by about $40 million because of the formula which was involved in marking up this particular bill.

I do not believe for a minute that the other body will not add some authorizations, but to me authorizations are not sacred cows. It is my hope that we can keep this spending level somewhere in line, because there are many other hospital construction programs which are in being at the present time, such as under the Appalachia program. In January we will have the Great Lakes program. We will now go forward with a new accelerated public works program and a depressed areas aid program, all in the area of hospital construction.

So I think the recommendation of this committee is just and fair in this area.

Mr. Chairman, there is one other area that I would like to discuss. It concerns an amendment enacted in the 2d session of the 88th Congress and deals with the vocational rehabilitation portion of the HEW appropriation bill.

During the course of the 88th Congress, certain facts had come to my attention which, on examination, compelled me to offer an amendment to Public Law 565 to make possible the use of funds of private nonprofit agencies to serve as the State's share in the matching of Federal money for construction of rehabilitation facilities and workshops. This amendment was accepted by the committee and by the Congress and came to be known as the Laird amendment.

For a few brief moments, Mr. Chairman, I would like to discuss, for the record, the background of the Laird amendment.

In 1954 Public Law 565 was hailed in Wisconsin and other States as a historic milestone in rehabilitation history. Little was it dreamed at the time that within a few years this monumental legislation would pose a threat to the very functioning of the State of Wisconsin Rehabilitation Division because of a legal technicality. In 1961 the State agency was faced with potential audit exceptions in excess of $500,000, when Federal auditors determined that the law's fund matching procedures had not been followed properly in the case of the Racine Curative Workshop and a similar Madison project.

Wisconsin had amended its State plan in 1956 as a means of improving rehabilitation facilities in the State. The amendment reads in part:

> The State funds required for the establishment of rehabilitation facilities will be obtained from contributions made by private organizations and/or individuals which will be deposited in the State revolving fund.

The regional office of the Office of Vocational Rehabilitation—now Vocational Rehabilitation Administration—indicated OVR approval of the amendment, and the Wisconsin agency proceeded under the extension and improvement sections of Public Law 565 in the belief that its operations were fully within the law. Arrangements were made in 1958 for construction of badly needed sheltered workshop facilities in the Racine area, and expansion of a Madison rehabilitation center was undertaken. Private organizations had donated money to the State agency for expansion of rehabilitation facilities in Wisconsin, and these funds served as the State's share of the State-Federal matching agreement.

This seemed natural enough. Under Hill-Burton Hospital Construction Act, this procedure was followed in hospital construction, communities providing matching funds. It was not until 1961 that Wisconsin learned the Department of Health, Education, and Welfare treated matching funds in two distinct ways. For hospitals under Hill-Burton, community participation was fine. For workshops and rehabilitation centers under Public Law 565, community participation was illegal. And just why the difference? Certain wording in Public Law 565 did lend itself to that rigid interpretation and the first State to feel the bite was Wisconsin.

If the Racine project had been developed under Hill-Burton principles, the financial participation of the community would have been encouraged and accepted without question. This meant that two policies in basic opposition to each other existed in one Federal agency, and the resulting confusion was bound to result in a slowing down of the rehabilitation expansion intended by Public Law 565. For Wisconsin, a law that was designed to aid the disabled almost resulted in drastic curtailment of services to the disabled. The $500,000 audit exceptions would have seriously impaired the Rehabilitation Division's functioning for many years.

In addition to sharply reducing case service, this interpretation of Public Law 565 would have dealt a damaging blow to the further development of sheltered workshops and rehabilitation centers in Wisconsin. The State legislature, pressed at every turn for departmental budget increases, has been unable to allocate the money necessary to match all available Federal funds. The State funds appropriated must be used primarily in regular agency operation. This leaves the State in the ironic position of rejecting Federal funds as unmatchable, while at the same time rejecting requests for aid in establishing the sheltered workshops for which the Federal funds were earmarked. Communities requesting these facilities indicated substantial amounts were available to the State for matching Federal money. The local groups were amazed and confused to learn that though they built a general hospital on that basis, they could not establish or expand a sheltered workshop. This went against the grain of Wisconsin's philosophy of government which has always stressed the importance of cooperation at all levels between the statutory bodies and taxpaying public.

One of the pioneers in vocational rehabilitation, Wisconsin was a leader in expanding services into the more difficult disability areas prior to Public Law 565. And even greater expansion was planned under the 1954 law, particularly in the development of sheltered workshops and rehabilitation centers