

**The original documents are located in Box 14, folder “1974/12/07 HR15580 Departments of Labor and HEW and Related Agencies Appropriations (1)” of the White House Records Office: Legislation Case Files at the Gerald R. Ford Presidential Library.**

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APPROVED

DEC 7 - 1974

Statement Issued  
12/9

ACTION

Last Day: December 9

THE WHITE HOUSE

WASHINGTON

December 6, 1974

MEMORANDUM FOR

THE PRESIDENT

FROM:

KEN COLE *C*

SUBJECT:

Enrolled Bill H.R. 15580 - Departments of Labor and Health, Education and Welfare and Related Agencies Appropriations Act, 1975

Attached for your consideration is H.R. 15580, sponsored by Representative Flood, which appropriates for fiscal year 1975 a total of \$33,045,856,000 in budget authority for the activities of the Departments of Labor and Health, Education and Welfare, and other agencies.

Roy Ash recommends approval in his memorandum (Tab A) and provides you with additional background information in his enrolled bill report (Tab B).

Bill Timmons and Phil Areeda both recommend approval. Paul Theis has approved the text of the proposed signing statement.

RECOMMENDATION

That you sign H.R. 15580 (Tab C) and approve the proposed signing statement (Tab D).

*Ken Cole*

\_\_\_\_\_  
Approve Signing Statement

\_\_\_\_\_  
Disapprove Signing Statement



APPROVED  
DEC 7 - 1974

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

DEC 5 1974

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill H.R. 15580 - Departments of Labor  
and Health, Education, and Welfare and Related  
Agencies Appropriation Act, 1975  
Sponsor - Rep. Flood (D), Pennsylvania

Last Day for Action

December 9, 1974 - Monday

Purpose

Appropriates for fiscal year 1975 a total of \$33,045,856,000 in budget authority for the activities of the Departments of Labor and Health, Education, and Welfare; and other agencies.

Agency Recommendations

Office of Management and Budget	Approval (signing statement attached)
Affected Agencies	Approval (letter from Secretary Weinberger attached)

Discussion

The Congress received your message on restraining the 1975 budget the same afternoon that both Houses passed the conference report on this bill. The enrolled bill does not reflect Congressional consideration of your restrained requests for this bill. In general, your budget restraint message asked the Congress to consider several new and lower requests for the bill and to pare back, in most other cases, to the level you had earlier requested. Our analysis of the enrolled bill compares Congressional action with your pre-restraint message requests, but we have also noted in several cases the differences between the bill and your restrained requests.

The budget authority provided by the enrolled bill is \$485 million below the February budget request, as amended, of \$33,531 million. This apparent decrease in total budget authority is, however, misleading because if a single decrease-- \$1.2 billion for public assistance--is disregarded, the Congress added a net \$701 million in budget authority to the bill.

The public assistance reduction reflects a disagreement between the Congress and the Administration on the amount of funds needed in fiscal year 1975 for this program. We believe that the appropriation would not be sufficient to meet payments required by law for these grants for fiscal year 1975 and that supplemental appropriations of about \$1.5 billion would have to be requested. While the bill appropriates an amount the Congress believes to be sufficient, the conference report acknowledges the possibility that the appropriation may not be sufficient and directs the Comptroller General, in cooperation with the Congressional Research Service, to present to the Appropriations Committees of the House and Senate, not later than five days after the submission of your fiscal year 1976 budget to the Congress, a report estimating the amounts required for public assistance for fiscal year 1975.

The disagreement over the public assistance funds is the principal point of a similar disagreement over the outlay effect of the bill. We believe that the bill will add \$318 million to 1975 outlays. The Congress, however, through the conference report, declared its firm intention that the bill not increase budgeted outlays and indicated its expectation that rescissions and deferrals would be sent before the GAO report on public assistance, as well as after the report if warranted. As Secretary Weinberger points out in his attached memorandum, the Congress has conditioned its promise to give all consideration to these rescissions and deferrals by adding factors outside the bill itself: "general economic conditions" and "latest estimates of total Federal spending." This, the Secretary maintains, will give Congress the final word on whether or not reductions will be made in the event spending attributable to this bill rises over the budget.

We recommend dealing with the outlay problems by (1) issuing the attached signing statement which reminds the Congress of its outlay statements and indicates your intention of sending deferrals to the Congress shortly, (2) sending deferrals to the Congress this month that would preserve the possibility of staying within budgeted amounts, and (3) transmitting, in the

upcoming budget documents, the necessary rescissions. We need to delay the rescission requests until the budget in order to be able to propose firm amounts, these determinations resting on a number of variables such as possible absorption of pay costs. Conversely, we cannot delay the deferrals until the budget if we are to maintain the possibility of staying within budgeted outlays.

The following table summarizes Congressional action on the 1975 appropriations by major program category:

(In millions of dollars)

	<u>Budget Estimate Considered</u>	<u>Enrolled Bill</u>	<u>Congressional Change</u>
Department of Health, Education, and Welfare...	30,265	29,424	-841
Health (excluding National Institutes of Health).....	(1,452)	(1,539)	(+86)
National Institutes of Health.....	(1,835)	(2,090)	(+256)
Education Division.....	(3,208)	(3,240)	(+33)
Social and Rehabilita- tion Services).....	(14,372)	(13,157)	(-1,215)
Office of the Secretary.	(121)	(105)	(-16)
Other (including Social Security Adminis- tration).....	(9,277)	(9,292)	(+15)
Department of Labor.....	2,999	3,356	+357
Related Agencies.....	<u>267</u>	<u>265</u>	<u>-2</u>
 Total (does not add due to rounding).....	 33,531	 33,046	 -485

An analysis of significant changes in the bill follows:

Increases

Health  
(increased by \$410 million--offsetting decreases discussed later)

- Funds for the National Institutes of Health--traditionally an area subject to Congressional additions--would be increased \$265 million. The largest single increase appears in funds for the National Cancer Institute where an additional \$92 million has been added. The total appropriation level for the National Institutes of Health is \$366 million over the amount you requested in your 1975 budget restraint message, including \$125 million more than you sought for cancer research spending.

- Increases totaling \$89 million in the Alcohol, Drug Abuse, and Mental Health Administration would provide additional support for research, training, alcoholism projects, and funding for an additional 226 positions. This appropriation level is \$108 million over the amount you requested in your 1975 budget restraint message.
- Increases of \$12 million for the Center for Disease Control are mainly for occupational health research and venereal disease grants. The appropriation level is \$13 million over the amount you requested in your 1975 budget restraint message.
- An additional \$43 million for the Health Services Administration includes an increase of \$27 million for State maternal and child health formula grants in fiscal year 1975. Also included in this increase is \$10 million for a higher level of emergency medical services, demonstration grants, and contracts.
- An increase of \$7.5 million is provided for special Federal operating subsidies for the Georgetown and George Washington University medical and dental schools, as authorized earlier this year in P.L. 93-389. Your budget proposals did not provide for these subsidies.

#### Education

(increased by \$787 million--offsetting decreases discussed later)

- Increases for several higher education student assistance programs total \$634 million. Included are increases for the work-study program (\$50 million), the direct student loan program (\$323 million), incentive grants for State scholarships (\$20 million), and supplemental opportunity grants (\$240 million). These increases are, however, more properly characterized as shifts in funding within an essentially unchanged total for student assistance. The increases here are offset by reductions of \$640 million in the Administration's Basic Opportunity Grants program.
- An increase of \$47 million in Federal support of college and public libraries would restore funds for college library resources, undergraduate instructional equipment, and library training and demonstration activities, all of which are unrequested items.
- The enrolled bill would provide \$23 million in increased support for grants to States for vocational education as well as education professions development. The amount provided is \$34 million over the request included in your budget restraint message.

- An increase of \$23 million is provided for several elementary and secondary education programs. The increase includes: \$18 million for the Follow Through program and \$5 million for the Educational Broadcasting Facilities program.

Welfare

(increased by \$51 million--offsetting decreases discussed later)

- The bill would increase funding for innovation and expansion of vocational rehabilitation projects by \$23 million. The February budget had requested that these projects, whose incentive stages are now complete, be transferred from this 90% matching program to the regular 80% matching State program.
- The bill would also add \$11 million for vocational rehabilitation training to maintain the 1974 program level of \$27.7 million. The budget had provided for a lower level on the assumption that longer term and degree training would be met by general non-categorical educational support programs.
- Three public assistance activities are increased as follows:

State and local planning	\$+4 million
Child welfare services	\$+4 million
Training projects	\$+9 million

Thus, these activities are restored to their 1974 levels (before reduction of the 1974 appropriation by 5%). The budget had reduced each of these items for specific reasons: the child welfare activity to long-term stable levels that prevailed before an increase in the 1974 program; the training projects to shift from categorical training support; and the state and local training activity for the imposition of tighter administration.

Comprehensive Manpower Assistance--Department of Labor  
(increased by \$350 million--no offsetting reductions)

- The \$2.4 billion included in the enrolled bill, together with the carryover from the 1974 appropriation, would provide an obligation level of \$2.8 billion for fiscal year 1975. In accordance with your decisions on the composition of items in your recent budget message, Secretary Brennan informed the Congress in a November 21 letter that the Administration supported the \$350 million increase.

DecreasesHealth

(decreased by \$68 million--offsetting increases discussed earlier)

- Demonstration programs for health maintenance organizations were cut \$40 million, and grants and contracts for professional standards review organizations were reduced by \$21 million. You accepted these reductions in your message on budget restraint on the grounds that the reductions do not jeopardize essential activities.

Education

(decreased by \$754 million--offsetting increases discussed earlier)

- Basic Opportunity Grant programs are decreased \$640 million but offset by increases in other higher education student assistance programs, as discussed earlier.
- The enrolled bill provides \$60 million less than requested for the National Institute of Education. Fifty million of the cut was accepted in your budget restraint message. Consequently, no new programs will be started in 1975, program continuations will be cut back by a third, and staff will be cut 23%.
- The enrolled bill provides \$13 million less than requested for salaries and expenses, including a \$6 million reduction for program administration, a \$2 million cut for planning and evaluation, a \$2 million reduction for general program dissemination, and a \$3 million decrease for the National Center for Education Statistics.

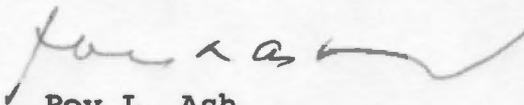
Welfare

(decreased \$1,266 million--offsetting increases discussed earlier)

- The bill's reduction in public assistance appropriations assumes that the estimates for the three major public assistance programs (Maintenance, Medicaid, and Social Services) were overstated in the budget. In fact, the Congress so reduced appropriations in 1974 that an advance of \$214 million from 1975 funds was required, which has to be made up, and current estimates indicate overall 1975 public assistance costs may exceed the budget by about \$150 million. This would necessitate a supplemental of approximately \$1.5 billion for 1975. This reduction and the disagreements surrounding it are discussed on page two of this memorandum.

Recommendation

I recommend that you sign the bill into law and concurrently issue a signing statement (draft attached).

A handwritten signature in dark ink, appearing to read "Roy L. Ash", with a long, sweeping horizontal stroke extending to the right.

Roy L. Ash  
Director

Attachments

APPROVED  
DEC 7 - 1974

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

DEC 5 1974

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill H.R. 15580 - Departments of Labor and Health, Education, and Welfare and Related Agencies Appropriation Act, 1975  
Sponsor - Representative Flood (D), Pennsylvania

Last Day for Action: December 9, 1974, Monday

Activities Affected: Departments of Labor and Health, Education, and Welfare; and other related agencies.

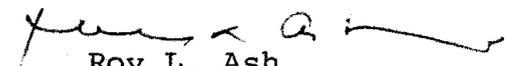
<u>Appropriations Requested:</u> (in millions)	<u>Budget Estimate</u>	<u>Enrolled Bill</u>	<u>Congressional Change</u>
	33,531	33,046	-485

Outlay Effect: FY 1975: +\$318 million

Highlights:

- A reduction of \$1.2 billion for public assistance will probably necessitate an FY 1975 supplemental in a like amount. If this reduction is disregarded, the Congress added a net \$701 million in budget authority to the bill.
- Funds for comprehensive manpower assistance have been increased \$350 million.
- Increases of \$787 million in education are related largely to unrequested items in the area of student and institutional assistance.
- Health programs are increased \$410 million, the largest increases being for programs of the National Institutes of Health.
- Congress did not consider the revised requests you made for this bill in your November 26 budget restraint message.

Recommendation: That you sign the bill and concurrently issue a signing statement. Deferrals can be transmitted to the Congress this month and rescissions can be included in the upcoming budget documents.

  
Roy L. Ash  
Director

ACTION

Last Day: December 9

THE WHITE HOUSE

WASHINGTON

December 6, 1974

MEMORANDUM FOR THE PRESIDENT  
FROM: KEN COLE  
SUBJECT: Enrolled Bill H.R. 15580 - Departments of Labor and Health, Education and Welfare and Related Agencies Appropriations Act, 1975

Attached for your consideration is H.R. 15580, sponsored by Representative Flood, which appropriates for fiscal year 1975 a total of \$33,045,856,000 in budget authority for the activities of the Departments of Labor and Health, Education and Welfare, and other agencies.

Roy Ash recommends approval in his memorandum (Tab A) and provides you with additional background information in his enrolled bill report (Tab B).

Bill Timmons and Phil Areeda both recommend approval. Paul Theis has approved the text of the proposed signing statement.

RECOMMENDATION

That you sign H.R. 15580 (Tab C) and approve the proposed signing statement (Tab D).

\_\_\_\_\_ Approve Signing Statement

\_\_\_\_\_ Disapprove Signing Statement

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 763

Date: December 5, 1974

Time: 12:00 p.m.

FOR ACTION: Pam Needham  
Roger Semerad  
Bill Timmons  
Phil Areeda  
Paul Theis

cc (for information): Warren Hendriks  
Jerry Jones

*jc 12/5/74 dk/DAF*

FROM THE STAFF SECRETARY

DUE: Date: Friday, December 6

Time: 3:00 p.m.

SUBJECT:

Enrolled Bill H.R. 15580 - Departments of Labor  
and HEW and Related Agencies Appropriation Act, 1975

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

Please return to Judy Johnston, Ground Floor, West Wing

1974 DEC 5 PM 12:20

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

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

Warren K. Hendriks  
For the President

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 762

Date: December 5, 1974

Time: 12:00 p.m.

FOR ACTION: Pam Needham *ok*  
Roger Semerad *ok*  
Bill Timmons  
Phil Areeda *ok*  
Paul Theis *edited*

cc (for information): Warren Hendriks  
Jerry Jones

FROM THE STAFF SECRETARY

DUE: Date: Friday, December 6

Time: 3:00 p.m.

SUBJECT:

Enrolled Bill H.R. 15580 - Departments of Labor  
and HEW and Related Agencies Appropriation Act, 1975

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

Please return to Judy Johnston, Ground Floor, West Wing

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

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

K. R. COLE, JR.  
For the President

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 763

Date: December 5, 1974

Time: 12:00 p.m.

FOR ACTION: Pam Needham  
Roger Semerad  
Bill Timmons  
Phil Areeda  
Paul Theis

cc (for information): Warren Hendriks  
Jerry Jones

FROM THE STAFF SECRETARY

DUE: Date: Friday, December 6

Time: 3:00 p.m.

SUBJECT:

Enrolled Bill H.R. 15580 - Departments of Labor  
and HEW and Related Agencies Appropriation Act, 1975

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

Please return to Judy Johnston, Ground Floor, West Wing

*Recd. 12/5/74*

*ok -*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

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

Warren K. Hendriks  
For the President

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 763

Date: December 5, 1974

Time: 12:00 p.m.

FOR ACTION: Pam Needham  
Roger Semerad ✓  
Bill Timmons  
Phil Areeda  
Paul Theis

cc (for information): Warren Hendriks  
Jerry Jones

FROM THE STAFF SECRETARY

DUE: Date: Friday, December 6

Time: 3:00 p.m.

SUBJECT:

Enrolled Bill H.R. 15580 - Departments of Labor  
and HEW and Related Agencies Appropriation Act, 1975

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

Please return to Judy Johnston, Ground Floor, West Wing

*12/16*  
*Approved*  
*Reginald Smith*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

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

Warren K. Hendriks  
For the President

THE WHITE HOUSE

WASHINGTON

December 6, 1974

MEMORANDUM FOR: MR. WARREN HENDRIKS

FROM: WILLIAM E. TIMMONS 

SUBJECT: Action Memorandum - Log No. 763  
Enrolled Bill H. R. 15580 - Departments of  
of Labor and HEW and Related Agencies  
Appropriation Act, 1975

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

Attachment

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 763

Date: December 5, 1974

Time: 12:00 p.m.

FOR ACTION: Pam Needham  
Roger Semerad  
Bill Timmons  
Phil Areeda ✓  
Paul Theis

cc (for information): Warren Hendriks  
Jerry Jones

FROM THE STAFF SECRETARY

DUE: Date: Friday, December 6

Time: 3:00 p.m.

SUBJECT:

Enrolled Bill H.R. 15580 - Departments of Labor  
and HEW and Related Agencies Appropriation Act, 1975

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

Please return to Judy Johnston, Ground Floor, West Wing

*No objection  
P. Areeda*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

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

Warren K. Hendriks  
For the President



THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE  
WASHINGTON, D. C. 20201

DEC 2 1974

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

Dear Mr. Ash:

I would like to provide you with my views on H.R. 15580, the FY 1975 Appropriations Bill for the Departments of Labor, HEW, and related agencies. As passed by the Congress, the total Bill shows a decrease from the Administration's budget request of \$485 million in budget authority. However, the Bill includes a decrease of almost \$1.2 billion in the Public Assistance estimates contained in our original budget.

As you know, we feel that our original estimates for Public Assistance will prove to be much closer to actual experience when the books are closed on FY 1975 than the amounts contained in H.R. 15580. Thus, in our judgment, the FY 1975 Appropriations Bill is more than \$700 million over the February budget. In recognition of this possibility, the Conference Report includes language proposed by Congressman Michel which says essentially that:

1. "The Conferees have no intention of approving new budget authority which will ultimately result in spending in excess of the total budget estimate for the bill."
2. "The Comptroller General, in cooperation with the Congressional Research Service should present to Congress not later than five days after the submission of the President's 1976 budget to the Congress, his best estimate of amounts required for Public Assistance for FY 1975."
3. The Conferees "agree to give full consideration to such rescissions and deferrals as the President shall recommend in light of the Comptroller General's

report as to amounts required for public assistance grants as well as in the light of general economic conditions and the latest estimates of total Federal spending."

My understanding is that the Congress has been informed that, with the above language included in the Report, the Bill is acceptable and the President will sign it.

As you recall, in discussions during the conference on the Bill between members of Congress, Congressional staff, the White House, the Office of Management and Budget, and this Department, three alternatives were proposed.

1. Appropriation language which would have authorized the President to reduce obligations under the Bill by \$600 million;
2. Appropriation language which would have authorized the President to reduce obligations under the Bill by \$300 million; and
3. The report language which was finally adopted.

This Department felt strongly that the first alternative was by far the most preferable solution and so advised the Office of Management and Budget. All Executive Branch sources agreed that the second alternative was not acceptable.

The first alternative is the kind of compromise that has been reached in the past and has the overwhelming advantage of giving legal force through appropriation language to actions taken by the Executive Branch to reduce obligations.

The report language which has been adopted has little, if any, legal standing and in effect simply invites the President, without any commitment by the Congress, to do what the President is free to do anyway: submit deferrals and rescissions. Several colloquies on the House floor when the Conference Report was considered on November 26, indicated that, even if the Congressional estimates in Public Assistance are deemed by the General Accounting Office to be low, this will not automatically mean that Congress will accept rescissions to close the spending gap. These colloquies indicate that Congress intends to place considerable emphasis on the phrase in the report language which refers to general economic conditions and the latest spending estimates, thus blurring considerably their intent to maintain total spending at the level of the original budget estimates.

Thus, we find ourselves with two major hurdles before we can be assured

that spending under this Bill will be held down:

1. First, we must rely on the General Accounting Office and the Congressional Research Service for informed and objective advice on Public Assistance estimates; and
2. Congress will have the final word on whether or not reductions will be made in the event H.R. 15580 is over the February budget.

These are important drawbacks, and I wanted to make certain that you were aware of them.

Sincerely,



Secretary

MAKING APPROPRIATIONS FOR THE DEPARTMENTS  
OF LABOR, AND HEALTH, EDUCATION, AND WEL-  
FARE, AND RELATED AGENCIES

---

NOVEMBER 21, 1974.—Ordered to be printed

---

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

CONFERENCE REPORT

[To accompany H.R. 15580]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15580) "making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1975, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 8, 51, 55, 59, 64, 65, 77, 90, 93, 96, 97.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 6, 10, 12, 15, 17, 19, 21, 23, 25, 27, 29, 31, 33, 34, 36, 39, 41, 43, 50, 63, 67, 68, 69, 70, 71, 72, 75, 76, 78, 79, 81, 84, 85, 86, 87, 88, 89, 91, and agree to the same.

Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$68,009,000; and the Senate agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$2,400,000,000; and the Senate agree to the same.

## Amendment numbered 3 :

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows :

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

## Amendment numbered 4 :

That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows :

In lieu of the sum proposed by said amendment insert *\$928,900,000*; and the Senate agree to the same.

## Amendment numbered 7 :

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

In lieu of the sum proposed by said amendment insert *\$102,006,000*; and the Senate agree to the same.

## Amendment numbered 11 :

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

In lieu of the sum proposed by said amendment insert *\$29,675,000*; and the Senate agree to the same.

## Amendment numbered 13 :

That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows :

In lieu of the sum proposed by said amendment insert *\$493,455,000*; and the Senate agree to the same.

## Amendment numbered 14 :

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

In lieu of the sum proposed by said amendment insert *\$136,443,000*; and the Senate agree to the same.

## Amendment numbered 16 :

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

In lieu of the sum proposed by said amendment insert *\$691,666,000*; and the Senate agree to the same.

## Amendment numbered 18 :

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

In lieu of the sum proposed by said amendment insert *\$324,130,000*; and the Senate agree to the same.

## Amendment numbered 20 :

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

In lieu of the sum proposed by said amendment insert *\$49,864,000*; and the Senate agree to the same.

## Amendment numbered 22 :

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

In lieu of the sum proposed by said amendment insert *\$173,121,000*; and the Senate agree to the same.

## Amendment numbered 24 :

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

In lieu of the sum proposed by said amendment insert *\$142,498,000*; and the Senate agree to the same.

## Amendment numbered 26 :

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

In lieu of the sum proposed by said amendment insert *\$119,452,000*; and the Senate agree to the same.

## Amendment numbered 28 :

That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows :

In lieu of the sum proposed by said amendment insert *\$187,400,000*; and the Senate agree to the same.

## Amendment numbered 30 :

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

In lieu of the sum proposed by said amendment insert *\$141,966,000*; and the Senate agree to the same.

## Amendment numbered 32:

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

In lieu of the sum proposed by said amendment insert *\$44,133,000*; and the Senate agree to the same.

## Amendment numbered 35:

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

In lieu of the sum proposed by said amendment insert *\$34,949,000*; and the Senate agree to the same.

## Amendment numbered 37:

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

In lieu of the sum proposed by said amendment insert *\$127,200,000*; and the Senate agree to the same.

## Amendment numbered 38:

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

In lieu of the sum proposed by said amendment insert *\$5,589,000*; and the Senate agree to the same.

## Amendment numbered 40:

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

In lieu of the sum proposed by said amendment insert *\$28,450,000*; and the Senate agree to the same.

## Amendment numbered 42:

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

In lieu of the sum proposed by said amendment insert *\$781,353,000*; and the Senate agree to the same.

## Amendment numbered 44:

That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *\$30,215,000*; and the Senate agree to the same.

## Amendment numbered 45:

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

In lieu of the sum proposed by said amendment insert *\$107,600,000*; and the Senate agree to the same.

## Amendment numbered 46:

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

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

## Amendment numbered 47:

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

In lieu of the sum proposed by said amendment insert (*\$438,978,000*); and the Senate agree to the same.

## Amendment numbered 48:

That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert (*\$35,994,000*); and the Senate agree to the same.

## Amendment numbered 49:

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

In lieu of the sum proposed by said amendment insert (*\$9,849,000*); and the Senate agree to the same.

## Amendment numbered 52:

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

In lieu of the sum proposed by said amendment insert (*\$9,000,000*); and the Senate agree to same.

## Amendment numbered 54:

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

In lieu of the sum proposed by said amendment insert *\$2,131,271,000*; and the Senate agree to the same.

## Amendment numbered 56:

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

In lieu of the sum proposed by said amendment insert \$660,000,000; and the Senate agree to the same.

## Amendment numbered 60:

That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert (\$49,155,000); and the Senate agree to the same.

## Amendment numbered 61:

That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert (\$7,500,000); and the Senate agree to the same.

## Amendment numbered 62:

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

In lieu of the sum proposed by said amendment insert \$72,224,000; and the Senate agree to the same.

## Amendment numbered 73:

That the House recede from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$771,820,000; and the Senate agree to the same.

## Amendment numbered 74:

That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment, as follows:

In lieu of the sum named by said amendment insert \$23,000,000; and the Senate agree to the same.

## Amendment numbered 80:

That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$177,950,000; and the Senate agree to the same.

## Amendment numbered 83:

That the House recede from its disagreement to the amendment of the Senate numbered 83, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$82,722,000; and the Senate agree to the same.

## Amendment numbered 92:

That the House recede from its disagreement to the amendment of the Senate numbered 92, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$57,000,000; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 9, 53, 57, 58, 66, 82, 94, 95, 98.

DANIEL J. FLOOD,  
WILLIAM H. NATCHER,  
NEAL SMITH,  
BOB CASEY,  
EDWARD J. PATTEN,  
DAVID R. OBEY,  
EDITH GREEN,  
GEORGE H. MAHON,  
ROBERT H. MICHEL,  
GARNER E. SHRIVER (except  
as to amendments Nos. 9  
and 96),  
SILVIO O. CONTE,  
J. K. ROBINSON (except  
amendments Nos. 9 and  
96),  
ELFORD A. CEDERBERG,  
*Managers on the Part of the House.*  
WARREN G. MAGNUSON,  
JOHN C. STENNIS,  
ALAN BIBLE,  
ROBERT C. BYRD,  
WILLIAM PROXMIRE,  
JOSEPH M. MONTOYA,  
ERNEST F. HOLLINGS,  
THOMAS F. EAGLETON,  
JOHN L. McCLELLAN,  
NORRIS COTTON,  
CLIFFORD P. CASE,  
HIRAM L. FONG,  
EDWARD W. BROOKE,  
TED STEVENS,  
RICHARD S. SCHWEIKER,  
MILTON R. YOUNG,  
*Managers on the Part of the Senate.*

## JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15580) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies for the fiscal year ending June 30, 1975, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

### TITLE I—DEPARTMENT OF LABOR

#### MANPOWER ADMINISTRATION

Amendment No. 1: Appropriates \$68,009,000 for "Program administration" instead of \$67,759,000 as proposed by the House and \$68,259,000 as proposed by the Senate.

Amendment No. 2: Appropriates \$2,400,000,000 for "Comprehensive manpower assistance" instead of \$2,450,000,000 as proposed by the House and \$2,325,000,000 as proposed by the Senate.

Amendment No. 3: Appropriates \$12,000,000 for "Community service employment for Older Americans" instead of \$10,000,000 as proposed by the House and \$20,000,000 as proposed by the Senate. It is the intent of the conferees that a portion of these funds be utilized to pay the increase in the minimum wage established by the 1974 amendments to the Fair Labor Standards Act, to all enrollees in Operation Mainstream national contracts programs. The current estimate is that \$3,000,000 will be required for this purpose.

Amendment No. 4: Appropriates \$928,900,000 to be expended from the Employment Security Administration account in the Unemployment Trust Fund for "Grants to States for unemployment insurance and employment services" instead of \$845,400,000 proposed by the House and \$975,400,000 proposed by the Senate. The increase over the amount proposed by the House includes \$65,000,000 for unemployment insurance services and \$18,500,000 for employment services. The conferees are agreed that the current staffing levels of the Employment Service should be maintained.

#### LABOR-MANAGEMENT SERVICES ADMINISTRATION

Amendment No. 5: Appropriates \$27,745,000 for "Salaries and expenses" as proposed by the Senate instead of \$27,890,000 as proposed by the House.

## EMPLOYMENT STANDARDS ADMINISTRATION

Amendment No. 6: Appropriates \$69,150,000 for "Salaries and expenses" as proposed by the Senate instead of \$69,362,000 as proposed by the House.

## OCCUPATIONAL, SAFETY AND HEALTH ADMINISTRATION

Amendment No. 7: Appropriates \$102,006,000 for "Salaries and expenses" instead of \$100,816,000 as proposed by the House and \$105,206,000 as proposed by the Senate. The amount agreed to will provide support for a total of 1,100 positions for compliance inspection, instead of 920 positions proposed by the House and 1,420 proposed by the Senate.

Amendment No. 8: Deletes language proposed by the Senate which would have prohibited consultation services to employers from being performed by the same persons authorized to carry out the inspection provisions of the Act. While the conferees are in general agreement with the objectives of the Senate amendment, bill language is unnecessary since the Labor Department already plans to utilize separate staffs to carry out consultation and inspection services. The Conferees are agreed that the \$5,000,000 included in the bill for consultation services should be provided from the amounts budgeted for State programs.

Amendment No. 9: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the Senate amendment with an amendment which will insert language providing that none of the funds appropriated by this Act shall be used to require recordkeeping and reporting under the Occupational Safety and Health Act of 1970 from employers of ten or fewer employees, and such exclusion shall be governed by the current rules and regulations in CFR, Title 29, Chapter XVII, Part 1904.15. The Managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

## BUREAU OF LABOR STATISTICS

Amendment No. 10: Appropriates \$52,872,000 for "Salaries and expenses" as proposed by the Senate instead of \$53,000,000 as proposed by the House.

## DEPARTMENTAL MANAGEMENT

Amendment No. 11: Appropriates \$29,675,000 for "Salaries and expenses" instead of \$30,290,000 as proposed by the House and \$28,375,000 as proposed by the Senate.

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

## HEALTH SERVICES ADMINISTRATION

Amendment No. 12: Inserts legal citation permitting appropriations for "Health services" to be used for medical care of former Light house Service employees as proposed by the Senate.

Amendment No. 13: Appropriates \$493,455,000 for "Health services" instead of \$481,860,000 as proposed by the House and \$508,455,000 as proposed by the Senate. The change from the amount proposed by the House includes increases of \$5,000,000 for maternal and child health grants to States, \$4,000,000 for research and training in maternal and child health, \$1,000,000 for programs relating to sudden infant death syndrome, and \$3,500,000 for staffing of the Public Health Service hospitals and clinics and a decrease of \$1,905,000 for program direction.

## CENTER FOR DISEASE CONTROL

Amendment No. 14: Appropriates \$136,443,000 for "Preventive health services" instead of \$134,910,000 as proposed by the House and \$140,443,000 as proposed by the Senate. The change from the amount proposed by the House includes an increase of \$2,000,000 for project grants for prevention and control of venereal disease and a reduction of \$467,000 in program direction. The conferees are agreed that the increase of \$700,000 and 40 positions for laboratory improvement provided by both the House and the Senate is to be used to expand the development of product class standards in cooperation with the Food and Drug Administration. The conferees are further agreed that the comprehensive study of the Nation's coal-mining areas, directed by the Senate, is not needed at this time but will be considered in the future.

## NATIONAL INSTITUTES OF HEALTH

The conferees have agreed upon a total of \$2,041,968,000 for the research institutes and divisions of the National Institutes of Health. These appropriations are covered by Amendments Nos. 15 through 38. This compares with the 1974 operating level of \$1,739,078,000, the budget estimate for 1975 of \$1,785,922,000, the House bill of \$1,744,666,000, and the Senate bill of \$2,144,000,000. The conferees have agreed to the full budget estimate of \$246,293,000 for research contracts included in the Senate bill but not considered by the House. The earmarkings included in the Senate Committee report should be used as a guideline in allocating the remaining increases over the amounts proposed by the House, except in those instances where more specific instructions are contained in this statement.

Amendments Nos. 15 and 16: Adjust legal citations as proposed by the Senate and appropriate \$691,666,000 for "National Cancer Institute" instead of \$479,506,000 as proposed by the House and \$755,000,000 as proposed by the Senate.

Amendments Nos. 17 and 18: Adjust legal citations as proposed by the Senate and appropriate \$324,130,000 for "National Heart and Lung Institute" instead of \$321,196,000 as proposed by the House and \$330,000,000 as proposed by the Senate.

Amendments Nos. 19 and 20: Adjust legal citations as proposed by the Senate and appropriate \$49,864,000 for "National Institute of Dental Research" instead of \$44,388,000 as proposed by the House and \$51,000,000 as proposed by the Senate.

Amendments Nos. 21 and 22: Adjust legal citations as proposed by the Senate and appropriate \$173,121,000 for "National Institute of Arthritis, Metabolism and Digestive Diseases" instead of \$162,207,000 as proposed by the House and \$178,000,000 as proposed by the Senate.

Amendments Nos. 23 and 24: Adjust legal citations as proposed by the Senate and appropriate \$142,498,000 for "National Institute of Neurological Diseases and Stroke" instead of \$131,960,000 as proposed by the House and \$144,000,000 as proposed by the Senate.

Amendments Nos. 25 and 26: Adjust legal citations as proposed by the Senate and appropriate \$119,452,000 for "National Institute of Allergy and Infectious Diseases" instead of \$105,843,000 as proposed by the House and \$122,000,000 as proposed by the Senate.

Amendments Nos. 27 and 28: Adjust legal citations as proposed by the Senate and appropriate \$187,400,000 for "National Institute of General Medical Sciences" instead of \$178,108,000 as proposed by the House and \$198,000,000 as proposed by the Senate.

Amendments Nos. 29 and 30: Adjust legal citations as proposed by the Senate and appropriate \$141,966,000 for "National Institute of Child Health and Human Development" instead of \$120,232,000 as proposed by the House and \$145,000,000 as proposed by the Senate.

Amendments Nos. 31 and 32: Adjust legal citations as proposed by the Senate and appropriate \$44,133,000 for "National Eye Institute" instead of \$38,878,000 as proposed by the House and \$50,000,000 as proposed by the Senate.

Amendments Nos. 33, 34 and 35: Adjust legal citations as proposed by the Senate and appropriate \$34,949,000 for "National Institute of Environmental Health Sciences" instead of \$32,594,000 as proposed by the House and \$35,000,000 as proposed by the Senate. It is the intent of the conferees that a portion of the Congressional increase be used on research on the effects of vinyl chloride and related plastic components. This research is an important investment in the health and safety of workers and their families, and can serve as a model for future research should the vinyl chloride episode be not simply a unique event in the chemical industry but a harbinger of still undiscovered industrial health hazards.

Amendments Nos. 36 and 37: Adjust legal citations as proposed by the Senate and appropriate \$127,200,000 for "Research resources" instead of \$124,370,000 as proposed by the House and \$130,000,000 as proposed by the Senate.

Amendment No. 38: Appropriates \$5,589,000 for "John E. Fogarty International Center for Advanced Study in the Health Sciences" instead of \$5,384,000 as proposed by the House and \$6,000,000 as proposed by the Senate.

Amendments Nos. 39 and 40: Adjust legal citations as proposed by the Senate and appropriate \$28,450,000 for "National Library of Medicine" instead of \$21,768,000 as proposed by the House and \$29,350,000 as proposed by the Senate. The entire increase over the amount proposed by the House is for the medical library assistance program, including \$400,000 to initiate in cooperation with the Maternal and Child Health, Cancer, and Medicaid programs, 6 experimental efforts to serve medically underserved rural areas.

Amendment No. 41: Appropriates \$17,000,000 for "Office of the Director" as proposed by the Senate instead of \$17,894,000 as proposed by the House.

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

Amendment No. 42: Appropriates \$781,358,000 for "Alcohol, drug abuse, and mental health" instead of \$761,601,000 as proposed by the House and \$811,114,000 as proposed by the Senate. The changes from the amounts proposed by the House include increases of \$3,106,000 for mental health research, \$9,499,000 for mental health training, \$1,535,000 for drug abuse training, \$592,000 for alcoholism research, \$1,023,000 for alcoholism training, and \$6,000,000 for alcoholism project grants and contracts, and net reductions in management, information, and program direction totalling \$1,998,000, including an increase of \$300,000 for the National Institute of Alcohol Abuse and Alcoholism.

#### HEALTH RESOURCES ADMINISTRATION

Amendment No. 43: Appropriates \$7,500,000 for "Health resources" for carrying out the District of Columbia Medical and Dental Manpower Act of 1970, as proposed by the Senate.

#### ASSISTANT SECRETARY OF HEALTH

Amendment No. 44: Appropriates \$30,215,000 for "Assistant Secretary for Health" instead of \$42,628,000 as proposed by the House and \$23,215,000 as proposed by the Senate. The increase over the amount proposed by the Senate is for professional standards review organizations.

#### OFFICE OF EDUCATION

Amendment No. 45: Appropriates \$107,600,000 for "Elementary and secondary education" instead of \$105,600,000 as proposed by the House and \$113,100,000 as proposed by the Senate.

Amendment No. 46: Earmarks \$12,000,000 for educational broadcasting facilities instead of \$10,000,000 as proposed by the House and \$16,000,000 as proposed by the Senate.

Amendments Nos. 47, 48 and 49: Provide the following earmarks for programs authorized by the Vocational Education Act of 1963: \$438,978,000 for parts B and C instead of \$433,978,000 as proposed by the House and \$445,012,000 as proposed by the Senate; \$35,994,000 for consumer and homemaking programs under Part F instead of \$30,994,000 as proposed by the House and \$46,000,000 as proposed by the Senate; and \$9,849,000 for work study programs under Part H instead of \$7,849,000 as proposed by the House and \$10,524,000 as proposed by the Senate.

Amendments Nos. 50, 51, and 52: Provide the following earmarks for programs authorized by the Education Professions Development Act: \$8,139,000 for part D as proposed by the Senate instead of \$32,655,000 as proposed by the House; \$2,100,000 for Part E as proposed by the House instead of \$5,000,000 as proposed by the Senate;

and \$9,000,000 for part F instead of \$7,000,000 as proposed by the House and \$11,860,000 as proposed by the Senate.

Amendment No. 53: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the Senate amendment with an amendment which will appropriate \$612,376,000 for "Occupational, vocational, and adult education" instead of \$622,892,000 as proposed by the House and \$634,851,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 54: Appropriates \$2,131,271,000 for "Higher education" instead of \$2,145,271,000 as proposed by the House and \$2,117,591,000 as proposed by the Senate. The conferees are agreed that the total appropriation includes \$660,000,000 for basic opportunity grants, \$10,750,000 for cooperative education, \$321,000,000 for national direct student loans, \$20,000,000 for State student incentive grants, \$110,000,000 for strengthening developing institutions, \$14,000,000 for foreign language training and area studies, \$9,500,000 for land grant college assistance under the Bankhead-Jones Act, \$3,000,000 for State postsecondary commissions, and \$1,500,000 for mining fellowships under part D of Title IX of the Higher Education Act.

Amendment No. 55: Restores language which the Senate proposed to delete relating to amounts reallocated for work study.

Amendment No. 56: Earmarks \$660,000,000 for basic opportunity grants instead of \$650,000,000 as proposed by the House and \$685,000,000 as proposed by the Senate.

Amendment No. 57: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment which provides that \$648,500,000 for basic opportunity grants shall remain available through June 30, 1976 instead of \$673,500,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 58: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment deleting language which prohibits the payment of basic opportunity grants to part-time students. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 59: Deletes language proposed by the Senate which would have extended the availability of the 1974 appropriation for work study until June 30, 1975.

Amendments Nos. 60, 61, and 62: Appropriate \$72,224,000 for "Library resources" instead of \$63,724,000 as proposed by the House and \$99,857,000 as proposed by the Senate; and earmark \$49,155,000 for public library services instead of \$44,155,000 as proposed by the House and \$66,906,000 as proposed by the Senate, and earmark \$7,500,000 for undergraduate instructional equipment instead of \$5,000,000 as proposed by the House and \$12,000,000 as proposed by the Senate. The conferees are agreed that the total appropriation includes \$3,000,000 for library training and demonstration programs.

Amendment No. 63: Appropriates \$114,400,000 for "Salaries and expenses" as proposed by the Senate instead of \$120,808,000 as proposed by the House. The conferees expect a portion of the funds provided under this appropriation to be used to continue support at the current annual rate of \$950,000 for the educational policy research centers, which were recently transferred to the Assistant Secretary for Education. The conferees also direct that sufficient funds be used within this appropriation to finance a comprehensive evaluation of the cooperative education program relating to higher education institutions.

Amendments Nos. 64 and 65: Delete language proposed by the Senate authorizing not to exceed \$3,000,000 from funds previously appropriated for higher education facilities loans and restore language proposed in the House bill.

#### NATIONAL INSTITUTE OF EDUCATION

Amendment No. 66: Reported in technical disagreement. The Managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which will appropriate \$70,000,000 for "National Institute of Education", instead of \$80,000,000 as proposed by the House. The Senate bill deleted the entire appropriation. The amendment will also provide that none of the funds appropriated under this heading may be used to award a grant or contract to any educational laboratory, research and development center, or any other project if any employee of said laboratory, center, or project is compensated, directly or indirectly, in whole or in part from Federal funds at an annual salary in excess of the salary paid to the U.S. Commissioner of Education or the Director of the National Institute of Education. The Managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

#### OFFICE OF THE ASSISTANT SECRETARY FOR EDUCATION

Amendment No. 67: Appropriates \$2,307,000 for "Salaries and expenses" as proposed by the Senate instead of \$2,437,000 as proposed by the House.

#### SOCIAL AND REHABILITATION SERVICE

Amendment No. 68: Appropriates \$12,111,731,000 for "Public assistance" as proposed by the Senate instead of \$12,402,864,000 as proposed by the House.

Amendment No. 69: Earmarks \$50,000,000 for child welfare services as proposed by the Senate instead of \$47,500,000 as proposed by the House.

Amendments Nos. 70 and 71: Provide for making, after March 31 of the current fiscal year, payments to States under various titles of the Social Security Act for the last three months of the current fiscal year as proposed by the Senate instead of making, after May 31 of the current fiscal year, such payments for the last thirty days of the current fiscal year as proposed by the House.

Amendment No. 72: Appropriates \$210,000,000 for "Work incentives" as proposed by the Senate instead of \$280,000,000 as proposed by the House.

Amendment No. 73: Appropriates \$771,820,000 for "Rehabilitation services" instead of \$768,600,000 as proposed by the House and \$784,120,000 as proposed by the Senate. The conferees are agreed that the increase over the amount proposed by the House includes \$3,000,000 for innovation and expansion grants and \$220,000 for the National Center for Deaf-Blind Youths and Adults.

Amendment No. 74: Provides that \$23,000,000 of this appropriation shall be for sections 120 and 130 of the Rehabilitation Act of 1973 instead of \$29,000,000 as proposed by the Senate.

Amendment No. 75: Appropriates \$63,819,000 for "Salaries and expenses" as proposed by the Senate instead of \$72,020,000 as proposed by the House. The conferees are agreed that the reduction from the amount proposed by the House should be made in accordance with the directives and guidelines contained in the Senate Committee report, but in no way should this result in reductions-in-force among existing staff.

#### SOCIAL SECURITY ADMINISTRATION

Amendment No. 76: Authorizes \$2,004,729,000 for "Limitation on salaries and expenses" from the social security trust funds as proposed by the Senate instead of \$1,992,107,000 as proposed by the House.

Amendment No. 77: Deletes language proposed by the Senate which would have established a limitation of \$64,622,000 for payments of standard level user charges. The conferees are agreed that the Social Security Administration shall not use trust funds to pay the General Services Administration, or any other landlord, more than the actual cost of space that it actually occupies. The language proposed by the Senate is deleted because of the difficulty in estimating the actual amounts required for the cost of office space. The conferees are agreed on the intent of the language proposed by the Senate.

#### SPECIAL INSTITUTIONS

Amendment No. 78: Appropriates \$27,543,000 for "Gallaudet College" as proposed by the Senate instead of \$27,476,000 as proposed by the House.

Amendment No. 79: Appropriates \$79,650,000 for "Howard University" as proposed by the Senate instead of \$79,194,000 as proposed by the House.

#### ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT

Amendment No. 80: Appropriates \$177,950,000 for "Human development" instead of \$170,530,000 as proposed by the House and \$179,950,000 as proposed by the Senate. The conferees are agreed that the changes from the amount proposed by the House include an increase of \$9,000,000 for community services programs under Title III of the Older Americans Act and a reduction of \$1,580,000 for salaries and expenses.

#### OFFICE OF THE SECRETARY

Amendment No. 81: Appropriates \$22,207,000 for "Office for Civil Rights" as proposed by the Senate instead of \$22,321,000 as proposed by the House.

The conferees have received reports that the Department of Health, Education and Welfare is interpreting the provisions of Title IX of the Education Amendments of 1972 (P.L. 92-318), which prohibits sex discrimination in education, in such a manner as to apply these provisions to such organizations as Boy Scouts, Girl Scouts, Campfire Girls, Boys Club, Girls Club, YMCA, YWCA, sororities, fraternities, and similar organizations.

The conferees are agreed that this is an improper interpretation of the law and direct that none of the funds appropriated in this bill are to be used to enforce the provisions of Title IX with respect to such organizations.

The conferees also are agreed that none of the funds appropriated in this bill are to be used to enforce the integration of physical education classes by sex.

The conferees also believe that in enforcing the provisions of Title IX with respect to educational institutions, the Department is imposing an unreasonable amount of paperwork on these institutions. It was clearly not the intent of Congress to require educational institutions to submit a report on each and every rejected applicant for employment giving background, experience, and the reasons why he or she was not hired. Even small institutions may have a thousand or more applicants each year.

Such a requirement should not be imposed on educational institutions, most of which are having financial problems. The conferees direct the Secretary to see to it that this requirement is discontinued and to take steps to assure that the law is administered more rationally in the future.

Amendment No. 82: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which inserts language requiring that the enforcement of orders to desegregate local schools shall be carried out in the same manner and under the same circumstances, in the northern, eastern, western, and southern parts of the United States.

Amendment No. 83: Appropriates \$82,722,000 for "Departmental management" instead of \$93,970,000 as proposed by the House and \$78,754,000 as proposed by the Senate.

#### GENERAL PROVISIONS

Amendment No. 84: Deletes section 208 proposed by the House which would have prohibited the use of funds in the bill for HEW to force any school district to force the busing of students; to force on account of race, creed, or color the abolishment of any school; or to force the transfer or assignment of students over the protest of the parent.

Amendment No. 85: Deletes Section 209 proposed by the House which would have prohibited the use of funds in the bill for HEW to force any school district to force the busing of students; to require the abolishment of any school; or to force on account of race, creed, or color the transfer of students as a condition precedent to obtaining Federal funds.

Amendment No. 86: Deletes Section 210 proposed by the House which would have prohibited the use of funds appropriated for any applicable program for the transportation of students or teachers in order to overcome racial imbalance or to carry out a plan of racial desegregation.

Amendment No. 87: Inserts Section 208 as proposed by the Senate which prohibits the use of funds in the bill for HEW to force any school district which is desegregated as defined by Title IV of the Civil Rights Act to force the busing of students; to force on account of race, creed, or color the abolishment of any school; or to force the transfer or assignment of students over the protest of the parent.

Amendment No. 88: Inserts Section 209(a) as proposed by the Senate which prohibits the use of funds in the bill for HEW to force any school district which is desegregated as defined by Title IV of the Civil Rights Act to force the busing of students; to require the abolishment of any school; or to force on account of race, creed, or color the transfer of students as a condition precedent to obtaining Federal funds.

Amendment No. 89: Inserts Section 209(b) as proposed by the Senate which prohibits the use of funds appropriated in this Act for the transportation of students or teachers to overcome racial imbalance or to carry out a plan of racial desegregation.

Amendment No. 90: Deletes Section 210 as proposed by the Senate which would have prohibited the use of funds in the bill to pay any Medicare carrier or their subcontractor for costs of administration, including start up costs, any amount in excess of reasonable costs as determined by competitive bidding procedures.

The Committee is concerned about testimony given during the course of the hearings on this bill that the current provisions of Title XVIII of the Social Security Act can result in the application of different standards for Government reimbursement of Medicare prime contractors, as opposed to the standards and requirements for reimbursement by the prime contractors of organizations which are their subcontractors in the administration of Part "B" of the Medicare program. This difference in reimbursement practices arises from the fact that prime contractors (Medicare carriers) are entitled under the law to cost reimbursement for the reasonable costs of all phases of their Medicare services. If they desire to subcontract any part of their contract obligations, they are required by the Government to secure competitive fixed-price bids from qualified subcontractors and enter into fixed-price subcontracts for the desired services. (The subcontract

charges are then translated into reimbursable costs of the carrier.) Such subcontracts are subject to the approval of the Secretary.

If at the end of the term of such an approved subcontract, the prime contractor, or carrier, decides to resume providing the formerly subcontracted service by employing its own facilities and personnel, it cannot guarantee that the Government will receive the services at the lowest reasonable cost because the present law does not bind a carrier to a prospective fixed price. The Committee strongly urges that the appropriate Committees of the Congress give consideration to a substantive amendment which would remove any anomalies from the existing law.

Until such time as the appropriate Committees have acted those carriers which have previously subcontracted for the services they are obliged to provide should not receive the approval of the Secretary to a proposal to resume performance of the subcontracted services on their own at the end of a subcontract period, unless the Secretary finds that such a change will be cost effective and in the best interests of the Government. In reaching a judgment as to the cost effectiveness of such a proposal the Secretary shall evaluate the cost projections of the carrier, the amount previously incurred as costs under the subcontract adjusted to the future contract period, as well as the costs incurred by comparable carriers (i.e., those carriers with a comparable workload size and composition which, through direct or subcontracted performance of their Medicare responsibilities, have met and are meeting the performance standards applied to all carriers), and the probability of achievement of the projected costs. Such administrative action on the part of the Secretary will serve to protect the Government's interests pending any substantive legislative action.

The Committee reiterates its concern that the Social Security Administration will promote competition, reduce costs in its administration of the program without sacrificing quality and will embark on carrying out the recommendations of the Advisory Committee on Medicare Administration, Contracting and Subcontracting and report back on their efforts to the appropriate Committees of the Congress.

### TITLE III—RELATED AGENCIES

#### ACTION

Amendment No. 91: Appropriates \$100,000,000 for "Operating expenses, domestic programs" as proposed by the Senate instead of \$96,000,000 as proposed by the House.

#### CORPORATION FOR PUBLIC BROADCASTING

Amendment No. 92: Appropriates \$57,000,000 for "Payment to the Corporation for Public Broadcasting" instead of \$55,000,000 as proposed by the House and \$60,000,000 as proposed by the Senate.

## OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

Amendment No. 93: Appropriates \$5,512,000 for "Salaries and expenses" as proposed by the House instead of \$5,700,000 as proposed by the Senate. The conferees note that the workload of the agency is expected to increase sharply in fiscal year 1975. The Commission should fill as many of its vacant authorized positions as is necessary to avoid a backlog in caseload.

## RAILROAD RETIREMENT BOARD

Amendment No. 94: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which provides that, notwithstanding any other provisions of law, no portion of the "Limitation on salaries and expenses" shall be available for payments of standard level user charges to the General Services Administration.

## TITLE IV—GENERAL PROVISIONS

Amendment No. 95: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the Senate amendment which authorizes the Secretary of Labor and the Secretary of HEW to each make available \$7,500 from funds available for salaries and expenses under the Labor and HEW titles of the bill, for the purpose of official reception and representation expenses.

Amendment No. 96: Deletes section 412 proposed by the Senate which would have provided that no part of the funds appropriated under the Act shall be used in any manner directly or indirectly to pay for or encourage the performances of abortions except such abortions as are necessary to save the life of a mother.

A majority of the Conferees strongly support the apparent intent of the Senate amendment to prohibit the use of public funds to pay for or encourage abortions. Nevertheless, they are persuaded that an annual appropriation bill is an improper vehicle for such a controversial and far-reaching legislative provision whose implications and ramifications are not clear, whose constitutionality has been challenged, and on which no hearings have been held. The rules and traditions of both the House and the Senate militate against the inclusion of legislative language in appropriation bills. The Conferees urge the appropriate legislative committees of the Congress to give early consideration to the enactment into basic law of carefully drawn legislation dealing with the subject of abortion.

Amendment No. 97: Deletes section 413 proposed by the Senate which would have provided that no provision or prohibition in this Act shall prohibit the implementation of rights guaranteed by the Constitution.

Amendment No. 98: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the amendment of the Senate with an amendment which will adopt the section inserted by the Senate dealing with research involving human participants and change the section number. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

## REDUCTION IN BUDGET AUTHORITY

The total new budget (obligational) authority included in the bill, as agreed to by the conferees, is \$33,045,856,000, a reduction of \$485,239,000 from the budget request. The conferees are aware of the possibility that the amount included in the bill for "Public Assistance" may not be sufficient to meet payments required by law for these grants for fiscal year 1975. Any additional amount required would necessarily be provided in supplemental appropriations or by borrowing from the appropriation for the subsequent fiscal year, which might cause total obligations and expenditures for programs funded in the bill to exceed the amount proposed in the budget. The conferees are acutely aware of the need to control inflation and of the need to restrain Federal spending as one means to achieve this objective. The conferees have no intention of approving new budget (obligational) authority which will ultimately result in spending in excess of the total budget estimate for the bill. Therefore, in view of the present uncertainties with respect to public assistance grants, the conferees direct the Comptroller General in cooperation with the Congressional Research Service to present to the Appropriations Committees of the House and Senate, not later than five days after the submission of the President's fiscal year 1976 budget to the Congress, a report as to his best estimate of amounts required for "Public Assistance" for fiscal year 1975.

The conferees further call attention to the President's authority under the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93-944) to propose deferral and rescission of budget authority, and they agree to give full consideration to such rescissions and deferrals as the President shall recommend, in the light of the Comptroller General's report as to amounts required for public assistance grants, as well as in the light of general economic conditions and the latest estimates of total Federal spending. In the meantime, the conferees would expect the President, in consultation with Appropriations Committees of the House and Senate, an in accordance with the procedures established in Public Law 93-344 to propose deferral or rescission of that portion of budget authority for programs in this bill which would otherwise cause total obligations and expenditures to exceed the amount proposed in the budget. Under no circumstances, however, should such deferrals be applied so as to eliminate entirely funds for programs provided for under this bill, since such action is defined as a rescission under Public Law 93-344.

## CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1975 recommended by the committee of conference, with comparisons to the fiscal year 1974 amount, the 1975 budget estimate, and the House and Senate bills follow :

New budget (obligational) authority, fiscal year 1974.....	\$29, 254, 546, 000
Budget estimates of new (obligational) authority, fiscal year 1975 .....	33, 531, 095, 000
House bill, fiscal year 1975.....	33, 156, 541, 000
Senate bill, fiscal year 1975.....	33, 111, 142, 000
Conference agreement.....	33, 045, 856, 000
Conference agreement compared with :	
New budget (obligational) authority, fiscal year 1974.....	+3, 791, 310, 000
Budget estimates of new (obligational) authority, fiscal year 1975.....	—485, 239, 000
House bill, fiscal year 1975.....	—110, 685, 000
Senate bill, fiscal year 1975.....	—65, 286, 000

DANIEL J. FLOOD,  
 WILLIAM H. NATCHER,  
 NEAL SMITH,  
 BOB CASEY,  
 EDWARD J. PATTEN,  
 DAVID R. OBAY (except as to the state-  
 ment under the heading "Reduction  
 in Budget Authority"),  
 EDITH GREEN,  
 GEORGE H. MAHON,  
 ROBERT H. MICHEL,  
 GARNER E. SHRIVER (except as to  
 amendments Nos. 9 and 96),  
 SILVIO O. CONTE,  
 J. K. ROBINSON (except amendments  
 Nos. 9 and 96),  
 ELFORD A. CEDERBERG,  
*Managers on the Part of the House.*

WARREN G. MAGNUSON,  
 JOHN C. STENNIS,  
 ALAN BIBLE,  
 ROBERT C. BYRD,  
 WILLIAM PROXMIRE,  
 JOSEPH M. MONTOYA,  
 ERNEST F. HOLLINGS,  
 THOMAS F. EAGLETON,  
 JOHN L. MCCLELLAN,  
 NORRIS COTTON,  
 CLIFFORD P. CASE,  
 HIRAM L. FONG,  
 EDWARD W. BROOKE,  
 TED STEVENS,  
 RICHARD S. SCHWEIKER,  
 MILTON R. YOUNG,  
*Managers on the Part of the Senate.*

Final Draft  
11-16

I have today signed H.R. 15580, the 1975 Appropriation Act for the Departments of Labor and Health, Education, and Welfare and related agencies.

The Congress intended that the appropriations provided in H.R. 15580 should not exceed the <sup>fiscal year</sup> 1975 budget. Nevertheless, amounts included in the bill for mandatory Federal payments for public assistance are \$1.2 billion below the estimates in the budget. The conferees' report on the bill, however, explicitly states that the "conferees are acutely aware of the need to control inflation and of the need to restrain spending as one means to achieve this objective." The report <sup>further</sup> states ~~that~~: "The conferees have no intention of approving <sup>new</sup> budget (obligational) authority which will ultimately result in spending in excess of the total budget estimate for the bill." In conclusion, the conferees ~~expressed the~~ <sup>expressed the</sup> ~~declared the expectation and a~~ willingness of the Congress to consider fully deferrals and rescissions submitted by the President to achieve these objectives.

I commend the Congress on this responsible approach to reducing inflationary pressures. I believe, however, that further review of mandatory public assistance spending will confirm the need for significantly higher spending than provided for in H.R. 15580. In the meantime, I will submit, as expected by the report of the conferees, deferrals to restrain spending for discretionary programs under this bill.

Office of the White House Press Secretary

THE WHITE HOUSESTATEMENT BY THE PRESIDENT

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# # #

APPROVED  
DEC 7 - 1974

ACTION

Last Day: December 9

THE WHITE HOUSE

WASHINGTON

December 6, 1974

MEMORANDUM FOR

THE PRESIDENT

FROM:

KEN COLE *C*

SUBJECT:

Enrolled Bill H.R. 15580 - Departments of Labor and Health, Education and Welfare and Related Agencies Appropriations Act, 1975

Attached for your consideration is H.R. 15580, sponsored by Representative Flood, which appropriates for fiscal year 1975 a total of \$33,045,856,000 in budget authority for the activities of the Departments of Labor and Health, Education and Welfare, and other agencies.

Roy Ash recommends approval in his memorandum (Tab A) and provides you with additional background information in his enrolled bill report (Tab B).

Bill Timmons and Phil Areeda both recommend approval. Paul Theis has approved the text of the proposed signing statement.

RECOMMENDATION

That you sign H.R. 15580 (Tab C) and approve the proposed signing statement (Tab D).

*RC* Approve Signing Statement

\_\_\_\_\_ Disapprove Signing Statement

For Immediate Release  
Off of the WH Press

STATEMENT BY THE PRESIDENT

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